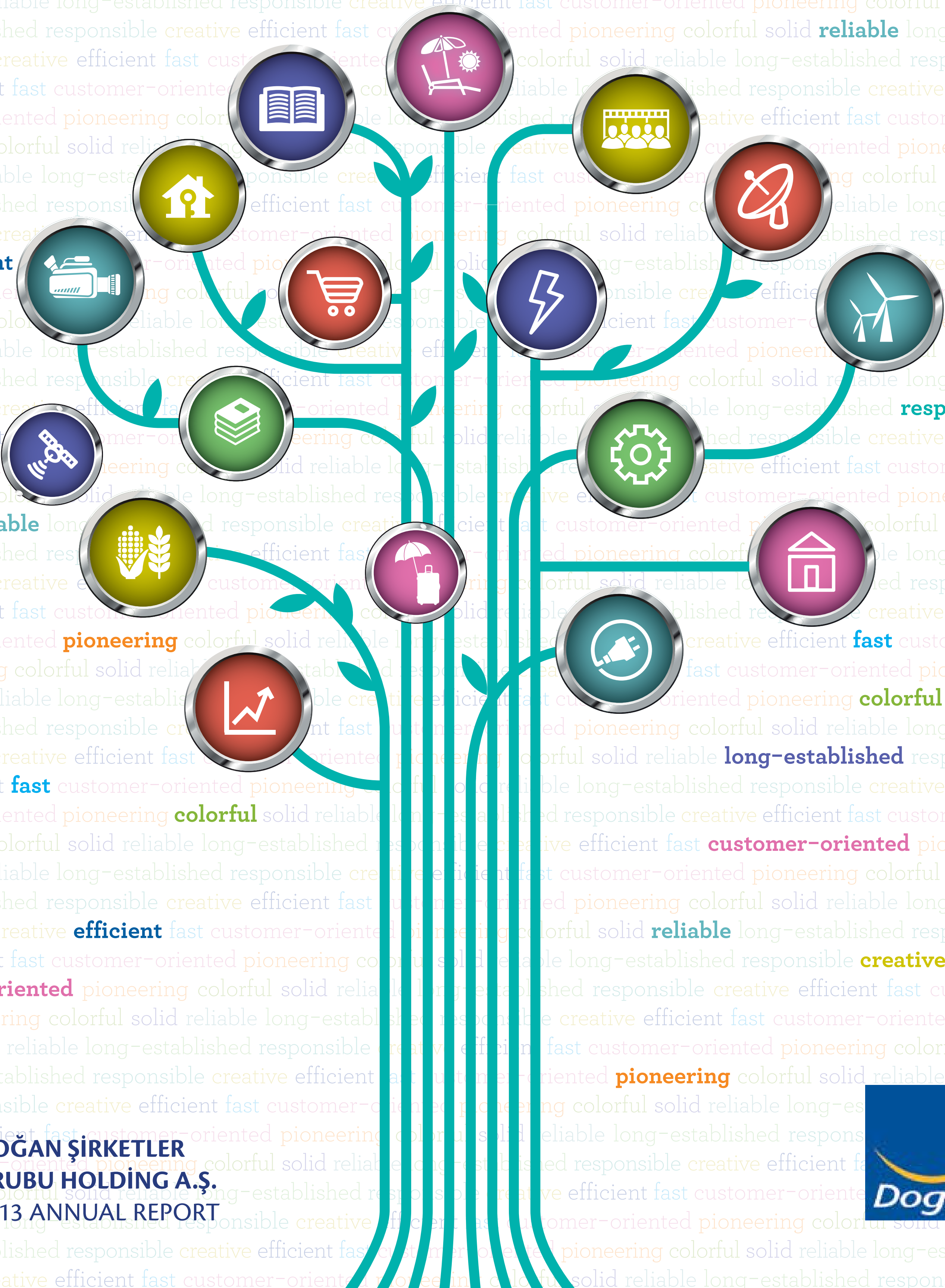


DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

2013 ANNUAL REPORT

Doğan

Contents

Always Together

OPERATING PRIMARILY IN THE MEDIA AND ENERGY SECTORS, WE MAKE A DIFFERENCE FOR TURKEY IN MANY AREAS. OUR GOAL IS TO MAKE YOU EARN WHILE WE GENERATE PROFIT. FOR OUR STAKEHOLDERS, WE ALWAYS OFFER PRODUCTS AND SERVICES THAT CREATE MORE VALUE EACH DAY.

WE SHARE SUCCESS, HAPPINESS AND, MOST IMPORTANTLY, LIFE ITSELF WITH OUR READERS, VIEWERS, CUSTOMERS AND SOCIETY AS A WHOLE.

2013 In Brief

DEVELOPMENTS IN THE 1ST QUARTER

Capacity increase at Doğan Energy's Mersin WEPP

At Mersin WEPP, acquired by the Company in June 2012, the installed capacity was increased from 33 MW to 42 MW in February 2013.

Doğan Burda's tablet app "Dergi Burada" launched

In line with plans to grow further on the digital platform, the Company introduced the iOS application "Dergi Burada" ("The Magazine is Here") in March 2013, offering users access to all the company's brands.

Doğan Burda rolls out "Geo" magazine

In March 2013, Doğan Burda added the best-selling global travel and geography magazine "Geo" and its monthly travel magazine "Geo Saison" to its magazine portfolio.

DEVELOPMENTS IN THE 2ND QUARTER

D&R acquires Idefix and Prefix

Turkey's leading entertainment retailer D&R acquired Idefix and Prefix, two of the country's largest online book sales platforms, in May 2013. With this step, D&R not only expanded D&R Online -considered to be the retail chain's biggest store- but the company also entered the online book wholesale market by acquiring Prefix.

Capacity increase at Doğan Energy's Şah WEPP

The installed capacity of Şah WEPP, acquired by the Company in June 2012, was increased from 93 MW to 105 MW in May 2013.

Doğan Organic Products presented with an award from the European Commission

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

Doğan TV lifts obstacles for the disabled

The project dubbed "Lifting Obstacles for Disabled Viewers" launched in May 2013, allowing over 130 thousand hearing and visually disabled viewers to follow TV programming more easily.

Dividend distribution at Doğan Gazetecilik

At Doğan Gazetecilik's Ordinary General Assembly dated May 28, 2013, it was decided that after setting aside the necessary legal reserves the amount of TL 11,594,743.98 -corresponding to 11.04% of issued capital- would be distributed as gross/net cash dividend. The dividend distribution commenced on May 30, 2013.

Dividend distribution at Doğan Burda

At Doğan Burda's Ordinary General Assembly dated May 28, 2013, it was decided that after setting aside the necessary legal reserves the amount of TL 7,647,470.45 -corresponding to 39.09915% of issued capital- would be distributed as gross/net cash dividend.

DEVELOPMENTS IN THE 3RD QUARTER

Advance dividend payment by Doğan Gazetecilik

Pursuant to the Doğan Gazetecilik Board of Directors decision dated August 26, 2013, after setting aside the necessary legal reserves, the amount of TL 9,599,899 -corresponding to 9.14276% of issued capital- would be distributed as gross/net cash advance dividend payment. Doğan Gazetecilik is the first Turkish company to make an advance dividend payment.

DYH corporate governance rating upgraded(1)

On July 30, 2013, ISS Corporate Services Inc. revised DYH's corporate governance rating as 9.03 (90.34%) out of 10.00. As such, the company's rating was upgraded from 9.00 to 9.03.

Hürriyet corporate governance rating affirmed(1)

On September 24, 2013, ISS Corporate Services Inc. affirmed Hürriyet's corporate governance rating as 9.09 (90.90%) [2012: 90.90%] out of 10.00.

Fitch upgrades DYH's credit rating

On September 6, 2013, the global ratings agency Fitch Ratings upgraded DYH's long-term foreign and local currency Issuer Default Ratings (IDRs) to "BB-" from "B+", and confirmed its outlook as stable.

Fitch upgrades Hürriyet's credit rating

On September 6, 2013, the global ratings agency Fitch Ratings also revised Hürriyet's long-term foreign and local currency Issuer Default Ratings (IDRs) to "BB-" from "B+", and changed its outlook to "stable" from "positive". In addition, Fitch upgraded the company's long term domestic credit rating to "A+(tur)" from "A(tur)" and revised its outlook to "stable" from "positive".

Doğan TV's non-binding offer for Digitürk

Doğan TV Holding has made a non-binding USD 742,000,000 offer for the purchase and acquisition of a 53% stake in Krea İçerik Hizmetleri ve Prodüksiyon A.Ş. (Digitürk), which is owned by Çukurova Holding A.Ş. On January 17, 2014, Doğan TV Holding raised its offer to USD 879,450,000.

Doğan Energy's Yemen Block 84 project

In June 2013, Doğan Energy submitted an offer for exploration of Block 84 together with DNO International of Norway. The Yemeni government awarded the project to the Doğan Energy-DNO partnership in July 2013. Operations will commence after the signing and ratification of the Production Sharing Agreement.

Doğan Burda launches "Spa & Wellness" magazine

In September 2013, Doğan Burda added "Spa & Wellness" to its magazine portfolio; the healthy living publication will be published once every two months.

(1) According to the announcement dated March 3, 2014 via the Public Disclosure Platform, ISS Corporate Services Inc. has revised the corporate governance ratings of all of its clients in line with Capital Markets Board resolutions dated February 1, 2013 and numbered 4/105. As a result, DYH's and Hürriyet's revised ratings were 8.94 and 8.86, respectively.

DEVELOPMENTS IN THE 4TH QUARTER

Recycling campaign by Hürriyet and TEMA

Hürriyet newspaper sponsored a successful recycling initiative that ran October 7-31, 2013. During the campaign, readers who brought in three old newspapers were presented with the latest edition of the newspaper. In 24 days, Hürriyet collected a total of 1,200,218 old papers, and offered 400,000 current newspapers in return. Implemented in all of the country's 81 provinces at 24 thousand sales points, the recycling drive collected 216 tons of newspaper and as a result helped save some 3,672 trees.

D-Smart signs agreements with Sony and MGM

In the last quarter of 2013, D-Smart entered into exclusive agreements with global giants Sony and MGM. Accordingly, from 2014 onwards, D-Smart will be offering viewers all the new feature films, movie classics, popular TV series and new talk shows from Sony Pictures Television, as well as all of MGM's new feature films and timeless classic movies.

Doğan Burda rolls out "Revolution"

The licensed watch magazine "Revolution" which focuses on the luxury watch segment, was added to the Doğan Burda portfolio in December 2013.

Doğan Holding corporate governance rating upgraded(*)

On November 5, 2013, SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. upgraded Doğan Holding's corporate governance rating from 9.03 (90.31%) to 9.18 (91.81%) out of 10.00.

Doğan Gazetecilik subsidiary arabam.com's relaunch

In December 2013, a brand new interface was launched for the web site arabam.com, a subsidiary of Doğan Gazetecilik.

(*) In line with the Capital Markets Board's decision concerning all listed companies, SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. ("Saha") revised our corporate governance rating along with those of all other publicly traded companies. Our current corporate governance rating, which was announced on March 3, 2014, is 86.46.

Who are We?

We Embrace

A QUALITY AND CUSTOMER-FOCUSED MANAGEMENT APPROACH

Doğan Group is a driving force of the national economy, thanks to over 50 years of know-how and a dynamic performance in all the Group's business areas.

Doğan Holding in Brief

Doğan Şirketler Grubu Holding A.Ş. ("Doğan Holding," "Doğan Group," "Holding" or "Group") has been adding value to the Turkish economy for over half a century. The Group first entered the business world when the Honorary Chairman Aydın Doğan registered with the Mecidiyeköy Tax Office in 1959 and established his first company in 1961 in the auto industry, thus marking the beginning of the journey to Doğan Group. Today, Doğan Group companies with their innovative outlook and forward-looking vision play a pioneering role in diverse sectors that include media, energy and retail, as well as industry, real estate marketing, tourism and financial services.

Each boasting a flexible management structure, the Group's companies embrace a quality- and customer-focused management approach that is open to change. They successfully couple this approach with the other integral components of our corporate culture, namely, transparent communications and effective teamwork.

Doğan Holding and all the Group companies adopt and 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 area in which it conducts operations. The Group maintains strategic partnerships with international companies in order to provide better products and services in its vast area of influence.

The well-qualified and highly competent workforce of Doğan Group has been the key factor underlying this success. The Group provides employment opportunities to over 23 thousand individuals, 12,798 of whom are employed directly by the Group, and is thus one of the country's biggest employers.

Doğan Holding

Media

DOĞAN YAYIN HOLDİNG

Business Areas: Publishing, broadcasting, Internet, foreign trade, distribution and factoring

Publishing: Doğan Yayın Holding A.Ş. ("Doğan Yayın" or "DYH") is a standout with its original approach to newspaper and magazine publishing. In 2013, DYH reached 5 million readers every day via Hürriyet, Posta, Radikal, Fanatik and Hürriyet Daily News newspapers; the company remains the leader in newspaper circulation with a 21% market share. Maintaining a successful track record in magazine publishing, Doğan Yayın reached a 37% market share in total magazine circulation with more than 7 million units sold in 2013. Much appreciated for its quality-focused service approach, Doğan Dağıtım handles the distribution of two-thirds of the newspaper circulation and around three-fourths of Turkey's total magazine circulation. Trader Media East, which operates under the umbrella of Hürriyet, is a market leader in the classified ads sector in Russia and Central Europe.

Broadcasting: While DYH's leading TV brands such as Kanal D, CNN Türk and tv2 energize the entire sector with programming that appeals to a mass audience, Radyo D, CNN Türk Radyo and Slow Türk Radyo rank among the country's most popular radio channels. D-Smart, Turkey's fastest-growing digital platform delivers TV and Internet services to around 2 million households today. With its innovative and dynamic approach, advanced technical capabilities and a staff featuring the best known names in the business, D Productions is a leader in the production and distribution of TV programs, movies, advertising and music videos. Established in 2012, InDHouse is the Group's second series and program production company and has already undersigned successful projects in its short history. Meanwhile, DYH's international investment Kanal D Romania has climbed to a top tier position in that country's visual media sector shortly after its inception.

Foreign Trade and Factoring Services: Doğan Dış Ticaret mainly focuses on the import of paper and print materials for newspaper publishing while Doğan Faktoring A.Ş. conducts comprehensive risk analyses on commercial receivables, thus creating immense value by helping customers avoid possible problems in collection.

Doğan Media Center Ankara

Who are We?

Energy

DOĞAN ENERJİ YATIRIMLARI SANAYİ VE TİCARET A.Ş.

Business Areas: Energy production from every source; energy transmission, distribution, wholesale and retail trade in domestic and international markets

Doğan Energy helps meet Turkey's rapidly growing energy needs with its investments in this sector. The company already owned a 25% stake in D-Tes Elektrik Enerjisi Toptan Satış A.Ş., which holds an electric wholesale license, and came to acquire the remaining 75% in 2013; as a result, D-Tes is now a wholly-owned subsidiary. Doğan Energy's portfolio also includes Galata Wind Enerji A.Ş. (Şah WEPP), with an installed capacity of 105 MW, and Akdeniz Elektrik Üretim A.Ş. (Mersin WEPP) with an installed capacity of 42 MW.

Doğan Energy controls a 33% stake in one of Turkey's largest private sector investments, namely, Boyabat Dam and Hydroelectric Power Plant (HEPP), which has an installed capacity of 513 MW. In the 120 MW-installed capacity Aslancık Dam and HEPP project, Doğan Holding has a 25% stake while Doğan Energy holds an 8.33% stake. Additionally, in 2009, the company acquired 50% of Gas Plus Erbil Ltd., which has a net interest of 20% in a Northern Iraq oil exploration field.

Retail

DOĞAN MÜZİK KİTAP MAĞAZACILIK PAZARLAMA A.Ş.

Business Areas: Retail and merchandising

Embracing a quality- and customer-focused approach, D&R operates 141 stores in 25 provinces across the country. The company's product range includes over 150 thousand different products such as books, music, films, magazines, multimedia, consumer electronics, video games, games, hobby products, accessories and stationery.

Industry

ÇELİK HALAT VE TEL SANAYİİ A.Ş.

Business Areas: Steel wire ropes, mechanical spring wire, galvanized wire, concrete strand and bead wire manufacturing

Founded in 1962, Çelik Halat is the leading supplier to Turkish industry of steel wire ropes, mechanical spring wire, galvanized wire, concrete strand and bead wire. The company enjoys a market share of 40% and exports its products to 40 different countries.

DİTAŞ DOĞAN YEDEK PARÇA VE İMALAT A.Ş.

Business Areas: Design and manufacture of rods and parts for vehicle manufacturers (OEMs) and the spare parts market (IAM) within the automotive supplier segment

Ditaş was established in 1972, and produces both original equipment and independent spare parts for the automotive supplier segment. In the automotive supplier industry, the company is Turkey's biggest manufacturer of both original and spare parts. Having firmly established itself in international markets, Ditaş exports products to 28 countries.

DOĞAN ORGANİK ÜRÜNLER SANAYİ VE TİCARET A.Ş.

Business Areas: Organic livestock and dairy products

Turkey's largest producer of organic raw milk, Doğan Organic was established in 2002. The company was initially set up with the objective of turning Kelkit and its environment into a hub for organic livestock and dairy production. Doğan Organic operates Kelkit Organik Süt Sığırcılığı İşletmesi, which employs about 100 personnel and has 90 local farm families under contract, 80 of whom are engaged in agriculture with the remaining 10 involved in livestock breeding.

Tourism

MİLTA TURİZM İŞLETMELERİ A.Ş.

Business Areas: Hotel, marina and travel agency operations, fleet and daily car rental services, and air taxi transportation

Milta was founded in 1982 to manage Doğan Holding's tourism investments and operations. Milta provides hotel management services in Bodrum via Işıl Club, and travel agency operations and fleet and daily car rental services via Işıl Tur. Bodrum Marina ranks among the top 10 marinas in the Mediterranean and conducts the company's marina operations. Milta also offers domestic and overseas air taxi transportation services through Milta Havacılık.

Meanwhile, the company undertakes real estate development investments via its subsidiaries Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. and Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş.

Financial Services

DD KONUT FİNANSMANI A.Ş.

Business Areas: Mortgage company

DD Mortgage is Turkey's first mortgage-backed housing finance company, and ranks among the major players in the mortgage market thanks to its robust shareholding structure and quality-focused service philosophy.

Real Estate Marketing

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

Business Areas: Construction and marketing

After marketing automobiles, computers, electronics and real estate, Milpa shifted its operations to the real estate sector, pursuant to a strategic corporate decision in the early 2000s. As a result, Milpa now focuses its 34-year marketing know-how in the real estate sector.

Our Reason for Being

Our Vision

To undertake **efficient** and **sustainable** investments in services, trade and industry that actively **contribute to** transparency in society as a whole and to the economic **welfare and stability of the individual.**

Our Mission

To identify, develop and implement **state-of-the art commercial and technological applications** in **consumer-facing** products and services; to establish the institutional facilities and capabilities necessary for the effective execution of these efforts in **Turkey** and **the region.**

Our Road Map

We aim for CONSISTENT GROWTH AND SUSTAINABLE SUCCESS in all our business areas

Boasting a highly competent workforce and a dynamic management approach while closely monitoring industry developments and innovations, Doğan Holding aims to achieve consistent growth and sustainable success in all its sectors of operation in 2014. The Group plans to undertake productivity oriented investments in the energy sector, while keeping its creative, modern, original and principled efforts in media. Keen to capitalize on profitable investment opportunities, the Group will continue providing quality-focused services in retail and tourism in order to expand customer satisfaction beyond expectations. In 2014, too, Doğan Holding will strive to set an example as a successful, reliable and strong brand for all its Group companies.

Media

As the pioneer of the Turkish media sector, DYH plans to focus on online media development in 2014, especially merger and acquisition opportunities. In line with its forward-looking vision and growth targets, DYH will also closely monitor investment opportunities in the international arena.

Leading the TV sector with its strong performance, Kanal D plans to maintain its original and modern broadcasting approach in 2014 while further enriching the channel's program content with its creative drive. Having already gained a wide audience before completing its second broadcast year, tv2 will continue its performance in 2014 with its own unique approach.

During the year, CNN Türk once again proved its market leadership in monitoring and implementing technological advances: in April 2013, the news channel launched its high definition broadcast on D-Smart's Channel 30. Setting an example for the entire sector with its speed, user-friendly interface and reliability, cnnturk.com is keen to continue transferring CNN Türk's rich, up-to-date content to all its various channels in 2014. D Productions, which leads the way in TV program, film, advertising and music video production with its innovative, dynamic approach and advanced technology infrastructure, together with the Group's second film and series production company InDHouse, will continue to undersign exceptional work in the coming year.

Having risen to prominence with its rich sports content, D-Smart will continue to provide outstanding programming to subscribers thanks to content agreements with the world's leading brands such as Sony, MGM and Disney. Keeping a watchful eye on new market developments, D-Smart regularly expands its service packages by using innovative strategies. D-Smart has greatly enhanced both its technical capabilities and customer experience since its inception, and plans to further develop and expand its BLU service in 2014. In addition, D-Smart plans

As the pioneer of the media sector in Turkey, DYH will focus on online media development in 2014, especially merger and acquisition opportunities.

to forge new partnerships with operators, TV producers and other business partners in order to create alternative sales channels and provide more added value to customers.

While reinforcing its strong reputation and wide footprint in conventional media, Hürriyet strives to reach out to its audience not only via the print edition but also through other platforms. Today, Hürriyet Internet Group boasts a 6.9 million-strong reach with its print and online editions, and on tablet and mobile platforms. The group aims to further raise this figure in coming years, and thus increase the share that the Internet channel contributes to overall revenue. Hürriyet Group's international subsidiary TME, which mainly focuses on the classified ads segment, has completed its transition from a print media company to an online concern, and is keen to increase the percentage the Internet contributes to total revenues year by year.

Serving as a model to the whole sector with its responsible editorial approach, Doğan Gazetecilik plans to continue pursuing consistent growth with its strong brands and efficient managerial approach in 2014. As "The best-selling newspaper in Turkey," Posta will further strengthen its market leadership in terms of reach. Fanatik newspaper, which enjoys a prestigious position in the Turkish sports press, will offer sports enthusiasts the content they want, anytime, anywhere, while positioning itself as an integrated news, sports and entertainment medium with print and digital versions.

As in the previous year, Doğan Burda Magazine Group closed 2013 as the sector leader. In 2014, the group plans to improve and enhance its current portfolio with innovative investment strategies including various digital platforms. Furthermore, Doğan Burda will work to bolster its performance in terms of circulation and advertising while preserving its strong brand recognition and market leadership.

Energy

Doğan Energy continues its investments at full speed. The investments in the Aslancık project are scheduled for completion in the second half of 2014. Mersin WEPP's installed capacity rose from 33 MW to 42 MW in February 2013, while Şah WEPP's installed capacity increased from 93 MW to 105 MW in May 2013.

As for the oil exploration and production activities in Northern Iraq in which the Group participates via Gas Plus Erbil, preliminary work for production was completed in the Benenan-3 well, where additional reserves were discovered in 2013. In addition, the presence of oil was confirmed in a field to the southwest of the Benenan-4 well where drilling was completed during the year. In 2014, production is planned to start in these new wells. New oil reserves were also discovered in the Bastora-2 well constructed in 2013. In the Bastora field, production will continue in 2014, and an additional well is planned to be drilled. The focus will be on expanding the production volume.

As part of its strategy to expand the oil and natural gas investment portfolio, Doğan Energy presented a joint offer with Norway's DNO in the Wadi Al Banin (Block 84) Exploration License tender held by the Yemeni Ministry of Oil in June 2013; the joint concern was awarded the tender. Negotiations on the Production Sharing Agreement are ongoing and exploration activity will commence after the agreement is signed and ratified.

While successfully managing its energy investments, Doğan Group also seeks new investment opportunities in order to expand its portfolio in electricity generation, distribution, and trade, oil exploration and production. In 2014, the Group plans to focus on retail electricity sales and work toward joining the ranks of the key players in the retail electricity sector.

Doğan Holding continues its energy investments at full speed, carrying out electricity generation, distribution and trade, as well as oil exploration and production operations.

Our Road Map

Our goal is to achieve

MORE SUCCESSFUL BUSINESS RESULTS

Doğan Holding demonstrates a sustainable and profitable growth performance in the industrial sector.

Industry

Doğan Holding has demonstrated sustainable and profitable growth in the industrial sector for years, and plans to continue doing so in 2014.

In pursuit of this objective, Ditaş, one of the leading companies in its sector, has taken ambitious steps to become a well-known global brand as a supplier of original products and replacement parts. In 2014, Ditaş decided to establish two companies in the Russian Federation and People's Republic of China in order to market its products in the Commonwealth of Independent States (CIS) and Asia-Pacific nations, respectively. Both companies are currently about to become operational. In the coming year, Ditaş also plans to further raise its quality, environment and occupational safety standards. In addition, the company aims to extend productivity-focused initiatives across the entire business process and drive further improvements in customer satisfaction.

As a well-established sector leader, Çelik Halat broke its all-time product sales records, with the sole exception of bead wire, in 2013. In 2014, the company plans to achieve additional sales growth in steel ropes, a product with high added value. A capital investment initiative to realize a capacity increase commenced in late 2012 and was finalized in March 2013; as a result of this investment, the company achieved a 10% rise in tons of steel ropes sold. Çelik Halat also plans to gear up its sales and marketing activities in the other product groups targeted for growth in domestic and overseas markets. In the target product categories, efforts to decrease manufacturing costs via efficiency-oriented production strategies will continue in 2014. Additionally, Çelik Halat initiated efforts in November to explore various cooperation opportunities with European steel companies, including the acquisition of subsidiaries or establishment of strategic partnerships.

Doğan Organic plans to continue initiatives to maximize productivity in organic milk production in Kelkit in 2014, while bolstering the company's market position in line with developments in the organic milk products market.

Çelik Halat broke its all-time product sales records, with the exception of bead wire, in 2013.

Retail

Turkey's retail chain specializing in culture, arts and entertainment related products, D&R plans to continue offering a vast product range to customers via new stores in 2014. Investments in 2014 will allow D&R to raise its service quality and customer satisfaction in e-commerce, and thus yield an increase in Internet channel revenues.

Tourism

Işıl Club Bodrum is Doğan Holding's key brand in tourism with services designed to ensure maximum customer satisfaction. In 2014, the company plans to maintain its price/quality balance while enhancing services, thereby remaining one of the leading brands in its sector.

Having positioned itself as a reliable and strong brand within the tourism industry, Milta Bodrum Marina will undertake capital investments to enhance productivity and improve service quality in 2014. The company enjoys a competitive edge due to its location in the center of Bodrum, yet near the airport, and its highly professional workforce.

Keen to maintain its profitable growth performance, Işıl Tur will closely monitor growth opportunities in the coming year. In 2014, the company plans to expand its corporate client portfolio and seize opportunities to establish new branches.

Financial Services

DD Mortgage plans to further strengthen its solid market position in 2014 by taking customer satisfaction to a higher level in existing branches and sales channels through its quality-focused, swift and efficient service philosophy.

Işıl Club Bodrum is a tourism resort that domestic and foreign visitors keep returning to, thanks to high customer satisfaction levels.

Our International Business Partners

For success, we forge ahead with OUR INTERNATIONAL PARTNERS

Magazine Publishing	Hubert Burda Media	DB Doğan Burda Dergi
Book Publishing	EGMONT	Doğan Egmont
TV Broadcasting	axel springer	DTVH Doğan TV Holding A.Ş.
	Turner	CNN Türk
Financial Services	Deutsche Bank	dd Mortgage

We are focused on

SUSTAINING A HIGH PERFORMANCE

How Did Our Shares Perform?

Eight companies under the umbrella of Doğan Group are listed on the Borsa Istanbul (BİST). The stock values as of December 31, 2013 are as follows:

Doğan Şirketler Grubu Holding A.Ş.
Share Price: TL 0.72
Number of Shares: 2,450 million
Market Cap: TL 1,764 million
Borsa İstanbul Ticker Symbol: DOHOL

Doğan Yayın Holding A.Ş.
Share Price: TL 0.55
Number of Shares: 2,429 million
Market Cap: TL 1,336 million
Borsa İstanbul Ticker Symbol: DYHOL

Hürriyet Gazetecilik ve Matbaacılık A.Ş.
Share Price: TL 0.60
Number of Shares: 552 million
Market Cap: TL 331 million
Borsa İstanbul Ticker Symbol: HURGZ

Milpa Ticari ve Sınai Ürünler Paz. San. ve Tic. A.Ş.
Share Price: TL 1.72
Number of Shares: 178.4 million
Market Cap: TL 307 million
Borsa İstanbul Ticker Symbol: MIPAZ

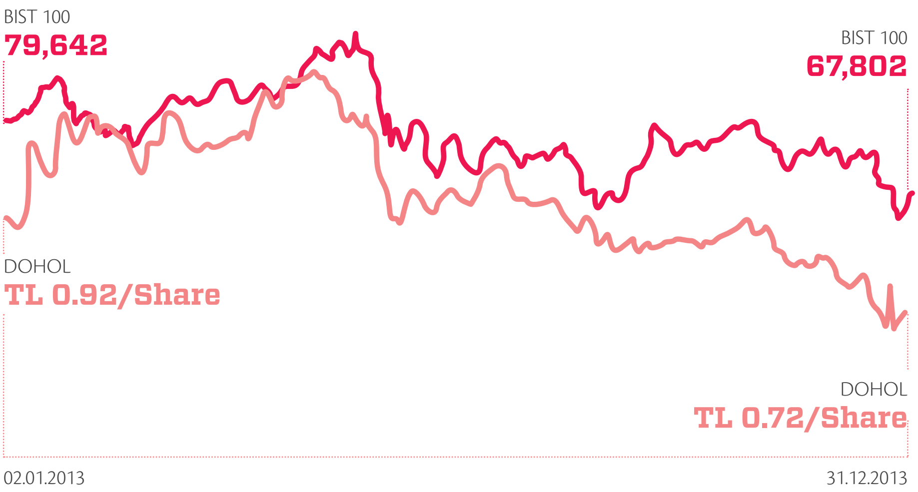
Doğan Gazetecilik A.Ş.
Share Price: TL 1.33
Number of Shares: 105 million
Market Cap: TL 140 million
Borsa İstanbul Ticker Symbol: DGZTE

Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş.
Share Price: TL 2.97
Number of Shares: 19.6 million
Market Cap: TL 58 million
Borsa İstanbul Ticker Symbol: DOBUR

Çelik Halat ve Tel Sanayii A.Ş.
Share Price: TL 2.17
Number of Shares: 16.5 million
Market Cap: TL 36 million
Borsa İstanbul Ticker Symbol: CELHA

Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş.
Share Price: TL 2.72
Number of Shares: 10 million
Market Cap: TL 27 million
Borsa İstanbul Ticker Symbol: DITAS

Doğan Holding Share Price vs. BIST 100 Index



How Did Our Key Indicators Turn Out?

Ongoing REVENUE GROWTH is confirmation of our success

Doğan Holding remained on a positive growth trajectory in 2013 and increased its consolidated revenues by 8% year-over-year to TL 3.3 billion.

Key Financial Indicators

(TL million)	2013	2012	2011
Total Assets	7,588	7,785	8,028
Current Assets	3,978	4,120	4,929
Non-current Assets	3,610	3,664	3,099
Short-term Liabilities	2,024	2,138	1,915
Long-term Liabilities	1,563	1,562	2,228
Equity Attributable to Equity Holders of the Parent Company	3,250	3,181	3,070

Summary Income Statement (TL million)	2013	2012	2011
Sales	3,301	3,067	2,861
Gross Profit	847	893	800
Operating Profit /(Loss)[1]	14	124	24
EBITDA[2]	264	324	223
EBITDA Margin[2]	8.0%	10.6%	7.8%
Net Profit/(Loss) attributable to Parent Company[3]	-38	156	-754

(1) Excluding other operating income and expenses and the share of gain on investments accounted for by the equity method.
(2) Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) have been calculated by the Company.
(3) Net Profit/(Loss) attributable to Parent Company.

Ratios	2013	2012	2011
Gross Margin	25.7%	29.1%	28.0%
Operating Profit Margin[1]	0.4%	4.0%	0.8%
EBITDA Margin[2]	8.0%	10.6 %	7.8%
Current Ratio	1.97	1.93	2.57
Liquidity Ratio	1.83	1.82	2.44
Debt/Equity Ratio	0.90	0.91	1.07

(1) Excluding other operating income and expenses and the profit/loss shares gained from investments valued by the equity method.
(2) Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) have been calculated by the Company.

Operational Indicators (TL million)

	2013		2012	
	Net Sales	**Total Assets**	**Net Sales**	**Total Assets**
Media	2,524	3,788	2,460	3,918
Retail	410	218	345	155
Energy	173	1,108	42	1,071
Other	288	5,637	285	5,540
Inter-segment Eliminations	-94	-3,163[*]	-65	-2,900[*]
Total	**3,301**	**7,588**	**3,067**	**7,785**

[*] Segment elimination amount consists of elimination of Group's subsidiary amount to Doğan Yayın Holding and reciprocal debit and credit balances between Media and Other segments.

Doğan Holding's revenues from media operations increased 3% and reached TL 2.5 billion.

Net Sales (TL million)

Our Management Approach

We remain THE PIONEER OF CHANGE AND DEVELOPMENT in our business areas

We base our management approach on a sustainable and profitable growth strategy, and create a 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.

The 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.

We base our management approach on a sustainable and profitable growth strategy, and create a transparent, flexible and entrepreneurial working environment centered on teamwork and communication.

Board of Directors (1)

Full Name	Title
Y. Begümhan DOĞAN FARALYALI	Chairwoman
Hanzade V. DOĞAN BOYNER	Vice Chairwoman
Arzuhan DOĞAN YALÇINDAĞ	Board Member
Vuslat DOĞAN SABANCI	Board Member
Yahya ÜZDİYEN	Executive Director
İmre BARMANBEK	Board Member
Ertuğrul Feyzi TUNCER	Independent Board Member
Ali Aydın PANDIR	Independent Board Member
Tayfun BAYAZIT	Independent Board Member

Executive Committee (1)

Full Name	Title
Yahya ÜZDİYEN	President (CEO)
Soner GEDİK	Member
Ahmet TOKSOY	Member (CFO)

(1) Detailed information about the Board of Directors and Committees, as well as member résumés are presented in the Corporate Governance Compliance Report.

Audit Committee[1]

Full Name	Title
Tayfun BAYAZIT	President (Independent Board Member)
Ali Aydın PANDIR	Member (Independent Board Member)

Doğan Holding places great importance on strong corporate governance practices and continually has corporate governance rating assessments.

Corporate Governance Committee[1]

Full Name	Title
Tayfun BAYAZIT	President (Independent Board Member)
İmre BARMANBEK	Member
Dr. Murat DOĞU	Member

Committee for Early Risk Detection[1]

Full Name	Title
Ertuğrul Feyzi TUNCER	President (Independent Board Member)
Erem Turgut YÜCEL	Member
Tolga BABALI	Member
Yener ŞENOK	Member
Dr. Murat DOĞU	Member
Ayhan SIRTIKARA	Member
Korhan KURTOĞLU	Member

(1) Detailed information about the Board of Directors and Committees, as well as the résumés are presented in the Corporate Governance Principles Compliance Report.

Rankings and Awards

We aim to fulfill our RESPONSIBILITY FOR A BRIGHT FUTURE

Doğan Organic Wins First Prize in Europe

At the second annual European Corporate Social Responsibility Awards Program held in 2013, organized by the European Commission for Corporate Social Responsibility Communication under the theme "Cooperation, Innovation, and Influence", Doğan Organic Products was awarded first place in the SME category.

Supported by the Turkish Corporate Social Responsibility Association, 62 projects from 50 Turkish companies competed in the Europe-wide contest. Of the initial 62 projects, 26 were shortlisted after a preliminary review by a jury consisting of Ege Erkoçak, Head of the Directorate of Political Affairs, Department of the Ministry for EU Affairs; Melsa Ararat, a faculty member at Sabancı University; Sadrettin Karahocagil, Head of the Southeast Anatolia Project (GAP) Administration; and Serdar Dinler, Chairman of the Turkish Corporate Social Responsibility Association and a member of the CSR Europe Board of Directors. Among the shortlisted projects, Doğan Organic Products' Kelkit Venture was awarded first place in the SME category.

According to the first edition of Capital magazine's Philanthropists survey, Doğan Holding ranks eighth in Turkey in charitable giving.

Işıl Club Bodrum Ranks among Turkey's Best

In recognition of its top-notch services in 2013, Işıl Club Bodrum was designated "Turkey's Second Best Hotel" at the Zoover Awards. In 2011 and 2012, too, the company had won first prizes for customer satisfaction in Turkey and the Aegean Region on such leading travel web sites as zoover.com, tripadvisor.com and vakantiereiswijzer.com. Işıl Club Bodrum's HACCP quality certifications and Blue Flag awards further attest to its successful performance in annual audits.

Milta Bodrum Marina Builds on its Success

Milta Bodrum Marina's eco-friendly approach and top quality services were once again confirmed when the company received the Blue Flag award and five Gold Anchor Awards in 2013.

"Green Nature" Wins Numerous Awards

Launched by CNN Türk television on June 5, 2010, Environment Day, and on air for four years, "Yeşil Doğa" (Green Nature) is Turkey's only TV program on nature and is the recipient of numerous awards every year. Produced and presented by Güven İslamoğlu, the series places a special emphasis on sustainable development, economic growth and welfare, and protecting nature while preserving our quality of life.

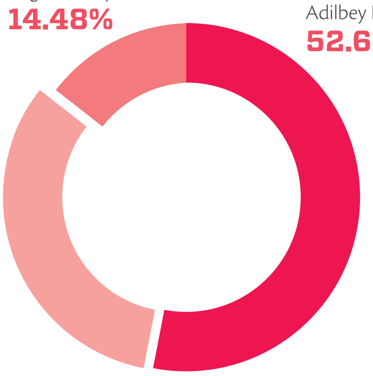
Much praised for placing national and global environmental issues high on the public agenda, the program has received numerous awards over the years. These include: Europe's so-called environmental Nobel award, the EUROSOLAR "Solar" prize in 2011 in Berlin; "Green Point Environment Award" from ÇEVKO in 2013; "Eco-Friendliness Award" at the Nature, Environment and Media Awards presented by TÜKÇEV in 2013; Akdeniz University's "Service to Nature" award in 2012; "Media Ethics Council" award and "TV Documentary Ethics Award" in 2012; "Jury Special Award" at the Turkish IT Association's Service Awards in 2012; ÇEVKO's "Respect for Nature" award in 2011; Ministry of Environment and Forestry's "Respect for Wetlands" award in 2011; 17th Gödence National Agricultural Achievement Award in 2011; and İstanbul Environmental Council's "Nature" award in 2011.

Philanthropists

Capital magazine has conducted the first edition of the Turkey's 50 Businesspeople Philanthropists survey to recognize leading business persons who contribute to charities. The survey was sent to all large business groups and companies in Turkey, and was responded to by their respective chairpersons. The ranking was based on the responses to survey questions concerning total donations in the last ten years and total donations in 2012.

On the basis of donations in 2012 and the last decade, Doğan Holding ranked eighth among Turkey's largest companies.

Our Shareholding Structure



Doğan Holding and all Group companies pursue a sustainable growth strategy.

Doğan Holding's authorized, historical and paid-in share capital as of December 31, 2013 and December 31, 2012 are as follows:

TL	December 31, 2013	December 31, 2012
Limit on registered capital	4,000,000,000	4,000,000,000
Issued capital	2,450,000,000	2,450,000,000

Doğan Holding has no privileged shares.

The Holding's shareholders and the historical values of shares in equity at December 31, 2013 and December 31, 2012 are as follows:

Shareholders	Share (%)	December 31, 2013 (TL thousand)	Share (%)	December 31, 2012 (TL thousand)
Adilbey Holding A.Ş.	52.68	1,290,679	52.68	1,290,679
Doğan Family	14.48	354,664	14.48	354,664
Publicly traded on Borsa Istanbul [1]	32.84	804,657	32.84	804,657
Issued capital	**100.00**	**2,450,000**	**100.00**	**2,450,000**

(1) In accordance with the Capital Markets Board's (the "CMB") Resolution no: 21/655 issued on July 23, 2010, it is regarded that 32.68% of the shares (December 31 2012: 31.97%) are outstanding as of December 31, 2013 based on the Central Registry Agency's ("CRA") records. Shares representing 34.29% of Doğan Holding's capital are publicly available.

Message from the Honorary Chairman

We move forward confidently

TOWARDS A BRIGHTER FUTURE

for our society

Doğan Group's forward-looking strategies developed in line with domestic and international economic and sector-specific trends allowed Group companies to maintain their stability under any market conditions.

Doğan Group also continued to support society's development through social responsibility campaigns carried out jointly with Group companies.

Esteemed shareholders,

An analysis of world economic trends reveals that despite certain isolated cases of recovery the repercussions of the global economic crisis continued to be felt across Europe in 2013. Especially in the Eurozone, ongoing financial troubles were not met with permanent solutions and the risk perception toward the region intensified significantly. In addition, the US Federal Reserve's May 2013 announcement of future tapering of its bond purchases led to fluctuations in developing countries in particular.

The Turkish economy, however, continued to grow in spite of the worldwide slowdown, thanks to robust fiscal policies implemented here; the country posted 4% growth in the first three quarters of the year. The current account deficit and inflation remain the domestic economy's biggest challenges that are still awaiting lasting solutions. Nevertheless, owing to the stability of Turkey's financial system, international credit rating agencies including Standard & Poor's and Moody's, raised the country's sovereign credit ratings during the year.

Similarly, Doğan Group's forward-looking strategies developed in line with domestic and international economic and sector-specific trends allowed Group companies to maintain their stability under any market conditions. Aiming for international success in all its business areas, the Group led the pack with innovative and groundbreaking projects in 2013.

All Group companies also continued to support society's development through social responsibility projects. In 2013, as in previous years, we undersigned social awareness initiatives in education, culture, health care and the environment, in order to help bring up well-informed and educated generations. In 2014, we plan to add to our long list of corporate social responsibility projects.

This year has a special significance for me as its marks my 55th year in the business world and 35th in the media business. I am immensely pleased to see our Group today ranking among the country's biggest employers and adding significant value to the Turkish economy and society with its investments, while continuing to take its service quality and diversification to higher levels day after day. Our publications stand as a guiding light in the media sector with their accurate, impartial and principled editorial stance. About 14 years ago, we outlined our Publishing and Broadcasting Principles, in a historical first for the Turkish press. Since 2012, we have revised these principles, aligning them with the technological advances of the current day. In 2013, we created the Doğan Publishing and Broadcasting Principles Council to carry out audits for compliance with these principles. We believe that, thanks to this Council, we can achieve our objective of publishing and broadcasting at universal standards in an ever more efficient fashion. Today, responsible and principled journalism is as important as the freedom of expression. Accordingly, our Publishing and Broadcasting Principles are formulated by journalists themselves and fully support freedom of the press.

Recent developments in the global economy and the Fed's decision to gradually taper its bond purchases signal that 2014 will be a challenging period for Turkey and other developing economies. In early 2014, the Turkish lira depreciated much faster than other currencies, due to the added impact of domestic political events. As such, we observe that Turkey is in need of decisive fiscal solutions.

However, the Group will continue to add significant value to the nation's economy in 2014 through profitable investments based on a robust financial structure, while we further bolster our domestic and overseas footprint. The Doğan Group's workforce is composed of specialized, well-educated and highly competent individuals--the key to our sustainable success. I would like to take this occasion to thank our employees for moving the Group forward into the future with their diligent efforts. I extend my gratitude to our shareholders for their unfaltering support under any market conditions. Our Group companies, all of which set an example in their respective industry, shall continue to support projects and to undertake new investments adding significant value to the Turkish economy and society in the coming years.

Best regards,

Aydın Doğan
HONORARY CHAIRMAN

Aiming for international success in all its business areas, the Group led the pack with innovative and groundbreaking projects in 2013.

Message from the Chairwoman

We work non-stop WITH CARE AND DEDICATION to achieve success

At Doğan Holding, 2013 was a period when current energy investments were upgraded and groundbreaking innovations were put into practice in the media sector.

Esteemed stakeholders, business partners and employees,

In 2013, as the global economic crisis entered its fifth year, Turkey stood strong in the face of a constantly shifting world economy. As per the GDP figures of the Turkish Statistical Institute (TÜİK), in Q3 of 2013 our country reached a growth rate of 4.4% -- a number that exceeded the expectations of the IMF, which expected our economy to grow 3.8% in 2013 and 3.5% in 2014. Separately, Moody's stated that of the world's 20 leading economies in 2013, Turkey would grow at the fifth-fastest rate.

In addition to Moody's assessment, our country's consistent fiscal policies attracted the attention of other international credit rating organizations throughout the year, which ensured an increase in Turkey's 2013 credit rating. The fact that all of these developments occurred during a time of economic stagnation in the Eurozone, and with US monetary policies having an adverse effect on developing countries (including Turkey), is a promising sign for our country. However, as was the case in previous years and in 2013 as well, the problem of the current account deficit is one of the most important issues that must be addressed to solidify the Turkish economy. Also, we saw the Turkish lira lose more value compared to other countries' currencies in late 2013 and in the beginning of 2014. We believe that the effect of these losses in terms of creating additional pressure on inflation in 2014 must be addressed as well.

Despite sporadic recoveries, when we look at the 2013 global economy we do not see a significant improvement in individual country's economies. The fact that the US government's spending was restricted due to Congressional budget disagreements saw the American economy endure one of its most challenging years in recent memory. Also, the Federal Reserve (Fed) changed its monetary policies, which led to adverse changes in global dynamics. Moreover, in its World Economic Outlook Report of October 2013, the IMF revised its 2013 and 2014, global economic growth expectations, downgrading them to 2.9% and 3.6% for 2013 and 2014 respectively. Lower growth is also predicted for the Chinese economy, which had seen higher growth figures in previous years.

Progress in human rights

Consolidated Revenues (TL million)

In 2013, Doğan Holding's consolidated revenues reached TL 3.3 billion.

8.0%

In light of this data, important tests are forthcoming, particularly amongst developing countries in 2014 - a year in which we believe global economy recovery efforts will continue. At Doğan Holding, we believe that Turkey, having been least affected by global economic uncertainties, will, with its sound financial structure, maintain its resilient, reliable and confident stance in the face of international market crises.

For Doğan Holding, 2013 was a year when existing investments, particularly in energy, were improved. We also witnessed several media innovations, and our corporate governance grade was revised upwards.

The consolidated revenues of our subsidiary, Doğan Yayın Holding, were 3% higher in 2013 than in 2012. The local and foreign currency credit ratings of Doğan Yayın Holding A.Ş. and Hürriyet Gazetecilik ve Matbaacılık A.Ş., which also strengthened its financial performance in 2013, were increased from "B+" to "BB-" by Fitch Ratings, the international credit rating agency. As for media, we have combined our TV stations' rich content with new technologies and begun reaching our audiences through a vast range of outlets. While maintaining our sector leadership in magazines, we have plans to reach our readers across every platform thanks to a structure that integrates newspapers and digital platforms in press.

As we continue to further the investments we have made in the energy sector, we will expand our activities in production, distribution, trade areas and oil exploration. Our wind plant capacities increased from 126 MW to 147 MW in 2013, and the Boyabat HEPP, in which we have a 33% partnership, was completed and commenced operations in late 2012. Meanwhile, the Aslancık HEPP, in which we have a 33% partnership, became operational in Q1 of this year.

In retail, we have enhanced our leadership by increasing the number of our D&R stores to 141, with 17 new stores opened in 2013, and we made significant strides in e-commerce. On the industry side, Çelik Halat, our flagship industrial enterprise, has started inquiring about collaborations with European companies, with a view to expand into international markets. Another of our industrial entities, Doğan Organik Ürünler, continues to be Turkey's biggest organic raw milk producer and the biggest raw material supplier of organic milk sold in the domestic market - accolades which earned us a prestigious European award. At the 2013 European CSR (Corporate Social Responsibility) Awards, Doğan Organik Ürünler's Kelkit venture won first prize in the SME category.

At Doğan Holding, we also handed out awards under the umbrella of the Aydın Doğan Foundation, supporting educational, cultural and artistic endeavours. Furthermore, we have developed and maintained social responsibility projects with a view to equip future generations with the ability to be proactive and be sensitive to social matters and the environment.

In 2014, our Group companies shall continue to be the strongest supporters of Turkey's economy and employment. By closely monitoring developments in our country and abroad, we shall make profitable investment decisions and enhance our position with new strategic collaborations. We will maintain our leading role in business with our flexible approach to changes in every field in which we operate, and we will be a symbol of quality and trust. By combining our ethical, reliable and objective journalistic approach with state-of-the-art technologies, we will continue delivering through different media platforms and expanding our communications network.

Thanks to the success we attained in 2013, the entire Doğan Holding family has entered 2014 with motivation, excitement and enthusiasm. Together with our most important asset - that is, our creative and competent human capital, our strong management team, our investors who have confidence in our decisions, and our esteemed customers, who make time for our products and services in their lives we are determined to further build on our achievements.

We would like to extend our deepest gratitude to our shareholders and stakeholders, whose support we always feel on our side.

Sincerely,

Y. Begümhan Doğan Faralyalı
CHAIRWOMAN

Message from the CEO

We continue our efforts TO CONTRIBUTE MORE TO TURKEY'S ECONOMY in line with our corporate objectives

Doğan Group continued on its growth path in 2013, increasing consolidated revenue 8% year-on-year to TL 2.4 billion.

Esteemed stakeholders,

In 2013, the slowdown of economic growth in various nations, the lack of consensus concerning Europe's patchwork financial systems, the risk of exacerbating the recession in the Eurozone, the US Federal Reserve's expansionary monetary policy turnaround, and the depreciation of the domestic currency due to exchange rate fluctuations were among the key developments of the year. The uncertainty created by the global economic crisis, which engulfs the entire world and Europe in particular, continues. The Fed's decision to taper its monthly bond purchases and thus put a brake on its policy of "ample liquidity-low interest rates" had an adverse effect on developing markets. Emerging economies such as Turkey, India, China, Russia and Brazil, which had posted high growth rates in previous years, are expected to go through a rough patch in 2014 due to the change in American monetary policy.

Despite this change in the global outlook and the ongoing economic slowdown, the Turkish economy managed to cap the first nine months of 2013 with 4% growth, thanks to its robust banking system and steadfast fiscal policy. Throughout the year, the most important challenges facing the Turkish economy were inflation, the current account deficit, unemployment (which fell slightly) and the impact of the Syrian civil war. The current account deficit, which puts the country's macroeconomic balance at risk and is expected to hover around 7-7.5%, has remained and is expected to persist at a critical level due to the importance of foreign inputs in Turkish industry and the nation's dependence on foreign energy resources.

In 2013, we maintained steady growth in all our Group companies

Shareholders' Equity (TL million)

Doğan Holding, shareholders' equity rose to TL 3.3 billion in 2013.

2.1%

Despite all these challenges, Turkey managed to upgrade its sovereign credit rating thanks to the progress made in the public finances and the implementation of consistent fiscal strategies. The decision of international credit rating agencies to raise Turkey to investment grade attests to the fact that the economy has maintained its global reliability.

At Doğan Group of Companies, we continued to enhance our current investments in 2013 and expand our areas of activity via ambitious strategic partnerships. The Group continued on its growth path in 2013, increasing consolidated revenue 8% year-on-year to TL 2,442,485,000. Meanwhile, gross profit rose 3% to TL 669,708,000 and EBITDA grew 9.5% year-over-year to TL 255,648,000.

Operations in the Media Sector

The Turkish advertising market has grown 12% during the reporting period, from TL 5 billion in 2012 to TL 5.6 billion in 2013. Even as newspaper ad spend contracted 3%, TV ad spend was up by 20%. As in previous years, television captured the lion's share of the total advertising market with 54%, while print, including newspapers and magazines, accounted for 20%.

Average daily nationwide newspaper circulation stood at 5 million 77 thousand in 2013, and Doğan Yayın Group remained the market leader with a 21% share of total sales. Our subsidiaries Doğan Burda and Doğan Egmont, active in the magazine segment, maintained their market leadership with a 37% share in total magazine sales.

On June 21, 2013, DYH acquired Doğan Internet Yayıncılığı ve Yatırım A.Ş. (Medyanet), which markets online ads both inside and outside the Group. As a result, DYH's total publishing ad revenues remained at the prior year's level in 2013 despite a fall in recession-prone Russia, thanks to added revenue from Medyanet and other domestic operations. In 2014, Doğan Yayın Holding will continue focusing on bolstering its position in the ad market and further increasing the company's ad revenue with creative initiatives. As for consolidated revenue from publishing segment, its performance unchanged. Revenues from broadcasting, on the other hand, rose 6% due to increased revenue from the digital platform, ADSL subscriptions, and advertising.

In 2013, the depreciation of the Turkish lira due to global economic imbalances and in particular foreign exchange rate fluctuations had an adverse impact on Doğan Yayın Holding. Despite these headwinds, DYH maintained its strong market position, robust financials and stable growth together with all of the companies under its umbrella, thus attracting the attention of the international credit rating agency Fitch Ratings, just as in 2012. Doğan Yayın Holding and Hürriyet Gazetecilik ve Matbaacılık A.Ş.'s long-term foreign and local currency Issuer Default Ratings (IDRs) were revised up from "B+" to "BB-".

In 2014, we expect to continue achieving growth in the publishing and broadcasting segments owing to our principled editorial stance, diversified content offerings, and creative solutions based on advanced technologies. We will undersign profitable investments by seizing domestic and international opportunities through our dynamic managerial approach.

Operations in the Energy Sector

2013 was a period in which we expanded our energy operations and continued with our ongoing investments. We increased the capacities of our wind energy power plants, with Mersin WEPP's installed capacity going up from 34 MW to 42 MW, and Şah WEPP's rising from 93 MW to 105 MW. The Aslancık HEPP project, in which we have a 33% stake, commenced electricity generation in the first quarter of 2014 and is set to reach full capacity in mid-2014.

In 2013, as part of the Northern Iraqi oil exploration and production operations by Gas Plus Erbil, in which we have a net stake of 20%, drilling continued for the expansion of the oil field. At present, work is ongoing to initiate production in newly discovered fields and to increase production capacity in the current fields located inside the licensed area.

Message from the CEO

In 2014, we will expand our portfolio in all of the energy segments in which we are active, and contribute to meeting Turkey's steadily increasing energy demand.

Additionally in 2013, Doğan Energy acquired the remaining 75% of D Tes Elektrik Enerjisi Toptan Satış A.Ş., in which it already held a 25% stake, thus turning the company into a wholly-owned subsidiary. D Tes holds a wholesale license in the electricity sector. Doğan Energy will place a special focus on retail electricity sales in 2014 and do its utmost to become a leading player in the segment.

In 2014, we plan to expand our portfolio in all of the energy segments in which we are active, and contribute to meeting Turkey's steadily increasing energy demand.

Operations in Industry, Retail and Tourism

Having established itself as a sector leader, Çelik Halat achieved the highest sales figures in its history in 2013, in all product categories except bead wire. The company invested in new machinery to expand its production of elevator cables by 50% to meet constantly rising domestic demand. Our aim is to extend Çelik Halat's domestic market success internationally in 2014. Currently, the company exports to 40 countries and is working to expand its international sales volume. Çelik Halat is also actively evaluating various cooperation opportunities, including establishing subsidiaries and acquiring companies jointly with European partners.

Boasting over three decades of experience in the automotive spare parts sector, Ditaş ranks among Turkey's biggest rod manufacturers. The company has taken ambitious steps to become a well-known international brand in both the original equipment and replacement part segments. In 2014, Ditaş decided to establish two companies, in the Russian Federation and People's Republic of China, in order to market its products in the Commonwealth of Independent States and Asia-Pacific nations, respectively. Both companies are about to become operational.

Doğan Organic Products is the biggest supplier of original-brand organic milk and dairy products currently sold in Turkey's largest national retail chains. The company makes a huge contribution to the social and economic development of the country's Kelkit region. Since its inception, Doğan Organic has received numerous national and international awards in recognition of its investments and initiatives in agriculture and livestock breeding. At the "European Corporate Social Responsibility Awards" ceremony, held in 2013 and organized by the European Commission for Corporate Social Responsibility Communication, Doğan Organic Products won first place in the SME category. In addition, at the "European CSR Award Best Practice Exchange Forum," where nations share their corporate social responsibility experiences, one of the company's projects made it to the final six out of 60 projects from 30 countries.

Our unrivaled retail brand, D&R, increased its footprint to 141 stores in 2013, expanding the company's total sales area to 54,505 m^2. Throughout the year, D&R attracted attention with its ambitious e-commerce drive while strengthening its market leading position by acquiring the brands Idefix and Prefix. The company also revamped its web site. As a result, D&R is striving to increase its online turnover and provide swift and efficient customer service in 2014.

Aiming to deliver a higher-than-expected level of customer satisfaction in the tourism industry, Işıl Club Bodrum was designated "Turkey's Second Best Hotel" at the 2013 Zoover Awards. Another prestigious brand in the sector, Milta Bodrum Marina sharpened its competitive edge in 2013 thanks to a professional team, locational advantages and high quality service. Continuing to grow through profitable investments, Işıl Tur is keen to expand its corporate client portfolio in 2014.

In 2014, Doğan Holding and all Group companies plan to maintain their strong and stable position in domestic and international markets by continuing to pursue sustainable growth. I hereby extend my gratitude to our employees, who are the veritable architects of our success, for their diligent work; our investors for their consistent support; and our business partners, suppliers and other social stakeholders for their trust, which drives us forward under any circumstances.

Best regards,

Yahya Üzdiyen
CEO

In 2014, Doğan Holding and all Group companies will preserve their strong and reliable position in domestic and international markets by setting new examples of sustainable growth.

Together we
TOUCH
LIFE

With our innovative vision and know-how, we continued to make investments that add significant value to the Turkish media industry. We have eliminated the distance between us and our readers and viewers to present a brand new media experience. The labor of hundreds of our employees is delivered to millions of individuals on a daily basis.

Highlights of 2013

We are moving TOWARDS HIGHER TARGETS

Doğan Holding's net cash position was TL 1.9 billion as of December 31, 2013.

Doğan Holding's consolidated revenue rose by 8% in 2013 over the previous year to TL 3,301 million. Gross profit decreased by 5% to TL 847 million. Operating profit increased by 23% and reached TL 301 million in 2013 vs. TL 244 million in 2012. Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) amounted to TL 264 million.

With the growth of foreign exchange gains in 2013, Net Other Income from Operating Activities totaled at TL 393 million. In 2012, this figure was TL 98 million.

Joint ventures had been consolidated using the proportional consolidation method until December 31, 2012. In accordance with a regulation entered into force under UFRS 11 that is to be effective starting from January 1, 2013, joint ventures have been consolidated by the equity method starting on that date, the related changes were applied retroactively and the financial statements were restated.

Accordingly, a loss of TL 106 million was recorded from Investments Accounted by Equity Method in 2013, while TL 23 million profit was recorded in the same period of the previous year. Operating profit of investments accounted by the equity method (before "Other Operating Income and Expenses") was TL 60 million in 2013, while a TL 11 million loss was recorded in the same period in the previous year. An increase in operating profit was realized with the contribution of Boyabat HEPP, which became operational in late 2012. However, due to foreign currency denominated loans and depreciation of the TL in this period, net financial expenses amounted to TL 517 million (Financial Report, Note 4 - Investments Accounted by Equity Method); while, it was TL 121 million net financial income in 2012. Due to the increase of net financial expenses, the Group' share in the profit from subsidiaries amounted to a loss of TL 106 million in this period.

Income from investment activities decreased by 49% in 2013 and totaled TL 105 million; the higher figure in 2012 was led by Hürriyet's asset sales took place in 2012.

With the rising foreign exchange losses, the Company's net financial expenses figure increased to TL 455 million in 2013 from TL 131 million in 2012.

As for Doğan Holding's 2013 financial results, net loss attributable to the parent company was TL 38 million. In 2012, it was a net profit of TL 156 million, owing to the positive effect of real estate sales.

By the end of 2013, Doğan Holding's total assets amounted to TL 7.6 billion. Doğan Holding's solo net cash position was TL 1.9 billion (USD 0.9 billion) as of December 31, 2013.

Doğan Holding’s consolidated revenue increased by 8% to TL 3,301 million, while operating profit rose 23% to TL 301 million.

As disclosed in financial statement footnotes, pursuant to the provisions of the “Share Purchase and Share Holders Agreement” signed between our Group and Commerz-Film GmbH on November 19, 2009 and modified on October 31, 2011 and February 28, 2012 with two amendment contracts; within the scope of the exercise of put option by Commerz-Film GmbH, 33,843,238 registered group B shares with a nominal value of TL 1, held by Commerz-Film GmbH in the capital of Doğan TV Holding A.Ş., corresponding to 2.48844% of the paid capital of TL 1,360,016,087 of Doğan TV Holding A.Ş., have been taken over and acquired by our Group in cash and as a single payment of a total of EUR 62,470 thousand. Following this share acquisition, the share of Doğan Holding in Doğan TV Holding A.Ş. has become 4.97689%. The related disclosure was made to the Public Disclosure Platform (KAP) on January 31, 2014.

On February 18, 2014, the superficies right owned by the Group’s subsidiary Milta Turizm İşletmeleri A.Ş. and established for the property located in the city of Antalya, the province of Kemer, Göynük village, registered at lot no. 1699, with a surface area of 92,476 m^2, on December 23, 2003 with no. 2051 at the property registration office for a period of 49 years starting from April 11, 1985, was sold and transferred to Ceylan İşletme İnşaat Turizm Yatırım Nakliyat Gıda İçecek Sanayi ve Ticaret A.Ş. with a total sales price of EUR 20 million (as per the CBRT fx sales rate, declared on February 17, 2014 at 15:30, effective for February 18, 2014, the Turkish lira equivalent is TL 59,888 thousand) via bargaining method. EUR 15 million of the total sales price was collected upfront; EUR 5 million portion will be collected in four equal installments of EUR 1,250 thousand, first to be collected on August 31, 2015, second on August 31, 2016, third on July 31, 2017, and the last on August 31, 2018. Annual interest of 3.25% as well as the interest related VAT is applicable on the amount to be paid in installments, starting from the title deed registration date. Following the sales and the transfer of such superficies right and the relevant equipment, approximately TL 34,112 thousand portion of the approximately TL 53,051 thousand superficies right (real estate) sales profit in our legal records will not be subject to dividend distribution in the accounting term of 01.01.2014-31.12.2014 within the scope of exception in Article 5-1/e of the Corporate Tax Law, and shall be transferred to a special funds account in liabilities. The related disclosure was made to the Public Disclosure Platform (KAP) on February 18, 2014.

Operating Profit (TL million)

Media

DYH Consolidated Revenues (TL million)

2013	2,524
2012	2,460

Doğan Yayın Holding's consolidated revenues totaled TL 2.5 billion in 2013.

SECTOR LEADER with its influential brands

In 2014, Doğan Holding aims to strengthen its leadership position in the media sector and to gain new successes abroad with all its companies under the umbrella of DYH.

Media operations, one of the core business segments of Doğan Holding, have been carried out under the umbrella of Doğan Yayın Holding A.Ş. (DYH) since 1998. Together with all of its brands under its umbrella, DYH has become one of the leaders in the media sector in a short period of time thanks to the strength that comes from Doğan Holding's deep-rooted know-how and experience. The transparent and innovative management approach of Doğan Holding shows itself in the media sector activities as in all of its investments. Doğan Holding aims to strengthen its leading position in the media sector and to expand its achievements to international platforms together with all companies under the umbrella of DYH.

DYH companies effectively implement the consolidation of resources and optimal integration principles to their operations. Through the synergy generated by the mentioned principles coupled with their original and flexible management approaches, DYH companies assume leading roles in their respective sectors.

Newspaper, magazine and book publishing, television and radio broadcasting and production, internet, digital platforms as well as printing and distribution are the principal activity areas of DYH.

DYH, Hürriyet, Doğan Gazetecilik and Doğan Burda shares are traded on the Borsa Istanbul (BİST).

Operations in 2013

DYH's consolidated revenues increased by 3% to TL 2,524 million in 2013. With an earnings before interest, taxes, depreciation and amortization (EBITDA) margin of 8.4%, DYH generated TL 212 million EBITDA in 2013. Publishing accounted for 53% of the Group's consolidated revenues, while broadcasting for 45% and other activities for 2%.

In 2013, advertising revenues remained intact with the previous year's figure and stood at TL 1,254 million. Circulation and Printing Revenue also remained stable at TL 314 million in 2013. Revenue from digital platform and ADSL subscribers increased by 32% to TL 401 million. Other income totaled TL 556 million.

While consolidated gross profit was TL 653 million, with the effect of increased operating expenses, EBITDA amounted to TL 212 million in 2013, below the previous year's figure. Meanwhile, net income from investment activities was TL 191 million in 2012, mainly due to sales profit arising from the sale of the Hürriyet's building and land on February 1, 2012, this figure was TL 50 million in 2013. In addition, with the impact of foreign exchange losses, net financial expenses rose to TL 346 million in 2013 from TL 99 million in 2012. As a result, the parent company's share of net loss, especially with the effect of net financial expenses, amounted to TL 188 million in 2013.

DYH carries out activities in newspaper, magazine and book publishing, TV and radio broadcasting and production, internet, digital media as well as printing and distribution.

Media

With our innovations, we assume

A PIONEERING ROLE IN SECTOR DEVELOPMENT

Doğan Yayın Holding's issued capital increased from TL 2.0 billion to TL 2.4 billion, fully paid in cash.

As per the power granted to the Board of Directors in Article 7 of the Articles of Association of Doğan Yayın Holding, with a Board of Directors Resolution dated October 25, 2013 no. 2013/27 and Capital Markets Board's approval dated December 6, 2013 no. 40/1289, the issued capital increased from TL 2,000,000 thousand to TL 2,428,550 thousand fully paid in cash.

Under the terms stated in the issuance certificate approved by the Capital Markets Board, the shares representing TL 428,550 thousand fully paid in cash in capital increase were sold to controlling shareholder Doğan Şirketler Grubu Holding A.Ş., at a price of TL 0.70 for each share with a nominal value of TL1 so that total price of the shares amounted to TL 299,985 thousand to be fully paid in cash.

Doğan Yayın Holding A.Ş.

(TL million)	**2013**	**2012**
Total Assets	3,788	3,918
Shareholders' Equity (attributable to the parent company)	1,065	932
Total Sales	2,524	2,460
EBITDA(*)	212	316
Net Profit / (Loss) (attributable to the parent company)	-188	197

(*) Earnings before interest taxes, depreciation and amortization calculated by DYH; amortization of TV programming rights and IAS 39 adjustments were not included.

The shareholding structure of Doğan Yayın Holding A.Ş. as of December 31, 2013:

Shareholders	**Share (TL thousand)**	**Share (%)**
Doğan Şirketler Grubu Holding A.Ş.(1)	1,943,379	80.02
Doğan Family	46,183	1.90
Shares traded on the BIST and other shareholders(2)	438,988	18.08
Total	**2,428,550**	**100.00**

(1) As of December 31, 2013 and December 31, 2012, 80.02% of the shares of Doğan Yayın Holding (December 31, 2012: 75.59% shares) are owned by Doğan Holding, which corresponds to 33.42% of the publicly available shares of Doğan Yayın Holding (December 31, 2012: 19.00% shares).

(2) In accordance with the Capital Markets Board's (the "CMB") Resolution No: 21/655 issued on July 23, 2010, it is regarded that 17.25% of the shares (December 31, 2012: 20.95%) are outstanding as of December 31, 2013 based on the Central Registry Agency's ("CRA") records. Some 51.50% of Doğan Yayın Holding's shares (December 31, 2012: 41.11%) are publicly available as of December 31, 2013.

Doğan Yayın Holding continued to serve as a model in media in 2013, with its modern journalism approach, principled broadcasting & publishing and reliability.

Publishing

Newspaper Publishing

Doğan Yayın Holding has continued to set an example in the media sector in 2013 with its modern, reliable and rightful journalism approach. As of year-end, DYH has maintained its leading position with a 21% market share in total newspaper circulation.

The newspapers of DYH, Hürriyet, Posta, Radikal, Fanatik and Hürriyet Daily News have been pioneering the industry with their accurate projects. Turkey's top-selling newspaper, Posta, maintained this title also in 2013. Hürriyet is positioned as one of the most reputable and reliable newspapers in the country with its objective journalism approach that appeals to a large audience.

Hürriyet

Hürriyet has been the symbol of good journalism and reliability in the Turkish press with its ethical and modern approach to journalism since its inception in 1948. Hürriyet opens new windows in the lives of its readers with its accurate journalism approach, rich content and supplements that reflect the colors of life. Hürriyet also offers special channels to advertisers through its supplements. As one of Turkey's most widely read newspapers, Hürriyet reaches up to 1.6 million people every day with its print edition according to BİAK data[1]. In addition, Hürriyet reaches around 6.9 million people per day in print and online.

Posta

Since its establishment in 1995, Posta retains its title of "Turkey's best-selling and most-read newspaper" with its rich content and dynamic journalism approach that appeal to a wide audience. According to BİAK data[1], Posta is the highest reach newspaper with a total average daily access of 2.5 million readers.

Radikal

With its launch in October 2010, Radikal brought a new perspective, a different understanding of content and a unique approach to journalism to Turkish media. Radikal has been a pioneer of innovation in every period. Offering rich content, varying from foreign policy to culture and art, Radikal with its new print copy dimensions has become the preferred choice of the masses in a short period of time.

As of December 2013, Radikal adopted a "digital first" strategy and implemented a new application on its radikal.com.tr web site, which will soon become a pioneer in the industry. The new design of the radikal.com.tr web site, which became faster and detailed with its dual home page structure and richer with the addition of new categories, is gaining the admiration of readers.

[1] BİAK, Turkish Readership Survey, 12-3 cumulative period data.

Media

Always working with a RELIABLE PUBLISHING APPROACH

With the slogan "Only News, Just in Time", DHA brings reliable and accurate news to subscribers promptly with its objective approach.

Fanatik

Since its inception 18 years ago, Fanatik has been closely followed by sports fans of all ages and all walks of life with its high quality sports journalism. Fanatic is differentiated by e-newspaper, live web TV, smart mobile phones, tablets, social media and live score applications and has become a pioneer in its area. According to BİAK data[1], Fanatik ranks at fourth among all newspapers with a total average daily reach of 1.4 million readers.

Hürriyet Daily News

As Turkey's oldest newspaper in English, Hürriyet Daily News has become the most important source of local news followed by diplomats and expatriates living in Turkey since its inception 50 years ago. As a result, Hürriyet Daily News has a distinguished place in the Turkish media.

TME

TME engages in classified print and online advertising in various fields, mainly real estate, automobile, career and human resources, through publishing daily and weekly newspapers, magazines and internet sites.

[1] BİAK, Turkish Readership Survey, 12-3 cumulative period data.

News Agency

Doğan Haber Ajansı (DHA)

Doğan Haber Ajansı was established in 1999 with the deep-rooted backgrounds of Mil-Ha and Hürriyet Haber Ajansı of Doğan Group. Since its establishment, DHA has met the reliable and high quality news, images, and photo needs of Turkish media with its expert and skilled reporters, cameramen and live broadcast teams. With the slogan of "Only News, Just in Time", DHA delivers accurate news fast to its subscribers with a commitment to objectivity. DHA acts in line with Doğan Yayın Broadcasting Principles, which are parallel to the fundamental principles of journalism, and is an important source for the international press for developments in Turkey and the neighboring region.

DHA, with its specialized and skilled reporters, cameramen and live-broadcasting teams, meets the needs of Turkish media with reliable and qualified news, images and photos.

Printing and Distribution

Distribution

Doğan Dağıtım

Doğan Dağıtım, the widest-reaching media distribution network in Turkey, reaches and offers fast, secure and complete service to every corner of the country with its effective and powerful organization. Doğan Dağıtım carries out nationwide distribution of 23 national and 11 regional newspapers, 10 daily, 21 weekly, five biweekly, 136 monthly and 207 bimonthly and longer-period domestic magazines, as well as 313 foreign publications.

Printing

Doğan Printing Center

Doğan Printing Center (DPC) facilities is the largest printing center in Turkey with its state of the art production techniques, adaption of new technologies, modern equipment and production capacity. The Company is well known internationally with its service quality and sector leadership. DPC carries out printing of weekly, monthly and periodic magazines of Doğan Yayın Holding newspapers, as well as non-Group magazines and their supplements on a contractual basis at its facilities located in six cities in Turkey and Germany.

Doğan Ofset

Doğan Ofset holds a leading position in its operating field with its large print capability, quality-oriented approach, new equipment, solutions targeted to high customer satisfaction and efficient distribution network. The Company, which prints magazines, supplements, brochures and inserts, is one of the printing enterprises that provides the best service not only in Turkey but also in the Middle East and the Balkans.

Magazine and Book Publishing

Doğan Burda Magazine

Doğan Burda, operating under the name of Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. since July 2005, is the leader of the Turkish magazine publishing sector with its magazines offering authentic and creative content. In 2013, the Company achieved a sales volume of 5.96 million units and a market share of 32% with 50 different magazines published at various periods as well as four weekly, 22 monthly and four special-period magazines.

Doğan Burda has continued to invest in magazine publishing and introduced valuable publications to the Turkish media in 2013. The world's best-selling travel / geography magazine Geo and its monthly travel magazine Geo Saison, joined the Doğan Burda portfolio with a successful launch made in March 2013. In April 2013, Pozitif, a personal development guide that is to be published quarterly, was launched. In May 2013, Nexxt, a free tablet magazine on technology published every two weeks, was launched. Spa & Wellness, a bimonthly magazine targeting everyone who is looking for a healthy and good lifestyle, joined the Doğan Burda portfolio in September 2013. In addition, a licensed watch magazine appealing to the luxury segment, Revolution, started to be published quarterly in December 2013.

Doğan Egmont

Founded in 1996 with a "Reading is the future" philosophy, Doğan Egmont is Turkey's leading magazine and book publisher for children aged 0-14. The Company currently has more than 1,000 books and 19 magazines in its vast portfolio, ranging from entertainment to education and social values.

Doğan Kitap

Operating since 1999, 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 position in the world of literature through publishing books that are listed at the top of the best seller lists and that have high sales figures.

DPP

DPP, which operates in the field of magazine marketing and planning, maintains its unrivaled leadership and reputation in the sector with its foreign partnership and effective investments.

Online Services

With news websites and various portals appealing to wide audiences, Doğan Holding is among the sector's leaders in internet advertising. According to 2013 Comscore data, Hürriyet Group ranked among the top ten most-visited websites in 2013. The websites of www.hurriyet.com.tr, www.posta.com.tr, www.cnnturk.com.tr, www.radikal.com.tr, www.fanatik.com.tr, www.kanald.com.tr, www.arabam.com.tr, www.hurriyetemlak.com and www.yenibiris.com all became among the most-visited websites within their respective categories.

MedyaNet

MedyaNet has become Turkey's leading online advertising marketing company with its innovation-driven, dynamic and creative service approach. The Company's activities include display, mobile, online video, performance-driven digital marketing and social media. Identification of advertising areas of internet-based communication channels with Turkey's leading publishers in their respective fields, submission to advertisers, publication, reporting and supervision of performance management processes are among the services offered by MedyaNet.

Media

Our diversified brands in the media sector

APPEAL TO EVERY SEGMENT OF SOCIETY

Kanal D, adopting a management approach open to change, meets its viewers with initiatives that are creative and diversified.

Broadcasting

Television and Radio Broadcasting and Production

Exemplary television channels with their innovative, authentic and dynamic programming approaches like Kanal D, CNN Türk and tv2; radio channels followed by broad audiences like Radio D, CNN Türk Radio and Slow Türk Radio; and D-Smart digital platform, which contains platform-specific thematic channels and provides access to all national Turksat satellite channels, all operate under the umbrella of DYH. In addition to its activities in broadcasting, Doğan Yayın Holding also operates in the production of TV series, programs and advertising via D Productions and InDHouse; and the distribution of movies via Kanal D Home Video. Kanal D Romania, which carries out DYH's international television operations, has become one of the leaders of the Romanian television industry shortly after its establishment.

Kanal D

Having a management approach open to changes, Kanal D offers its audience authentic and creative projects. Kanal D maintains its leading position in the television industry with its colorful content that appeals to a wide range of audience. According to TNS A.Ş. data, Kanal D had a 10.21% audience share in All Day/A/B SES and a 12.05% audience share in All Day/All Audience between January 01 - December 31, 2013. Therefore, Kanal D maintained its leading position as the most watched television channel in Turkey in 2013.

CNN Türk

CNN Türk, Turkey's accurate, objective, strong and reliable news platform, began broadcasting in 1999. Established as a joint-venture between Doğan Yayın Holding and Time Warner, CNN Türk is Turkey's first television channel established through an international partnership. In addition, CNN Türk's unique position, as the first national CNN channel managed outside of Atlanta that offers 24-hour news coverage in a national language, demonstrates the pioneering role of the channel in the broadcasting sector.

Appealing to a wide range of audiences with its colorful content, Kanal D maintains its leadership position in the television industry.

Successfully combining its quality journalism approach with the latest technological applications throughout its 14 years of broadcasting history, CNN Türk has developed an integrated system with cnnturk.com, 92.5 CNN Türk Radio, mobile platforms and smart TVs. CNN Türk tablet and mobile applications offer the opportunity to reach live broadcasts, program contents and last-minute news at any time from anywhere.

Being a close follower of technology and rapidly adaptive to change, CNN Türk can be watched in high definition at D-Smart channel 30 starting from April 2013.

tv2

tv2 began broadcasting in August 2012 with a wide range of content that offers all the colors of life and gained a broad audience in less than two years. Positioned as a national entertainment channel, tv2 offers popular foreign series, domestic productions, entertainment programs, cartoons and thematic movies.

Dream TV

Launched in 2003 with the "Follow your dreams" slogan, Dream TV broadcasts foreign pop music and alternative Turkish music video clips. With "Native Language of Music" slogan, DreamTürk also gained the appreciation of music lovers with its Turkish pop video clips that appeal to a wide range of audiences.

Doğan Teleshopping

Doğan Teleshopping launched in 2007 to provide television audiences with the opportunity to shop from home. D Shopping enables viewers to shop via television and the internet for a wide range of products like kitchenware, healthy nutrition, beauty and hobby related items through 24/7 broadcasting. In addition, the channel's popular program "Her Eve Lazım" (A Must for Every Home) offers practical products designed to add comfort to daily life.

Operations in Europe

Kanal D Romania

As the face of Kanal D in Romania, Kanal D Romania started broadcasting in 2007 with a national broadcasting license. The channel was acclaimed with its original broadcasting approach and became one of the country's most watched television channels in a short period of time after its establishment. As of 2013 year-end, Kanal D Romania ranked third among 18-49 years age range urban viewers in the all-day audience category.

Euro D

Euro D was founded in 1996 to bring the latest news from Turkey to Turkish people living abroad and, in a short time, become a channel closely followed by a wide audience of Turkish speakers in Europe. Euro D offers a rich variety of content from news to magazine, entertainment to health programming.

Radio Broadcasting

Radyo D

As one of the first national radio stations in Turkey, Radio D broadcasts Turkish pop music via fully digital systems at global quality standards.

Slow Türk

Established to offer the best love songs to Turkish listeners, Slow Türk has become one of the most-popular radio channels in Turkey with the beautiful and romantic songs aired round-the-clock.

Radio D and Slow Türk Radio continue to reach their audience through the D-Smart digital platform, Turksat satellite, terrestrial broadcasting network, internet broadcasts, and tablet and mobile applications.

CNN Türk Radio

Aired 24 hours a day on frequency 92.5, CNN Türk was established as a joint venture between DYH and Time Warner. The broadcast stream of TV channel CNN Türk is aired live on CNN Türk Radio to a radio audience with qualified journalism approach.

TV and Music Broadcasting and Production

D Productions

One of the leading production companies in Turkey, D Productions was established under the name ANS International in 1992 and joined the Doğan TV Holding family in 1998. Since 2005, the Company has continued to operate as D Yapım Reklamcılık ve Dağıtım A.Ş. It produces TV series, programs, movies and advertising and provides movie distribution services.

InDHouse

As Doğan TV Holding's second TV series and programs production company, InDHouse is best known as the producer of popular projects that attract a wide range of audiences. "Ben Bilmem Eşim Bilir" (My Spouse Knows Best), the competition show watched with excitement and joy across the country, and "İntikam", an adaptation of the series "Revenge" that is still being broadcast on the American ABC network, are some of the programs produced by InDHouse.

Kanal D Home Video

As a reflection of D Productions' approach that is open to innovation, Kanal D Home Video offers a wide range of movie alternatives for those who want to enjoy cinema-quality movies at home.

Doğan Music Company

DMC is best known as the producer of hit songs that it has brought to the music industry since its establishment in 2000. DMC maintained leadership in the sector in 2013 with a 20% market share in physical distribution and a 60% market share in the digital space, including the catalogs of its own and of the companies it represents.

Media

With strong digital platform performance,

CONSISTENT GROWTH IN REVENUES

D-Smart, Turkey's fastest growing digital platform, today provides TV and internet services to about 2 million households.

Digital TV Platform

D-Smart

D-Smart, one of the leading digital broadcasting platforms in Turkey, was established in 2007 under the umbrella of Doğan TV Holding. By closely following market dynamics and audience expectations, D-Smart constantly develops and enriches its service packages. As the fastest growing digital platform in Turkey, D-Smart delivers TV and Internet service to about 2 million households today.

Platform-specific thematic channels, 41 channels making HD broadcasts, all of the national channels, hundreds of domestic and foreign satellite channels broadcasting on Turksat, and digital content are among the main services that D-Smart offers to its users. In addition to sports such as Champions League and UEFA matches, NBA, Formula 1, Moto GP, La Liga and the Turkish Airlines Euro League, movies, series, documentaries, children's and lifestyle channels constitute the wide variety of D-Smart's content.

Thematic channels specially for the platform, 41 HD channels, all national channels, hundreds of national and foreign channels broadcasting through Turksat satellite and digital content are among the main services provided by D-Smart.

Growing with its investments at the intersection of the internet and digital broadcasting technologies, D-Smart has provided internet access services together in line with customer needs with Smile brand starting in 2010. D-Smart has provided internet services under the name D-Smart Net since May 2012. With D-Smart Net, a one-stop entertainment platform offering both internet and television services was created with an aim to provide customers with price advantages besides ease of service.

As the only DTH platform in Turkey that offers double game, that is TV + internet services, D-Smart offers content access services via the internet with D-Smart BLU application, in addition to services it offers via satellite. Aiming to provide their subscribers with diversified services, D-Smart aims to offer its rich content from other devices such as computer, iPhone and iPad with the D-Smart BLU application.

In 2013, D-Smart continued with its rapid growth; the number of Pay TV subscribers increased by 19% compared to the previous year and exceeded 1 million subscribers. By the end of 2013, D-Smart maintained its second place position in terms of market share.

Doğan Faktoring performs wide-ranging risk analysis on trade receivables.

Other Operations

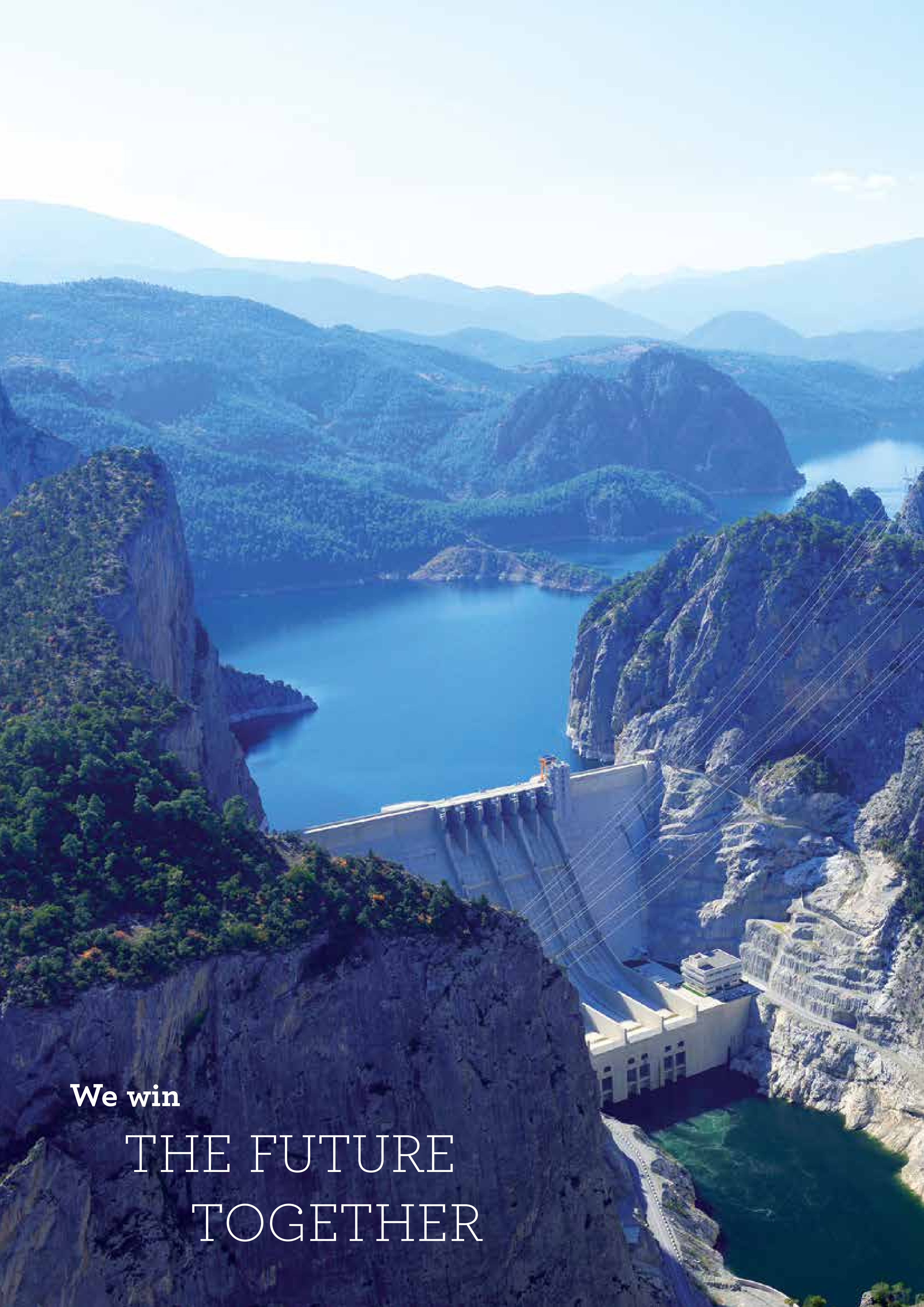
Doğan Dış Ticaret

Doğan Dış Ticaret is mainly involved in agency activities, import of newspaper-magazine paper and printing materials, as well as import and marketing of promotional products as well as various other products subject to e-commerce such as furniture, textiles and clothing, and satellite receiver systems for receiving satellite broadcasts.

Doğan Faktoring

Earning a reliable reputation in the sector with its skilled workforce and expertise, Doğan Factoring carries out comprehensive risk analysis for commercial receivables. These analyses create significant value by eliminating the possible payment problems of Doğan Faktoring customers.

Doğan Dış Ticaret carries out business activities mainly in the field of importing paper for newspapers & magazines and printing materials.


We win
THE FUTURE
TOGETHER

We continued with investments in energy sector and maintained our consistent growth while making difference in our business with our strong team, we focused on the satisfaction of our customers, and of local community in our operations.

Doğan Enerji

We Provide RENEWABLE ENERGY for Turkey

Doğan Enerji Yatırımları Sanayi ve Ticaret 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 carry out production, transmission, distribution, domestic and international wholesale and retail trade of energy from any source and to realize investments in Turkey and the region.

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. Construction work was completed and the project became operational at full capacity in December 2012. Having 513 MW of installed capacity, the Boyabat project is expected to generate about 1.5 billion kWh of electricity per annum. With this investment, one of the largest private sector power plant investments in Turkey, Doğan Enerji started to make a significant contribution to meet the growing energy needs of Turkey.

With an installed capacity of 120 MW, Aslancık Dam and HEPP project is situated on the Harşit Brook within the boundaries of the Doğankent and Tirebolu towns of Giresun province in the Eastern Black Sea Region. The project is owned 25% by Doğan Holding and 8.33% by Doğan Energy. The project's electricity generation license was received from EMRA on March 20, 2008. The project is scheduled to become operational in the first half of 2014 and expected to generate 418 million kWh of energy on an annual basis.

The installed capacity of Mersin WEPP, which was added to the Group's energy portfolio in 2012, was increased to 42 MW from 33 MW in February 2013. Also, Şah WEPP's installed capacity was increased from 93 MW to 105 MW in May 2013.

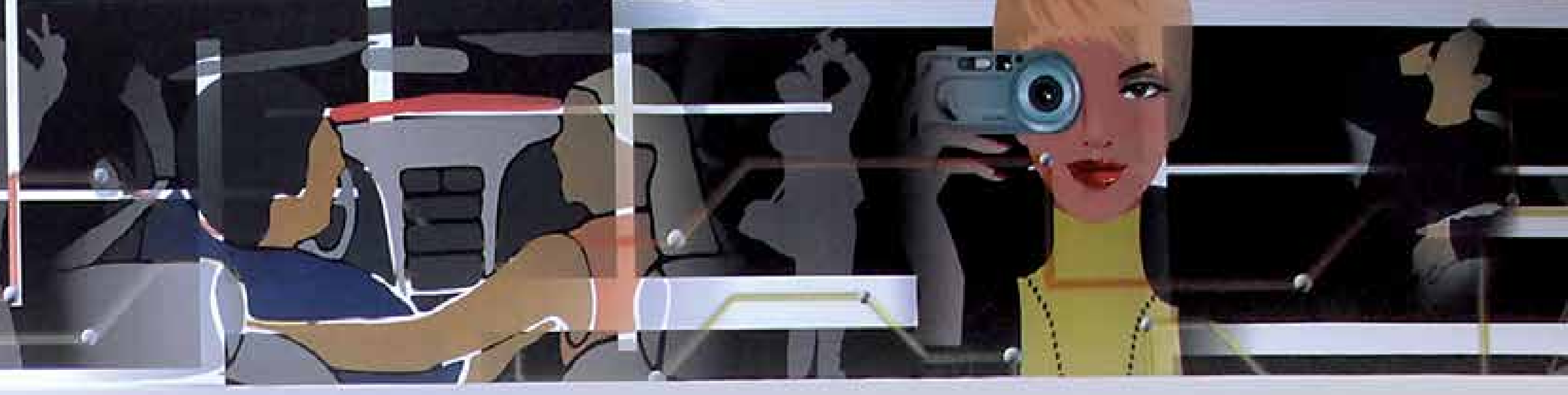
Doğan Enerji increased its share from 25% to 100% in D-Tes Elektrik Enerjisi Toptan Satış A.Ş. by purchasing the remaining 75% shares in 2013. Through D-Tes Elektrik Enerjisi Toptan Satış A.Ş., which owns an electricity wholesale license, Doğan Energy continues to increase its portfolio in electricity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

The Group has a 20% net interest in oil exploration and production activities in Northern Iraq, which was participated in through its joint venture company Gas Plus Erbil. In 2013, oil exploration and production activities continued with the drilling of wells for field development purposes and with the work to put oil-discovered wells into operation. With the additional discovery made at Bastora-2 well, of which previously drilling was completed, in Bastora oil field, an increase is expected in the total amount of oil in the licensed field. The Benenan-4 well in Benenan field, of which drilling was completed in 2013, has given important information about southwest extension of the field. From 2014 and forward, priority will be given to increase production and to invest in the development of both fields in most efficient way.

Doğan Enerji focuses on new projects in its region by following a balanced growth strategy for its petroleum and natural gas project portfolio in terms of risks. As a first step of this strategy, Doğan Enerji participated in the tender and won the Exploration License of Wadi Al Banin (Block 84) in Yemen. The exploration activities will be initiated after the conclusion of Production Sharing Agreement negotiations and receipt of signatures and approvals.

In 2000, Doğan Holding established Doğan Enerji in order to make energy production from every sources, energy transmission, distribution, wholesale and retail trading in domestic and international markets and to realize its investments in Turkey and the nearby region.

To life
WE ADD COLOR TOGETHER



With D&R, we continued to expand our product range of culture, art and entertainment related items and to offer our products in a modern and relaxing space. We hosted our customers in a pleasant environment. By also moving forward in the area of e-commerce, we reached a broader customer base.

D&R

UNIQUE APPROACHES

in the retail sector

D&R, the retail sector investment of Doğan Holding, offers a unique service concept in the field of hobby and culture retailing in a wide geographic area. Closely following innovations in the rapidly developing sector, D&R plans to continue to grow by seizing profitable investment opportunities.

Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. (D&R)

D&R was founded in November 1996. The first D&R shop was opened in 1997 in Erenköy, İstanbul. D&R stores are visited by an average of 2 million customers per month and over 150 thousand varieties of products are offered for sale. Online stores are visited by 1 million individual visitors per month. Doğan Holding aims to expand D&R, which is the market leader with its variety of products and wide network of stores, with new store investments.

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 its products as well as cultural events, D&R stores also contribute to the cultural development of visitors by reserving designated areas for reading and organizing book signing days with famous authors. By the end of 2013, the number of D&R stores climbed to 141, while the total sales area expanded to 54,505 square meters.

D&R total number of stores

D&R's total sales area rose to 54,505 m² in 2013.

In 2013, D&R made an investment in e-commerce by acquiring Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Tic. A.Ş., the owner of Idefix and Prefix brands. Also in 2013, D&R's web site (www.dr.com.tr) was renewed to enable more efficient use, resulting in a considerable increase in sales.

D&R plans to continue investing in both e-commerce and stores to maintain its market leading position and to increase brand awareness.

D&R opened its first store in Erenköy in 1997. D&R stores are visited by a monthly average of 2 million customers and more than 150 thousand different products are offered for sale.

The Future

WE PRODUCE TOGETHER

With Doğan Organic, we created a sustainable production model for Turkey's agricultural economy.

Çelik Halat

EBITDA (TL million)

Çelik Halat's EBITDA in 2013 amounted to TL 13.0 million.

Kilometers of long HIGH QUALITY STEEL WIRE ROPES

Çelik Halat ve Tel Sanayii A.Ş.

As one of the oldest industrial investments of Doğan Group, Çelik Halat was founded in 1962 in order to meet the high carbon steel wire and rope needs of our country. The Company became operational in 1968.

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 more fields for many years. Continuously improving and growing since its foundation, Çelik Halat manufactures steel wire ropes, industrial galvanized wires, industrial spring wires, bead wires and concrete strands.

Çelik Halat is positioned as a powerful and leading brand and the first Turkish manufacturer in the industry with its industrial know-how, organizational structure and sales volume. Çelik Halat achieves a large sales volume in every operating region thanks to its quality-oriented products and services. The Company develops strategies to convey its success in the domestic market to the international arena by increasing its exports. For this purpose, as disclosed at the Public Disclosure Platform on February 27, 2014, Çelik Halat stated that, within the scope of the work carried out to investigate and evaluate various cooperation opportunities including acquisitions and strategic partnerships with companies operating in Europe, it authorized its management for the establishment of an enterprise to operate in the metal-steel industry, for starting negotiations to acquire assets and for providing financing to this company.

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

The Company completed the capital investments that will increase its capacity of high value-added rope products by the end of March 2013; thanks to these investments, total rope sales grew 10% in 2013. In 2013, Çelik Halat reached its highest-ever sales volumes in all products except bead wire.

Total production increased 10% compared to the same period of the last year climbing to 56,280 tons, while total sales volume increased 6% to 55,003 tons.

In 2013, total production rose to 56,280 tons, up 10% compared to the previous year while total sales increased to 55,003 tons, up 6%.

Çelik Halat ve Tel Sanayii A.Ş. Shareholding Structure

Shareholders	Share (TL)	Share (%)
Doğan Şirketler Grubu Holding A.Ş.	12,983,789	78.69
Free float on the BIST and other shareholders	3,516,211	21.31
Total	**16,500,000**	**100.00**

Çelik Halat ve Tel Sanayii A.Ş. Key Indicators

(TL million)	2013	2012
Total Assets	100.2	73.1
Shareholders' Equity	27.5	30.1
Total Sales	131.9	121.2
EBITDA[(*)]	13.0	5.7
Net Profit/(Loss)	(0.6)	0.4

(*) Earnings before interest, taxes, depreciation and amortization (EBITDA) excludes Other Operating Income/(Expenses).

Ditaş

Integrated Plants,

HIGH QUALITY

and sustainable leadership

EBITDA (TL million)

2013	4.9
2012	1.1

Ditaş's EBITDA in 2013 totaled TL 4.9 million.

Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş.

Ditaş was established in 1972 and registered in Turkey. The company operates in the automotive sub-industry and manufactures steering rods, rod ends and tie rods for all kinds of vehicles. The company has been listed on the Borsa İstanbul since 1991.

With its high quality products, integrated plants, and deep experience, Ditaş has been one of the leading companies in the Turkish market where the world's biggest rod manufacturers compete. Ditaş has taken important steps to become a reputable brand as an original equipment manufacturer in the world automotive markets, and also in the automotive aftermarket. In Turkey, Ditaş meets 80% of the market demand of commercial vehicle manufacturers and 15% of the demand of the private vehicles for steering (tie) rods. Ditaş's share in the replacement parts market is 25%.

Having ISO/TS 19949:2002 Automotive Suppliers Quality System Certification, ISO 14001 Environmental Management System Certification and the FORD Q1 award, Ditaş is also the Class "A" supplier of Turkey's biggest vehicle manufacturers.

The most important factors behind the sustainable success of Ditaş with its experience of more than 30 years as one of the biggest steering (tie) rod manufacturers in Turkey, are: the brand reliability created as a result of carrying out its activities under the umbrella of a powerful entity like Doğan Holding; keeping close track of technological developments; and utilizing the best software in the plants, skilled human resources, modern engineering systems and advanced integrated plants.

With its high quality products, integrated plants, and deep experience, Ditaş has been one of the leading companies for many years in the Turkish market where the world's biggest rod manufacturers compete.

Ditaş has taken important steps to become a reputable brand as an original equipment supplier in the world automotive markets and also in the automotive aftermarket. On February 18, 2014, Ditaş announced, on the Public Disclosure Platform, that it has decided to further develop its business activities with two separate local companies, one in the Russian Federation the other in the People's Republic of China, in order to carry out sales and marketing for its products in Asia Pacific countries and the Commonwealth of Independent States, including Russia. Moreover, Ditaş announced that 100% of the capital of both companies belong to Ditaş, and that the D Stroy Ltd. company to carry out business activities in the Russian Federation has capital of RUB 10,000 while the Ditaş Trading Shanghai Co. Ltd. company to carry out operation in the People's Republic of China has a capital of RMB 600,000, and that both companies are at the stage of launching their operations.

In 2013, the production of the Company was 3 million units, decreasing by 7% compared to 2012. In the same period, the average selling prices increased 9% compared to the previous year. In 2013, Ditaş maintained its revenues at the same level compared to the previous year while its EBITDA increased to TL 4.9 million from TL 1.1 million in 2012.

Ditaş has taken important steps to become a reputable brand as an original equipment supplier in the world automotive markets and also in the automotive aftermarket.

DİTAŞ Doğan Yedek Parça İmalat ve Teknik A.Ş. Shareholding Structure

Shareholders	Share (TL)	Share (%)
Doğan Şirketler Grubu Holding A.Ş.	7,359,315	73.59
Shares traded in BİST and other partners	2,640,685	26.41
Total	**10,000,000**	**100.00**

Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş. Key Indicators

(TL million)	2013	2012
Total Assets	43.1	33.7
Equity	22.2	19.1
Total Sales	52.3	52.3
EBITDA(*)	4.9	1.1
Net Profit/(Loss)	3.9	(2.2)

(*) Earnings before interest, tax, depreciation and amortization (EBITDA), do not include Income/Expenses from Other Operations.

Doğan Organik Ürünler

Having respect for nature and human, we are working for

REGIONAL DEVELOPMENT

Doğan Organik increased its capacity four-fold after receiving organic certification in 2005 from an EU accredited control and certification services company.

Doğan Organik Ürünler Sanayi ve Ticaret A.Ş.

Founded in 2002 with the aim to become the leader of organic dairy farming and livestock breeding in Turkey, Doğan Organik Ürünler has become the largest supplier of organic drinking milk sold in the Turkish market today, thanks to its stable growth and effective market strategies. With an annual production capacity of 10,000 tons, the Company is one of Europe's largest in organic livestock breeding.

Doğan Organic Products, increased its capacity four-fold after receiving organic certification in 2005 from an EU accredited control and certification services company.

With the aim to lead farmers in the Kelkit region to switch to organic production, Doğan Organik Ürünler launched a contract-farming project in 2006. Within the context of the initiative, Doğan Organik Ürünler refurbished the animal shelters and trained local farmers on issues such as organic fodder crops, milking, shelter systems and fertilizer use. In addition to sharing its sector experience and knowledge throughout the project, the Company also supported farmers by executing the organization of all stages from the production of organic raw milk to processing and marketing. Approximately 65% of the organic raw milk produced in Turkey is produced by Doğan Organik Ürünler's facilities and contracted farmers.

Expanding its production network with each passing year, the Company has been producing organic milk and dairy products of MLife brand of Migros, the most preferred national supermarket chain by Turkish AB-income group customers. Subsequently, Fine Life brand of Metro Gross Market, and Kasta and Ekolojimarket brands, produced by different partners for organic markets and delicatessens, have joined the portfolio of Doğan Organik Ürünler. As a result of all these developments, the Company holds 100% of the original-branded organic milk products sold in the country's largest national market groups.

Doğan Organik Ürünler continues to provide trainings to local farmers regarding organic agriculture and livestock breeding in order to add value and support regional development. As a founding member of Organic Products Manufacturers Association, the Company shares its experience and knowledge with other enterprises via symposiums and conferences organized by the association.

The success of Doğan Organik Ürünler in activities aimed at regional development is recognized with various awards each year. In 2005, Doğan Organik Ürünler was named one of the top 10 socially responsible investments in Europe by the European Union Directorate of Business Affairs. In 2006, Doğan Organik Ürünler was honored with the "Best Agricultural Investment of the Year" award by the World Food Organization (FAO) on World Food Day.

Following various national awards received in 2012, Doğan Organik Ürünler was awarded with the first prize in the SME category at the "Cooperation, Innovation and Impact" themed European CSR Awards program organized by the European Commission Corporate Social Responsibility Communications for the first time in 2013.

Doğan Organik Ürünler continues to strive to transform Kelkit and its surrounding area, which is an extremely favorable region for organic dairy and livestock farming, into a well-known hub of high quality organic production and to keep the residents of the region updated on developments concerning this issue.

One of the largest companies of Europe in organic animal breeding, Doğan Organic Products has a production capacity of 10,000 tons per year.

Approximately 65% of the organic raw milk produced in Turkey is produced by Doğan Organik Ürünler's facilities and contracted farmers.

Milta

We aim for higher CUSTOMER SATISFACTION in the tourism sector

One of the 50 marinas that provide the best services among 345 marinas from 25 countries, Milta Bodrum Marina's success is recognized with awards from many organizations.

Doğan Holding started its tourism investment and business activities with the establishment of Milta Turizm İşletmeleri A.Ş. in 1982. Milta Turizm provides hotel management, marina operations, travel agency services, fleet and daily car rentals and event management services via Işıl Club, Milta Bodrum Marina and Işıl Tur.

Milta Bodrum Marina

Marinas are of great importance for our country, surrounded by sea on three sides, with the tourism and employment opportunities they provide to their environs. Turkey has an extremely convenient location for marina tourism, which currently constitutes 25% of the country's total tourism revenues. Thanks to new investments, out of 700 thousand yachts sailing in the Mediterranean, nearly 45 thousand moored in Turkish marinas in 2013. The number of yachts in the Mediterranean is expected to exceed 1 million by 2023, a clear indication of the importance of investments in this area.

With its service quality at global standards, convenient location in the city center just 40 minutes from the airport, professional staff working to provide customer satisfaction beyond expectations and its 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 its client portfolio that includes sailboat, catamaran and motor-yacht owners, charter companies and boat agencies. Despite having the heaviest traffic among all yacht marinas in Turkey, Milta Bodrum Marina conducts its operations with an environmentally friendly approach. Efforts to preserve the balance of nature, such as water treatment and solar energy usage, also continued in 2013.

As one of the top 50 marinas among 345 marinas in 25 countries in terms of service quality, Milta Bodrum Marina regularly receives awards from various institutions. Milta Bodrum Marina received the Five Golden Anchors international quality award from the European Boating Association, entitling the facility to be recommended to yacht owners around the world. In addition, Milta Bodrum Marina further reinforces its prestigious position in the international arena with the "National Blue Flag" award it has received each year since 1997.

Milta Bodrum Marina received the Five Golden Anchors international quality award from the European Boating Association, entitling the facility to be recommended to yacht owners around the world.

Milta

We contribute to the Turkish tourism industry with our

QUALITY- AND CUSTOMER-CENTERED APPROACH

Işıl Club Bodrum was deemed worthy of first prizes in guest satisfaction for Turkey and the Aegean Region from leading travel survey web sites.

Işıl Club Bodrum

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

In 2013, increasing competition among tourism enterprises and destinations resulted in excessive price cuts by some enterprises. The political situation in Turkey combined with the insufficient capacity of air travel companies to meet the demand and pressures coming from tour operators left tourism companies in distress from time to time. Thanks to its strong financial structure and forward-looking strategies, Işıl Club managed to stay unaffected from industry fluctuations and exceeded its revenue per capita budget target. In addition, Işıl Club continued its environmental-friendly practices in 2013 as in previous years.

In 2013, Işıl Club was selected as the second best hotel in Turkey at the Zoover awards. In previous years, the Club ranked the highest in terms of customer satisfaction among the destinations in Turkey and the Aegean region by leading survey sites of the tourism sector such as zoover.com, tripadvisor.com and vakantiereiswijzer.com. During the nine years period it was operated by the French hotel giant ACCOR, Işıl Club at various times received the "Best Facility" award among the Eldorador and Coralia global hotel chains. In addition to these awards, as a result of its success in the periodic annual inspections, Işıl Club is entitled to receive HACCP quality assurance certification and Blue Flag awards.

Işıl Tur

Established by Doğan Holding in 1997 to perform brokerage services, Işıl Tur mainly carries out fleet and daily car rentals, corporate hotel reservations, airline 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 2013, 538 IATA and over 6,000 non-IATA agencies are selling tickets in Turkey. Işıl Tur is among the top 100 IATA agencies in Turkey. The Company also is an authorized dealer for THY, Pegasus, Onur Air, Atlas Jet and SunExpress. Işıl Tur, while providing a wide range of services from corporate travel events to domestic and international ticket sales, also sells airline tickets online via milta.com and promobilet.com.

Işıl Tur also offers fleet and daily car rental services under 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 İstanbul.

In 2010, the Company further expanded its services and started to provide services in the fields of domestic and international meetings, incentive tours and conventions and event management with Işıl Events brand. In 2013, Işıl Events organized over 70 meetings and events for various institutions.

Işıl Tur is a "Group A" travel agency and a member of the Association of Turkish Travel Agencies (TÜRSAB).

Milta has initiated new partnerships for real estate development projects.

Milta Havacılık

Doğan Havacılık, which was established in 2002, joined the Milta family by merging with Milta Turizm İşletmeleri A.Ş. on December 25, 2012. The company provides domestic and international air taxi transportation services with a 10-passanger capacity Falcon 2000 EX sn 2007 airplane that is registered as a Milta Turizm asset.

Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş.

Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. was founded on April 5, 2012 as a joint venture company with Milta and Rönesans Gayrimenkul Yatırım A.Ş., both having a 50% stake. Nakkaştepe Gayrimenkul purchased a 38,323 m^2 parcel in Bayraklı, İzmir for real estate development purposes. The project planning and design work relating to planned investments started in 2013. Construction is expected to commence in 2014.

Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş.

Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş. was founded on November 2, 2012 as a joint venture company with Milta and Rönesans Gayrimenkul Yatırım A.Ş., both having a 50% stake. Kandilli Gayrimenkul purchased a 23,685 m^2 parcel in Ümraniye, İstanbul to develop real estate projects. Investment activities are scheduled to start in 2014.

Established in 1997, Işıl Tur is mainly active in fleet and daily car rental, corporate hotel bookings, airline ticket sales and corporate meeting events.

DD Mortgage

Total assets (TL million)

The assets of DD Mortgage rose to TL 516 million in 2013.

SPECIAL SOLUTIONS

in housing finance

DD Mortgage received approval from BRSA for insurance agency services and began to provide insurance sales as of July 2009.

DD Konut Finansmanı A.Ş. (DD Mortgage)

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

With the entry into force of the 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 AG purchased 49% of the shares of the Company. Following the receipt of the operating license from the BRSA in June 2008, the Company commenced its mortgage lending operations. Later, DD Mortgage also received an approval for insurance agency services from the BRSA and started to offer insurance sales as of July 2009. Thus, the Company became capable of meeting the insurance needs of customers in connection with their mortgage loans. A pioneer in the industry since its inception, in February 2010, DD Mortgage made the first portfolio transfer at international standards in housing finance in Turkey.

DD Mortgage carries out its sales through branch office, website, call center and direct sales channels, and marketing conducts through real estate development projects, real estate offices and the internet. With three branches in Istanbul (located in Beşiktaş, Ataşehir and Bakırköy), DD Mortgage develops client-specific mortgage loans and mortgage-collateralized personal loan products for potential homeowners. Its strong capital structure and extensive knowledge base coming from the Deutsche Bank and Doğan Group partnership, skilled human resources, advanced technological infrastructure and customer-oriented service approach are the most important factors that provide competitive advantages to DD Mortgage.

Strength that comes from two powerful partners has played a major role in the steady increase of DD Mortgage's market share. The long-term bond issues amounting to TL 150 million in the first half of 2013 led to a reduction in lending cost by extending maturity. By the end of 2013, DD Mortgage reached a total asset size of TL 516 million and a total loan portfolio of TL 395 million.

With the renewal of its risk monitoring system in 2012, the Company started to monitor repayment performance of loans more effectively. In 2013, while the industry's non-performing loan ratio was 0.62%, DD Mortgage managed to keep its non-performing loan ratio at 0.39%.

DD Mortgage is a member of GYODER (Real Estate Investment Trusts Association), Financial Institutions Association (Financial Leasing, Factoring and Financial Companies Association) and AHK (German-Turkish Chamber of Commerce and Industry) in Turkey and the MBA (Mortgage Bankers Association) in the United States.

As of 2013 year-end, DD Mortgage's asset size totaled TL 516 million and loan portfolio amounted to TL 395 million.

Milpa

Shareholders' Equity (TL million)

MİLPA's shareholders' equity rose to TL 100.8 million in 2013.

Timely investment DECISIONS for future growth

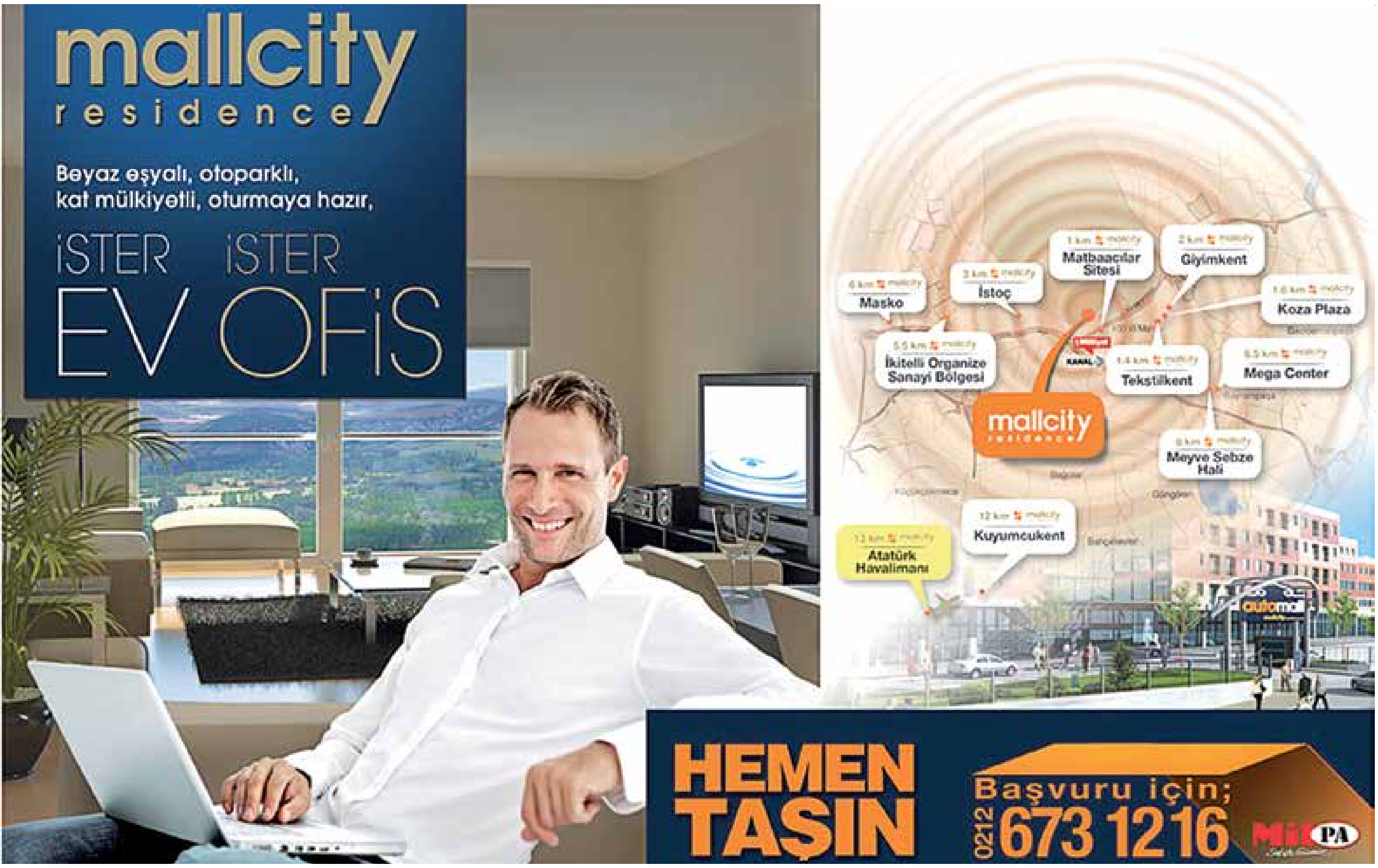
With deep experience of 34 years in various sectors, a management style that easily adapts to change, and a well-skilled workforce, Milpa demonstrates stable and balanced growth in marketing, an area with a tough competitive environment.

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

Milpa was established in 1980 to carry out direct marketing of motor vehicles, consumer durables and consumer products. The Company, throughout the years, has diversified its activities into many sectors ranging from electronics to automobiles, computers to real estate. With deep experience of 34 years in various sectors, a management style that easily adapts to change, and a well-skilled workforce, Milpa demonstrates stable and balanced growth in marketing, an area with a tough competitive environment.

The Company revised its targets and strategies during the 2000s and decided to focus on the real estate sector. With this decision, Milpa accelerated its real estate investments and increased its business activities. The construction and sale of the Automall Project, consisting of 662 independent units, and Milpark Housing Project were completed and delivered to their owners in 2010.

Successful strategies, developed with a thorough analysis of closely followed market dynamics, play a major role in Milpa's strong position today. Milpa is one of the most reliable companies in the sector, thanks to its accurate and timely investment decisions along with its customer-oriented approach maintained since its establishment.



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

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

Maintaining its customer oriented approach since the day it was founded, Milpa has gained the confidence of the sector.

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

(TL million)	2013	2012
Total Assets	117.9	109.5
Shareholders' Equity	100.8	59.3
Total Sales	5.2	12.1
EBITDA(*)	(4.1)	(9.0)
Net Profit/(Loss)	(9.6)	(28.5)

(*) Earnings before interest, taxes, depreciation and amortization (EBITDA) excludes Other Operating Income/(Expenses).

Sustainability

We work for THE WELFARE OF FUTURE GENERATIONS

Doğan Holding invests in the country's youth, development and future with corporate social responsibility initiatives in education, health care, arts & culture and the environment.

Generally defined as "the ability to be long-lasting," sustainability also implies, according to the UN's World Commission on Environment and Development, meeting the needs of the present without compromising the ability of future generations to meet their own needs, and thus making development sustainable.

Sustainable social development via corporate social responsibility: Contributing to the Turkish economy and employment with its strong brands in different business lines, Doğan Holding also invests in the country's youth, development and future with corporate social responsibility initiatives in education, health care, arts & culture and the environment.

A green world via environmental sustainability: All companies under the umbrella of Doğan Holding structure their relations with nature towards the goal of protecting the environment while pursuing their respective growth strategies. In accordance with policies on environmental sustainability, Doğan Holding companies are committed to complying with all environmental protection laws, rules and regulations, using natural resources appropriately, embracing eco-friendly technologies in all business processes and raising the environmental awareness of employees through training programs.

Sustainability in occupational health and safety: Placing great importance on producing high quality products in safe and clean work environments, the Group fulfills all occupational health and safety requirements in its companies.

A skilled workforce for sustainable success: Understanding that human capital is the key to sustainable corporate success, Doğan Holding implements modern and ethical human resources practices that are geared toward continuous development.

We contribute to SOCIAL AND CULTURAL DEVELOPMENT with our initiatives

Corporate Social Responsibility

The recent rise in corporate social responsibility initiatives is an indication that the private sector is increasingly sensitive to this issue and is willing to assume a growing role in Turkey's development. In all its business lines, Doğan Holding implements projects which contribute to social and cultural development and supports current initiatives.

Understanding that younger generations are the future of our society, Doğan Group's educational projects are designed to raise well-educated youth with social and ecological awareness, and who are capable of taking the initiative.

Throughout 2013, Group companies and Aydın Doğan Foundation developed and implemented corporate social responsibility (CSR) initiatives that align with Doğan Holding's approach outlined above. CSR projects implemented by the Group companies also serve as models for other enterprises in their sectors.

Aydın 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 global 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.

Since its inception, in line with the social responsibility approach of Doğan Group, the Foundation has been active in education and the arts and has acquired a prestigious position, in Turkey and abroad, with its various initiatives over the last two decades.

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 heights in different fields, such as culture, the arts, literature and science.

Corporate Social Responsibility

We strive to IMPROVE EDUCATION in our country

To date, 7,800 artists from 137 countries have participated in the Aydın Doğan International Cartoon Competition with nearly 80,000 works.

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 2013, 842 artists from 77 countries participated in the event with some 2,544 works. The Selection Committee awarded the first prize to Polish artist Krzysztof Grzondziel, second prize to Turkey's Asuman Küçükkantarcılar and third prize to Pol Leurs of Luxembourg.

There are no subject matter limitations in the competition, which has now completed its 30th edition. Open to professional and amateur artists from across 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 2013, as in every year of the competition, cartoons judged worthy from the submissions received were presented to art lovers at exhibitions in Adana, Ankara, Balıkesir, Eskişehir, İstanbul, İzmir, Mardin, Muğla and Ordu (Ünye).

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 1,169 students participated in the 25th edition of the Young Communicators Competition with 1,014 works in the categories of publishing, broadcasting, advertising, public relations and online media.

The Selection Committee presented awards to 122 students for 66 projects. The award-winning students were also given the opportunity to join training programs designed expressly for acquiring professional skills and gaining experience at one of the newspapers, magazines, or television or radio channels of Doğan Yayın Holding.

The Aydın Doğan International Cartoon Competition is considered the most prestigious competition of its kind in the world. In 2013, 842 artists from 77 countries participated in the event with some 2,544 works.

Aydın Doğan Awards

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 heights in different fields, such as culture, the arts, literature and science. In 2013, Aydın Doğan Awards were presented in the category of Turkish music. The Selection Committee was comprised of Prof. Dr. Alaeddin Yavaşça (Chairman), Prof. Adnan Koç, Doğan Hızlan, Erol Sayan, Fatih Salgar, Gönül Paçacı, H. Özgen Gürbüz, Mehmet Güntekin and Serap Mutlu Akbulut. At its meeting on February 7, 2013, the Selection Committee decided on the year's winners, after much discussion and debate about various candidates under consideration. As a result, Aydın Doğan Awards were presented to Prof. Dr. Nevzad Atlığ, for his contributions to Turkish music in the last 65 years and his prolific artistic career, as well as the Foundation for Turkish Music for the organization's long-term, sustainable, effective and results-oriented initiatives.

EDUCATION

Since its establishment, the Aydın Doğan Foundation has launched many initiatives that have helped to raise the bar in the Turkish educational system. Schools and dormitories constructed by the Foundation and donated to the Ministry of National Education include:

- Sema Işıl Doğan Elementary School, Gümüşhane
- Atatürk University Aydın Doğan Private Elementary School, Erzurum
- Aydın Doğan Elementary School, Göztepe-Istanbul
- Yaşar ve İrfani Doğan Industrial Vocational High School, Kelkit-Gümüşhane
- Milliyet Anatolian Teachers High School, Erzincan
- Hürriyet Anatolian Vocational High School for Hotel Management, Erzincan
- Aydın Doğan Vocational High School for Trade (Communication)
- Aydın Doğan Vocational High School for Health, Istanbul
- Gümüşhane University Kelkit Aydın Doğan Vocational School, Gümüşhane
- Galatasaray University Aydın Doğan Auditorium, Istanbul
- TEGV Sema and Aydın Doğan Education Park, Istanbul
- Sema Doğan Park, Gümüşhane
- Aydın Doğan Center for Science and the Arts, Afyon
- 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
- Aydın Doğan Sports Complex, Gümüşhane

Kelkit Aydın Doğan Vocational School

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 643 during the 2012-2013 academic year. With the support of the Foundation, Kelkit Aydın Doğan Vocational School provides education in English. 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.

The Foundation also helps organize English language classes at the school. The Organic Agriculture Program, which is in high demand by many students in the region, is designed to raise the awareness of Kelkit area residents about sustainable agricultural methods and thus help develop local agriculture.

Aydın Doğan Vocational High School for Trade (Communication)

Specialized in journalism as well as radio and TV broadcasting, Aydın Doğan Vocational High School for Trade (Communication) held its 12th graduation ceremony in 2013. Established by the Aydın Doğan Foundation 15 years ago, the school was subsequently donated to the Ministry of National Education. As in previous years, the high school continues to be one of the top choices of students with the highest entrance exam scores. Of the 88 graduating students in 2013, 85 went on to enroll at a university.

To provide further motivation to the student body, the Foundation presents various awards to the top three graduates as well as the remaining graduating students. As in previous years, the Foundation continued to support the school with foreign language education, in order to help students enhance their English skills.

Corporate Social Responsibility

We design

INITIATIVES FOR DIFFERENT SOCIAL SECTORS

Aydın Doğan Vocational High School for Health
Inaugurated on April 24, 2013 by the Minister of Education Prof. Dr. Nabi Avcı, the Aydın Doğan Vocational High School for Health aims to educate the health care professionals of the future. The school meets all requirements of modern education with contemporary classrooms, advanced technology infrastructure and social and instructional facilities.

Aydın Doğan Vocational High School for Health has a capacity of 720 students. The high school includes departments to train emergency medicine technicians, anesthesia technicians and nurses. The institution boasts 24 classrooms, labs, gymnasium, IT classroom, library and a multi-purpose hall for 140 people.

The Foundation also provides support to Aydın Doğan Vocational High School for Health in order to help students improve their English language skills.

Dormitories for Girls
The following girls' dormitories were constructed by the Aydın Doğan Foundation within the scope of the "Dad, Send Me to School" campaign that attracted much public attention and were later donated to the Ministry of National Education: 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 2013, Aydın Doğan Foundation hosted a group of girls' dormitory residents, who were in the top three in their respective schools, in Istanbul for four days, together with coordinating teachers. The Foundation organized visits to universities, cultural events and historical sites for the group. The aim of this initiative was both to honor these students for their achievements and to contribute to their social and cultural development.

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

To develop children's language and communication skills, contribute to their personal and mental development, foster their interest in the arts, science and technology and educate them in these fields, Sema and Aydın Doğan Education Park has organized various educational activities. As a result, the Foundation contributed to the education of nearly 70 thousand children in 17 years.

Sema Doğan Park in Gümüşhane
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.

Kalender Metin Doğan Community Kitchen
Through the Social Assistance and Solidarity Foundation, Aydın Doğan Foundation provides support to the Kalender Metin Doğan Community Kitchen in Kelkit, where an average of 150 persons per day receive hot meals during winter and 100 persons are served daily in the summer.

Aydın Doğan Center for Science and Arts
Aydın Doğan Center for Science and Arts 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 (ERG)
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. To this end, the Foundation serves as an active Board member of the Education Reform Initiative (ERG) together with other leading Turkish foundations. ERG undertakes research, advocacy and monitoring studies for the social and economic development of the country and on educational reform.

London School of Economics

The Aydın Doğan Foundation figures among the sponsors of the Contemporary Turkish Studies Chair at the European Institute of the London School of Economics (LSE), one of the world's most prestigious educational institutions. The chair will provide great support for the recognition of modern Turkey globally.

Third Sector Foundation of Turkey

The Third Sector Foundation of Turkey (TÜSEV) was established in 1993 by 23 non-governmental organizations, including the country's leading foundations and associations, in order to develop the legal, fiscal and operational infrastructure of the third (non-profit) sector. Today, over 100 trustees of the Foundation collaborate under the roof of TÜSEV to encourage civil society initiatives in Turkey. As a founder and Board member of TÜSEV, Aydın Doğan Foundation is an active supporter of the organization and its various activities.

Hürriyet's "No! to Domestic Violence"

Hürriyet newspaper's nine-year old social responsibility initiative, the "No! to Domestic Violence" campaign, continued to raise social awareness against violence towards women through all means of communications in 2013.

The campaign is a solution partner of the Ministry and NGOs on this important issue. "No! to Domestic Violence" raises awareness about domestic violence through exhibitions, university conferences, workshops, domestic and international debates, donations, special ads and TV campaigns.

Hürriyet newspaper's nine-year old social responsibility project, the "No! to Domestic Violence" campaign, continued to raise social awareness against violence towards women through all means of communications in 2013.

Aydın Doğan Foundation continues to provide support to the girls' dormitories it had built as part of the "Dad, Send Me to School" campaign and which were later donated to the Ministry of Education.

Corporate Social Responsibility

It is possible TO BUILD THE FUTURE TODAY by raising social awareness

In 2013, "No! to Domestic Violence" gave support to the "One Billion Rising" event held to protest violence against women across the world.

On March 8, 2013, the campaign gave support to the "One Billion Rising" initiative, which held an event for the first time in Turkey. "No! to Domestic Violence" participated in the event in Istanbul and raised its voice against violence towards women across the world, together with thousands of women.

On April 17, 2013, the campaign team held the "Nilüfer's 13 Duets" concert, the proceeds of which went to the Emergency Helpline. The band Kırmızı dedicated their song "Araf" to the "No! to Domestic Violence" campaign. The initiative was also promoted via digital platforms, encouraging individuals to take a different look at the issue. Additionally, Nerhan dedicated the music video for the song "Bi'tek Sen Anlardın" (Only You Would Understand) about domestic child abuse to the campaign.

The SMS campaign to generate revenues for "No! to Domestic Violence" and the custom-made Penti brand stockings in support of the initiative continued in 2013, with the proceeds going to the Emergency Helpline.

"No! to Domestic Violence" was deemed worthy of the "Golden Spider Social Responsibility Award" while the Turkish Public Health Association presented the "Women's Health" award to the campaign's web site siddetekarsiyuzbinsms.com in 2013. In addition, the campaign's ad received the first prize at the MediaCat Felis Awards in the category of "Corporate Social Responsibility and Public Awareness."

The campaign recorded a significant increase in the followers of the social media accounts associated with "No! to Domestic Violence" in 2013.

The "No! to Domestic Violence" campaign was deemed worthy of the "Golden Spider Social Responsibility Award" in 2013.

Emergency Helpline

Established as a key part of the "No! to Domestic Violence" campaign, the Emergency Helpline continued to provide support on legal, psychological and safety related issues to victims of domestic violence.

Specialized psychologists respond to incoming calls 24/7. In 2013, the Emergency Helpline received 4,181 calls, with 2,070 callers requesting information on domestic violence, while 1,724 victims and their relatives called the line. Of those who seek support from the Emergency Helpline, 4% are men, 90% women and 6% children. In 2013, 63.43% of the victims who called in suffered from spousal violence.

Two out of every five individual callers complained about physical violence, and half of them indicated that they were subjected to other forms of violence, too.

The Emergency Helpline received 299 calls from individuals whose lives were at risk. Working in cooperation with security forces, the helpline directed most of these cases to shelters. One out of five women was referred to institutions that provide psychological support.

In addition to receiving calls from all provinces in Turkey, the Emergency Helpline also responded to callers located in Germany and France.

Training, information and conferences

Under the "No! to Domestic Violence" campaign, awareness seminars were held at Esenler Şerife Balcı Culture Center and Sancaktepe People's House in 2013. The initiative was also promoted at Yıldız Technical University, Koç University and İstanbul Technical University. Domestic violence was explained to the students of Ankara Atılım University, where undergraduates studying psychology attended a course on the Emergency Helpline and the emotional state of the line's employees. Additionally, conferences on domestic violence were held at Yıldız Technical University, Acıbadem University and İstanbul Technical University.

Rightful Women Platform

Pioneered by Hürriyet newspaper, the Rightful Women Platform was established to prevent all forms of discrimination against women. In 2013, the platform continued to implement public awareness campaigns about practices that violate women's rights. The platform also expended highly effective efforts to ensure the presentation and election of more women candidates in the 2014 local elections.

Recycling Campaign with TEMA Foundation

Hürriyet newspaper cooperates with environmental NGOs to translate its ecological awareness into effective corporate social responsibility initiatives. The newspaper held a successful recycling campaign October 7-31, 2013. The campaign's slogan was "More Hürriyet (Freedom) for the Environment," and readers who brought in three old newspapers were presented with the latest edition of Hürriyet.

In 24 days, the campaign collected 1,200,218 old papers, and offered 400,000 newspapers in return. With the collection of 216 tons of old newspapers, some 3,672 trees were saved. The campaign yielded TL 67,887, which was donated by Hürriyet to TEMA as a contribution for protecting Turkey's forests.

Corporate Social Responsibility

We offer solutions to help OVERCOME THE CHALLENGES FACED by modern society

Hürriyet joins forces with Koruncuk Foundation

In 2013, Hürriyet partnered with Koruncuk Foundation (Foundation for Children in Need of Protection) to support the social and cultural development of the nation's youth.

As part of this joint effort, the village of Koruncuk was visited and gifts were distributed to children from different age groups; these gift items included books, CDs, and electronic devices. The young village residents were invited to Hürriyet newspaper where they had the chance to meet and chat with journalists such as Yılmaz Özdil, Doğan Hızlan, Mehmet Arslan and Murat Yetkin. The photo editor of the Hürriyet newspaper, Sebati Karakurt also conducted a photography workshop for the kids. In addition, children participated in various cultural activities such as theater, cinema and art exhibitions; some were offered the opportunity to intern at Hürriyet Dünyası.

"Dad, Send Me to School" Campaign

Launched on April 23, 2005 by Doğan Gazetecilik, the "Dad, Send Me to School" campaign gives girls the chance to become well-educated and productive individuals through an education mobilization drive throughout Turkey. Keenly aware that an educated young generation will take Turkey forward into the future, this social responsibility campaign has identified girls deprived of educational opportunities and provided them with material support since 2005. "Dad, Send Me to School" also organizes other various activities to raise public awareness on the issue.

The campaign is the brainchild of Doğan Gazetecilik's Honorary Chairwoman, Hanzade Doğan Boyner. Many institutions have provided support by building dormitories and classrooms and giving scholarships in 15 top priority cities in the campaign's first phase. Doğan Gazetecilik also contributed TL 1 million to the campaign. In eight years' time, 33 dormitories and 12 primary schools have been constructed by various individuals and institutions, and 10,524 girls have received tuition scholarships. Aydın Doğan Foundation also contributed to the campaign by having five girls' dormitories built; these dormitories house some 3,500 girls every year.

All Doğan Gazetecilik newspapers expended efforts to raise awareness on the issue as part of this social responsibility campaign. In addition, newspaper articles had an important effect in resolving structural issues, such as the appointment of female managers to girls' dormitories and the amendment of the legislation governing scholarships.

Workshops conducted under the leadership of the "Dad, Send Me to School" initiative facilitated discussion on the educational problems facing female students and explored possible solutions. As in previous years, the results of the workshops and the solution proposals formulated were shared with the general public and officials from the Ministry of National Education.

"Dad, Send Me to School" also collaborates with NGOs working on this important issue. To date, these collaborations have included: training seminars for 500 parents in five cities around the theme "My Child and I" in conjunction with the Mother and Child Education Foundation (AÇEV); a two-day-long special training session for the administrators of Regional Primary Boarding Schools, organized jointly with the Turkish Association of Private Schools; Kamil Koç Bus sponsorship of the dormitory furnishings in the facilities' common areas; and music lessons for girls' dorm residents.

University support for the campaign was transformed into a multi-faceted partnership, and dormitory residents participated in various activities and seminars. Students of the Social Awareness module at Sabancı University visited Kars Merkez Sabancı Dormitory for Girls and Sarıkamış Milliyet Dormitory for Girls; in addition, Işık University included a Social Awareness module in its curriculum and organized various activities at Mardin Milliyet Dormitory for Girls. In cooperation with the Turkish Family Health and Planning Foundation, seminars on hygiene and health and in cooperation with Eczacıbaşı seminars entitled "Our Body and Health" were organized for female dorm residents.

Week-long training programs are conducted annually in Istanbul for dormitory administrators and teachers on topics that include puberty, residence hall management, communication skills and budget management.

Girls' dorm residents participate in an annual competition for their artistic and cultural advancement. The competition is held in the categories of painting, poetry and essay writing. The top-ranking students are invited to a ceremony held in Istanbul where they are presented with their awards.

For the last eight years, numerous individuals and institutions have given their enthusiastic support to the "Dad, Send Me to School" initiative. Several provincial governorships,

Limak Holding, Hacı Ömer Sabancı Foundation, Turkish Union of Chambers and Commodity Exchanges, Metro Group, Garanti Bank, Enka Foundation, Oriflame and Siemens have made various contributions ranging from building dormitories to granting scholarships for girls. The fact that over 300,000 individuals have made donations totaling more than TL 35 million is a clear indicator that the campaign has garnered the widespread interest of the Turkish public.

Families are known to have been inspired by news articles about the campaign and as a result have decided to enroll their daughters in school. School administrators who participated in the training programs have paid visits to many villages and urged families to send their young female members to school. In light of such widespread anecdotal information, many more girls have had the chance to obtain an education through the indirect effect of the campaign.

Doğan TV Holding Initiatives Add Value to Society

In addition to offering original and high quality programming to its viewers, Doğan TV Holding also strives to make significant contributions to society-at-large. To this end, Doğan TV Holding cooperates with NGOs active in various fields and undersigns effective and successful social responsibility initiatives.

Throughout 2013, the corporate social responsibility projects and civil society campaigns organized or sponsored by Doğan Group were integrated into the content of series and programs in order to attract more attention to these efforts. For example, in the first episode of the new TV series "Kayıp" (Lost), the "Dad, Send Me to School" campaign was featured in a fundraising scene.

Launched on April 23, 2005 by Doğan Gazetecilik, the "Dad, Send Me to School" campaign gives girls the chance to become well-educated and productive individuals through an education mobilization drive throughout Turkey.

As part of the ongoing social responsibility initiative "A Music Room in Every School," which launched in 2012, Radyo D renovates the music rooms of and donates musical instruments to state high schools in need.

Corporate Social Responsibility

Together, we work TO LIFT BARRIERS for the disabled

Kanal D's visual depiction service, dubbed "No Barriers Between Us" and launched jointly with the Visual Depiction Association in 2011, continued in 2013.

Publications for the Visually and Hearing Impaired

Kanal D's visual depiction service, dubbed "No Barriers Between Us," launched in 2011 in partnership with the Association for Visual Depiction. This groundbreaking initiative continued in 2013. The service provides a visual depiction of every television series broadcast by Kanal D, thus allowing visually and hearing impaired audiences to follow the channel's TV shows with ease.

Cooperation with the Paraplegic Association

Our collaboration with Omurilik Felçlileri Derneği (Paraplegic Association), initiated in 2010 with the TV series Yaprak Dökümü, continued in the year 2013. In one season of the series, a character was depicted as becoming paraplegic and having to use a wheelchair. In the relevant episodes, ads were broadcast inviting viewers to donate to the association's campaign that provides battery-powered wheelchairs to paraplegics.

Turkey's Only Environmental Protection Program on CNN Türk

Launched by CNN Türk television on June 5, 2010, Environment Day, the program "Yeşil Doğa" (Green Nature) has reached out to TV viewers for the last four years.

As part of a partnership proposed by the UN's Global Environment Fund to the show's producers, four episodes were shot focusing on the protection of wild life.

In order to raise ecological awareness, the presenter Güven İslamoğlu held seminars at numerous primary and high schools, universities, NGOs and public agencies. CNN Türk's "Seyirci Kalmayın" (Don't Be a Mere Onlooker) programs presented by Mr. İslamoğlu on weekdays features public service ads designed to increase environmental awareness.

In 2013, flash mobs were organized by hundreds of environmentalist volunteers to draw attention to the issue of recycling.

Launched by CNN Türk television on June 5, 2010, Environment Day, the program Yeşil Doğa (Green Nature) has reached out to TV viewers for the last four years.

Social Responsibility Efforts at D Productions

Having accomplished many achievements and having introduced numerous innovations in the Turkish TV sector, D Productions is fully aware of its corporate social responsibilities.

The "Waiting for the Sun" Forest

"Güneşi Beklerken" (Waiting for the Sun) is a very popular TV series produced by D Productions and broadcast on Kanal D. For each episode, a donation is made to the foundation ÇEKÜL to plant 70 saplings. Through this truly innovative social responsibility initiative, 1,890 saplings have been planted for the 27 episodes that have aired.

D Productions plans to continue with this project until the show's final episode, and thus create a "Waiting for the Sun" Forest and leave a more sustainable environment for future generations.

"My Sweet Home" Supports Families

The "Evim Şahane" (My Sweet Home) program's production team and its presenter architect Selim Yuhay provide valuable support to many families. The show is very popular in the morning TV lineup. The production team takes the "Evim Şahane" truck to visit those families in need and help make their dreams come true.

D Productions plans to launch more social responsibility initiatives in 2014.

Radyo D Supports Social Development Initiatives

As part of its corporate social responsibility efforts, Radyo D continued in 2013 to give its full support to projects that benefit society as a whole, especially with respect to education, health care and the environment. The radio channel designs its own CSR related projects.

In 2012, Radyo D continued to implement the ongoing social responsibility campaign entitled "A Music Room in Every School." The innovative initiative renovates the music rooms of and donates musical instruments to state high schools in need.

In 2013, Radyo D became the radio sponsor of the "Diet Festival," a first in Turkey and in the world. The radio channel made a positive contribution to public health via this unique event, which was designed to raise awareness on the importance of healthy eating and regular exercise.

In addition, Radyo D participated in social responsibility efforts to raise public awareness of environmental and traffic safety issues. The radio channel became a sponsor of the first International Conference on Road Traffic Victims held to protect traffic victims and attract attention to their plight. The conference took place in Turkey under the theme "Justice in the Lives of Traffic Victims" and discussed solutions for traffic accident victims.

In order to support the popularization of equestrian sports in Turkey and to represent the country internationally, Radyo D became the radio sponsor of the "2013 Winter Equestrian Festival" and the "Turkey Equestrian Jumping Championship" held by the Turkish Equestrian Federation.

Social Responsibility Initiatives at Doğan Burda

In 2013, all magazines under the umbrella of the Doğan Burda Magazine Group continued to give support to social responsibility initiatives, as a show of their commitment to Turkey's social development and protection of the environment. Throughout the year, Doğan Burda Magazine Group pioneered or supported various efforts designed to raise awareness in the fields of culture and the arts, history, environment, nature and health care.

Philanthropists

Capital magazine has conducted the inaugural edition of the "Turkey's 50 Businessmen Philanthropists survey in order to recognize and award leading business people who contribute to charities. The survey was sent to all large business groups and companies in Turkey, and responded to by their respective chairpersons.

Corporate Social Responsibility

With our magazines, we support numerous

SOCIAL RESPONSIBILITY INITIATIVES

The ranking was based on the responses to survey questions concerning total donations made in the last 10 years and total donations in 2012. On the basis of donations in 2012 and the last decade, Doğan Holding ranked eighth among Turkish companies.

Social Responsibility Leaders
Every March, Capital magazine publishes its annual Corporate Social Responsibility Survey to identify the social responsibility leaders in Turkey. The Social Responsibility Leaders Survey emphasizes the importance of CSR and places it on the public agenda.

"Corporate Social Responsibility" supplement
Ekonomist magazine published the 2013 edition of its "Corporate Social Responsibility" supplement to raise corporate awareness on social responsibility among companies that drive the Turkish economy. The CSR supplement encourages enterprises to undertake social responsibility initiatives and set an important example.

Social Responsibility
HELLO! magazine sponsored a reception to promote Samsung's new Smart TV technologies and designs, and the proceeds of which went to the "Bir Dilek Tut Derneği" (Make-A-Wish Association).

In addition, Doğan Burda Magazine Group supported UNICEF by placing their campaign ads in its print and digital magazines in 2013.

Support to Entrepreneurs
Capital magazine continued to support entrepreneurship and the business world in 2013 by conducting the surveys "Most Popular Companies" and "Capital 500"; meanwhile, Ekonomist magazine held the "Women Entrepreneurs" and "The Businessmen of the Year" events.

The "Women Entrepreneurs" initiative recognized and presented awards in the categories of "The Women Entrepreneurs of Turkey," "Promising Women Entrepreneurs" and "Women Entrepreneurs Who Make a Difference in the Community." In 2013, 5,600 persons submitted applications to the competition, which helps to highlight exemplary initiatives.

"Brands of Anatolia"
In its seventh edition in 2013, the "Brands of Anatolia" initiative continued to recognize exceptional Anatolian brands that added significant value to the Turkish economy. Every year, four meetings are held to encourage the creation of new brands in the region. Successful Anatolian brands thus get the chance to share their stories and are presented with awards at these events.

Arts & Culture and Creativity
In 2013, Doğan Burda magazines such as Tempo, Elle, Hello! and Istanbul Life continued to promote various arts related initiatives, especially those organized by the foundation İKSV.

ELLE Decoration once again supported advancement in the area of design through its sponsorship of the EDIDA Awards. In 2013, the magazine also gave its support to the seventh edition of Istanbul Design Week. As part of this initiative, which helps promote Turkish design and culture on the global stage, ELLE Decoration welcomed the editors of various international editions of the magazine. An exhibition and reception were held, bringing together designers and architects from across the world.

Doğan Burda Becomes Turkey Representative of "Cannes Lions International Festival of Creativity"
As an initiative to promote and support creativity, "Cannes Lions International Festival of Creativity" brings together over 10 thousand communications, marketing and advertising professionals from across the globe as the largest event of its kind in the world. The Festival's Turkey Representative Doğan Burda Magazine Group organized various activities during the year to promote creativity and the advertising sector in the country. Doğan Burda carried out the Turkey selection process for the Festival's "Young Lions" section, and sponsored 10 young communications professionals to represent the country at the international event.

Additionally, as part of the Crystal Apple Festival, Doğan Burda held the exhibition "Panel and Winners" to give those who could not travel to Cannes an opportunity to learn more about the global event.

"Green Business"

Capital magazine continued to issue its quarterly "Green Business" supplement in 2013, in order to support a sustainable economy and nature-friendly businesses. Aspiring to leave a green world for future generations, this supplement helps place eco-friendly business as well as everyday life practices on the business community's agenda.

Atlas Readers Come Together

Since its inception, Atlas magazine has organized meetings for readers, and has made visits to various regions of Turkey, in order to promote the cultural and natural riches of the country. One such visit concerned the tea harvest in Rize; in another, readers supported the pistachio harvest in Gaziantep via the "Pistachio Abundance" campaign. In both visits, Atlas readers had the opportunity to take a closer look at the production of two key agricultural products in Anatolia.

"Green Atlas"

The special environment issue of Atlas magazine, "Green Atlas" is designed to promote the natural riches of Anatolia and raise public awareness for the protection of these treasures. Standing out with its original and vibrant content, "Green Atlas" has over the years created a veritable library on nature. Supported by numerous experts in various fields, the magazine series showcases Turkey's diverse flora and fauna, while also drawing attention to pressing ecological issues. The 2013 edition of "Green Atlas" has placed a special emphasis on environmentally friendly agricultural practices under the theme "Local Food."

The special environment issue of Atlas magazine, "Green Atlas," is designed to promote the natural riches of Anatolia and raise public awareness for the protection of these treasures.

The Turkey Representative of "Cannes Lions International Festival of Creativity," Doğan Burda Magazine Group organized various activities in 2013 to promote creativity and the advertising sector in Turkey.

Corporate Social Responsibility

Our success stories present

NEW IDEAS AND BEST PRACTICES

Having introduced organic agriculture and livestock breeding to the people of Kelkit and the surrounding area, Doğan Organic Products has greatly contributed to employment and socio-economic development in the region.

A Sustainable and Exemplary Business Model: Doğan Organic Products Kelkit Enterprise

Doğan Organic Products was established 11 years ago to create employment in Kelkit and its environs 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 Turkish agriculture, as well as the biggest organic milk producer in the country with an annual production of 10,000 tons.

Having introduced organic agriculture and livestock breeding to the people of Kelkit and the surrounding area, Doğan Organic Products has greatly contributed to employment and socio-economic development in the region. Established with the goal of transforming the region into a hub for organic milk production and livestock breeding, Doğan Organic moves closes to its target every year, with the company's belief in the local population and with 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, Kelkit Organic Dairy Livestock Enterprise 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 to the Turkish market its very first organic milk in July 2005.

The milk production of the company and its contracted farmers has steadily increased each year. As a result, Doğan Organic Products 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.

Organic livestock farming

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, Doğan Organic Products Kelkit Enterprise was recognized in 2005 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 World Food Organization (FAO) on World Food Day.

In 2012, Doğan Organic Products 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.

At the first European Corporate Social Responsibility Awards ceremony, held for the first time in 2013 and organized by the European Commission for Corporate Social Responsibility Communication under the theme "Cooperation, Innovation, and Influence," Doğan Organic Products was presented with the first prize in the SME category.

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

D&R's Social Responsibility Initiatives in 2013

The Let's Make Children Smile association was set up as a continuation of the namesake campaign launched in 2010 by the singer Gülben Ergen with the objective of expanding kindergarten education. D&R supports the association by marketing its products at the company's retail outlets.

The book "Mutluluk Kitabı" (Book of Happiness), published by Make-A-Wish® Turkey, continued to be marketed throughout 2013 at D&R stores. The proceeds of the book, which is sold exclusively at D&R, go to making the wishes of sick children come true.

A book edited by Molfix, which features the recipes of 30 healthy drinks for babies, went on sale at D&R stores. Revenue generated from the book's sales will be donated to the Association for Sharing Life and Solidarity.

D&R retail outlets also market calendars, memo books and bookmarks by NGOs such as UNICEF, LÖSEV, Çağdaş Yaşamı Destekleme Derneği, Yedikule ve Koza Sokak Köpekleri in order to help them raise additional funds.

The company has shipped over 3,000 books to schools, prisons and Çanakkale University, which have requested its publications.

D&R placed donation boxes for the Turkish Oncological Association next to cashiers at its retail locations to collect money for the NGO.

In order to support literacy in Turkey, D&R stores put on sale Turkey's first Book Gift Card with the MasterCard logo, launched jointly by the Book Foundation and Garanti Bank.

Social Responsibility Initiatives at Milta Bodrum Marina

Holder of the prestigious "Blue Flag" designation since 1999 in recognition of its environmental awareness, Milta Bodrum Marina strives to draw public attention to nature and the environment with its CSR initiatives.

World Water Day Celebrations

On March 22, World Water Day, Milta Bodrum Marina made a presentation to kindergarten students on the importance of water on the planet earth, and screened an animated film on how to keep the sea and beaches clean. Over 40 students were informed about the significance of the "Blue Flag" designation, and were gifted water glasses with the Blue Flag logo.

Corporate Social Responsibility

We instill a sense of ENVIRONMENTAL AWARENESS in our stakeholders

Milta Bodrum Marina encourages yacht owners and captains to obtain the Blue Flag.

Blue Flag Initiatives

On June 3, 2013, Milta Bodrum Marina hosted a TEMA-Blue Flag related event with the participation of 80 students from Cumhuriyet Primary School. The event kicked off with a march inside the Milta Bodrum Marina Bazaar and continued with a seminar inside the protected area within the marina. During the seminar, Bodrum TEMA Foundation informed students about various issues such as pollution, deforestation, wind energy and the Blue Flag, after which the students were taken on a trip across the marina to learn about how Milta Bodrum Marina is kept clean.

Another Blue Flag related event took place on September 18. At a panel discussion, Bodrum TEMA Foundation conducted a lecture for marina employees on global warming and climate change, and the relevant preventive measures to be taken at the marina.

Blue Flag Booklets for Yacht Owners

In August and November 2013, yacht owners and captains who were registered with Milta Bodrum Marina's communication network received TÜRÇEV's 37-page booklet "Guidebook on Blue Flags for Marinas" via email.

As such, yacht owners and captains who missed the Blue Flag events due to the summer vacation or wintertime navigation were accessed directly. The booklet was emailed to a total of 1,587 individuals.

In order to encourage yachts to obtain the Blue Flag, Milta Bodrum Marina also gave yacht owners and captains the booklet "Blue Flag for Yachts."

In conjunction with the Bodrum TEMA Association, we organize seminars for primary school students on environmental protection at our marina.

Sustainable Growth and the Environment

We pursue

SUSTAINABLE ENVIRONMENTAL POLICIES

Doğan Group Environmental Policy

Offering products and services in different sectors, Doğan Group companies devise policies and strategies to protect and improve the environment, prevent pollution, and preserve and foster biodiversity, wildlife, ecology, flora and fauna, water ways and resources.

We at Doğan Holding deem the protection of nature and humanity as one of our key responsibilities.

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

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

Doğan Group strives and commits itself 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 which could contribute to our business,
- Raising the environmental awareness of Turkish citizens 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,
- Reutilizing or recycling raw materials and equipment with a view to saving natural resources,
- Increasing energy efficiency and prioritizing renewable energies in all of our operations to ensure responsible energy consumption,
- Taking action to measure and improve the environmental footprint of our Group activities,
- Continuously improving the efficiency of Doğan Environmental Management System, 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 our 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 nature and encouraging them to participate in ecological activities,
- Communicating with all stakeholders as regards the protection of nature, offering training seminars, and expending efforts to diminish our environmental footprint and to protect biodiversity in our fields of activity.

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

Sustainable Growth and the Environment

We strive to create CLEAN ENVIRONMENT FOR THE FUTURE while conducting our business

Doğan Holding's Environmental Projects

Doğan Holding closely monitors and implements practices required for ensuring 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, making use of the eco-friendly gases R 410 and R 132. All newly purchased coolers or devices with cooling function are made sure to deploy eco-friendly systems. The import, usage and delivery to the end-consumer of cooling gases are in line with the regulations of the Turkish Ministry of Environment. Maintenance of the cooling devices at Holding's head office regularly done by authorized services in line with contracts.

The Holding head office is equipped with state-of-the-art, eco-friendly fire extinguishing systems. Besides a smaller number of fire extinguishers are in use, since these are increasingly replaced with eco- and human-friendly systems deploying FM 200 and Novac 1230 gases in accordance with EU standards. Fire extinguishers are checked for leaks in six-monthly periods by authorized services.

The insulation technology deployed in the building has led to a decline in natural gas consumption for warming purposes and in electricity consumption for cooling purposes, allowing a drop in overall CO_2 emissions.

No lawsuits were filed against the Company for any damages to the environment.

Media

Doğan Dağıtım carries out efforts to ensure the continuity of the ecological system, and plays an important role for the protection of nature by contributing to the foundation Ege Orman Vakfı. The Company's forestation work started out with 2,500 saplings and reached 10,700 saplings in 2012, gaining forest status. The Company wants to bring the total number of saplings to 15,700 in 2014.

Doğan Ofset has carried out various activities to minimize the environmental footprint of its production processes. The Industrial Waste Management Plan prepared for this purpose was approved by the governor's office. Chimney emissions were measured and all deficiencies were dealt with. As part of the waste management system, all waste oil was analyzed, the waste storage areas were reorganized and different types of waste started being collected separately inside the facilities. The Company organized environmental legislation seminars in April and December 2013 to inform personnel on our environmental responsibilities.

Doğan Gazetecilik carries out various energy management, natural resource protection and recycling efforts to ensure environmental sustainability. Keen on slashing electricity consumption in all departments, the Company has installed screens to monitor electric, heating and cooling data, automated heating systems for office floors, and photocell-controlled basin taps so as to save energy. Making a point of using energy-efficient equipment, the Company utilizes instruments to slash power consumption, smart lightbulbs, and electronic ballasts. Doğan Gazetecilik also has an efficient waste management system complete with units for collecting waste paper, glass, plastic and batteries as well as HP cartridges and toners in offices and production sites.

At all stages of production, Hürriyet newspaper works to protect nature and human health and to leave a green world for next generations. To this end, an Environmental Audit Unit was set up at Hürriyet on January 31, 2011. The said unit expends efforts to prevent and minimize the environmental impact of publishing activities.

The Environmental Audit Unit improves environmental practices in printing and office activities in line with the recently revised Regulation on Environment. In 2013, all the Hürriyet print centers were audited in line with the Law on Environment and related environmental regulations, and the final reports were submitted to senior management. These audits are planned to be repeated in 2014.

In order to spread this environmental sensibility among all Company personnel, various training seminars are organized on issues such as climate change, environmental management systems, and the collection, transport, storage, recycling or disposal of hazardous or non-hazardous waste from the print centers.

Expending intensive efforts to ensure environmental sustainability, Hürriyet strives to slash consumption of energy resources such as electric power and natural gas by ensuring energy efficiency in all its units. Additionally, the Company conducts studies to utilize the correct modern technologies for minimizing CO_2 emissions to the atmosphere, in other words, its carbon footprint.

Hürriyet also makes a point of using water resources efficiently, and water consumption is closely controlled and monitored via specific instructions, warning signs and daily reports at production and office floors.

Efficient production planning, minimum inventory usage and improvement of work methods are among measures to reduce waste creation at the site of production.

Hürriyet demonstrates the same sensibility towards all natural protection efforts from waste management to packaging issues. In line with the Regulation on Packaging Waste, the packaging material of products marketed by Hürriyet Group are disclosed online at the relevant web site by the Ministry of Environment and Urbanization and TUKÇEV Foundation was authorized for collecting packaging waste in line with specific quotas.

All Hürriyet facilities have issued “Three-Year Industrial Waste Management Plans” to manage their own waste, and these plans were approved by the Provincial Directorates of Environment and Urbanization. In addition, authorized temporary regional storages were set up for hazardous waste in various regions. The waste collected in these temporary storages is sent to disposal or recycling firms licensed by Provincial Directorates of Environment and Urbanization, and records are kept. “The Obligatory Insurance Policy for Hazardous Materials and Waste” is renewed every year to protect against any damage to third parties from hazardous waste storages. Annually, the waste sent to recycling or disposal firms in the course of the previous year is reported to the Ministry of Environment and Urbanization via its Hazardous Waste Disclosure System (TABS).

Furthermore, Hürriyet print facilities take the following measures to protect the environment:

- Recycling waste paper,
- Treating biological and chemical waste,
- Collecting waste paper and sending them to recycling,
- Collecting and disposing of nickel cadmium and alkali batteries and generators of electronic equipment, electric forklift and uninterrupted power supplies,
- Recycling waste aluminum plates,
- Safely disposing of waste chemicals,
- Collecting treatment sludge in temporary waste storages under the right conditions and dispatching these to the licensed disposal firms,
- Recycling the drums, barrels and tins of reservoir liquids, solvents and oils used in production by sending these to licensed contaminated packaging waste cleansing centers,
- Sending absorbents, cleaning cloth, filters, work overalls, work gloves and protective clothing contaminated with hazardous material to licensed institutions for safe disposal,
- Disposing of and recycling outdated machine oils according to their specific type,
- Sending electronic waste to recycling firms licensed by the Ministry of Environment,
- Dispatching outdated fluorescent lamps and mercury vapor bulbs to licensed recycling firms, making sure that they don’t break,
- Collecting medical waste from the infirmary service in medical waste centers in line with the Regulation on Medical Waste Control and sending these to municipalities’ medical waste disposal facilities,
- Sending used cartridges and toners to the firm HP which has set up a worldwide recycling system,
- Carrying out efforts to minimize the gas emission resulting from production and other systems,
- Recycling non-hazardous waste from the production processes,
- Working with relevant firms to ensure environmental cleaning around the facilities,
- Gardening and maintenance work in the areas identified as green space in all facilities.

Sustainable Growth and the Environment

We implement SAVINGS THAT BOOST PRODUCTIVITY while focusing on growth

Industry

Ditaş initiated the TTGV Project to recycle water in 2010. Since its inception, the project has recycled a total of 50,567 m^3 of water and saved TL 151,651.

Carrying out its production processes in an eco-friendly approach, Ditaş meticulously fulfills all of its environmental responsibilities. In accordance with the Regulation on Industrial Air Pollution Control, measurements were carried out in the 37 chimneys of the factory to confirm the emission permit obtained in 2012, and the results were observed to be far below the limit values indicated in the regulation. Furthermore, all obligatory declarations to the Ministry of Environment and Urbanization (declaration of hazardous waste, packaging waste, waste oils, and energy consumption) were made accordingly. As a result of the audit carried out by the firm SGS within the framework of the TS EN ISO 14001 Environmental Management System, the certification was renewed and the obligatory insurance policy for hazardous materials and waste was extended until November 2014.

In line with Ditaş's philosophy of sustainability, a total of 22,820 kg of paper, cardboard and plastic waste collected in the factory in 2013 was dispatched to the recycling firms and 388 trees were thus saved.

Meticulously fulfilling its responsibilities arising from the Law on Environment, Çelik Halat expends efforts to minimize the ecological impact of its manufacturing activities.

To this end, the Company has taken the necessary steps for obtaining the environmental permit required by the Law on Environment no. 2872, and has already received the "Provincial Directorate Compliance Letter" and "Temporary Operation Certificate." There is ongoing work on the final stage, which is obtaining the Environmental Permit.

The water utilized in the operations of Çelik Halat is taken from two sources: wells and the grid. The Company's recently initiated "Advanced Treatment" system is designed to make a more efficient use of natural resources and cut costs. The waste water generated during the process is discharged to the ISU channel under control and periodically checked by ISU.

Authorized companies carry out Emission Measurements to ensure that the air emissions generated by production processes are within the limits set by the legislation. As per the "Regulation on Industrial Air Pollution Control" improvements were carried out and/or new systems were set up for the cleaning and aeration of galvanized wire and bead wire production lines.

Closely following all legislation on waste management and fulfilling its responsibilities accordingly, Çelik Halat systematically carries out the following activities to minimize and efficiently manage waste from its operations:

Non-Hazardous Waste

- Non-hazardous waste is stored inside non-hazardous waste storages or containers at the facilities and later sent to licensed firms for disposal.
- Treatment sludge, classified as non-hazardous waste, is kept at waste storages under the right conditions and then sent to licensed firms.
- At offices, both sides of paper sheets are utilized. Paper is collected in recycling boxes before being sent to licensed collection and separation facilities.
- As for packaging waste, the Company collaborates with the ÇEVKO Foundation.

Hazardous Waste

- Hazardous waste is stored in special containers in an area with a Temporary Waste Storage Permit inside the facilities and then sent to licensed firms for disposal.
- Waste batteries are stored in special collection areas at offices and production facilities, before being sent to companies authorized by Association of Battery Producers and Importers (TAP).
- Waste oil considered to be hazardous waste and past expiry date are classified as "First Category Waste Oil." This oil is either recycled into the system or dispatched to Licensed Recycling Facilities.
- At the production facilities, there are collection units for all contaminated material. The materials collected there are later sent to authorized agencies.
- The Company meticulously runs operations such as the collection of all hazardous waste inside the facilities, their storage and in line with the legislation and disposal.

Çelik Halat carries out studies to utilize energy and other natural resources in the most efficient manner. Consumption of electric power, natural gas and water is closely monitored, unnecessary waste is prevented, and technical studies are made to render the processes more efficient. Furthermore, the Cogeneration Unit was operationalized to lower the electricity bill.

To ensure that the entire management team and personnel embrace the Company's environmental sensibilities, newly recruited operators and white collar employees go through on-the-job training on environmental management systems. In addition, all employees join in "Environmental Awareness" training programs at least once a year.

Çelik Halat undergoes periodical internal audits by the authorized personnel of the consultancy firm from which its receives environmental services, in line with applicable legislation.

Carrying out all its activities with an eco-friendly approach, Doğan Organic Products not only fulfills legal requirements but also raises employee awareness on the issue through regular training. The enterprise was granted Environmental Permit Exemption by the Gümüşhane Governor's Office, Provincial Directorate of Environment and Urbanization with a decree dated April 17, 2012 and numbered 3281.

As part of its environmental responsibilities, Doğan Organic Products notifies the Ministry of Environment and Urbanization about any revisions to its ecological practices. Declarations of hazardous waste, packaging waste and waste oil are made regularly. In addition, the Ministry is likewise annually sent the documents of environmental legislation training programs for employees and the internal audit reports concerning the legislation.

In line with environmental legislation, Çelik Halat undergoes regular internal audits by an authorized environmental consultancy firm.

Sustainable Growth and the Environment

We carry out FORESTATION EFFORTS IN SURROUNDING COMMUNITIES for a cleaner atmosphere

Milta Bodrum Marina is an international marina which has been granted the Blue Flag award every year since 1997 thanks to its high quality standards, modern infrastructure and services sought after by yacht owners.

Tourism

In 2013, Milta Işıl Club continued to boast the Blue Flag which carries much prestige in tourism as an indicator of environmental awareness. At the holiday resort, the scope of eco-friendly applications was expanded with the solar energy and solar water heating systems, and environmentally friendly cleaning material is being used across the entire enterprise. On Environment Day, Işıl Club team joined the event "Let's clean and protect our nature" held in the peninsula where the hotel is located with a view to preserving the beauty of Bodrum's bays.

Milta Bodrum Marina is an international marina which has been granted the Blue Flag award every year since 1997 thanks to its high quality standards, modern infrastructure and services sought after by yacht owners. The marina is also a holder of the "Five Golden Anchors" award given by the European Union.

Energy

Doğan Energy ensures that all operations are in compliance with applicable legislation in its power plants, and conducts its activities with an eco-friendly perspective.

As part of efforts to slash carbon emissions at Mersin WEPP, the Gold Standard registration procedure was completed and 167,708 tons of CO_2 emissions were prevented when compared with the years between 2010-2012. Furthermore, all waste produced in the construction and operation of Mersin WEPP are dispatched to the municipal collection site. The debris created during the construction period was used as filling material in the roads built. The Company has signed a contract with the firm Ekolojik Enerji as regards the disposal of hazardous waste.

Keen on improving the environmental conditions of its surrounding region, Mersin WEPP planted saplings in various locations inside its operating area.

With a view to cutting its carbon emissions, Şah WEPP has completed its registration for the Gold Standard and initiated the verification process to determine its carbon reduction amount. The preliminary studies have revealed that 504,397 tons of CO_2 emissions could be avoided.

The debris created during the construction of Şah WEPP was used as filling material in the roads built, and construction waste and later domestic waste was collected in the waste collection site inside the field. The waste is taken by Company vehicles to the municipal waste collection site. Furthermore, a contract was signed with the company Vebsan for the disposal of waste oil. Hazardous waste is also collected regularly.

This environmental commitment of Şah WEPP is also visible in other activities. For instance, a total of 383 trees were planted in the area and the Bursa Directorate of National Parks and Wildlife Protection was provided with vehicles, personnel and various materials.

Feedboxes were installed to provide food for birds during winter months, and animal feed was placed in certain locations for the deer.

Boyabat Elektrik Üretim ve Ticaret A.Ş. operates the Boyabat Dam and HEPP in line with the Law on Environment No. 2872 and the relevant permits and licenses. During the issue of the temporary permit for the facilities, the accredited firm ISG conducted noise and vibration testing demanded by EIGM.

Aslancık Dam and HEPP Project received a favorable Environmental Impact Assessment report on April 2, 2008 and its soil protection project was approved on April 21, 2008. The audits concerning the commitments in the EIA report are conducted by the firm ENCON Çevre ve Danışmanlık Firması in every April and November in line with the six-monthly monitoring periods demanded by the Ministry of Environment and Urbanization, starting from 2010.

Doğan Enerji conducts all its operations with an eco-friendly approach.

Code of Ethics

We embrace our WORKING PRINCIPLES to attain an impeccable operation

The Code of Ethics consists of the principles that employees of our Company must comply with when fulfilling their duties, as well as the working order related principles.

1. Subject and Scope

The Code of Ethics consists of the principles the employees of our Company must comply with when fulfilling their duties, as well as the working order related principles. The objective of those principles is to establish a general framework of the basic rules that need to be complied with, and to prevent any disagreements and conflicts of interest which may arise between employees, business partners, customers, and our company.

2. Basic Principles

Managers and employees must comply with the basic principles set forth in this document hereby in all their affairs and businesses, and must do their best to maximize the reputation of Doğan Group and its shareholders. Our employees must act as per the principle of care and loyalty in situations and under conditions not covered by this code.

The Code of Ethics has been presented under three main headings:

- Conflicts of Interest
- Relations with Stakeholders
- Flow of Information

2.1. Conflicts of Interest

The basic principles on the conflicts of interest and the management thereof have been provided below.

- Our employees may not use their duties and powers for their own, families' or third parties' benefits to gain personal and private interests in any manner whatsoever.
- Our employees may not accept direct or indirect gifts and obtain benefits in relation with the Company business, and accept debts from persons or companies that the Company has business relations with.
- Our employees may not give gifts, or provide benefits, to third parties and entities which will influence their impartiality, decisions, and behaviours.
- The resources and the means of the Company may not be used for the purpose of supporting political activities; no political activities may be carried out at the company, no donations may be made to political parties or the candidates thereof, and political campaigns may not be supported.

The details about the articles listed above are presented below.

2.1.1. Gifts Allowed To Be Given

Employees must make sure that the gifts to be given to parties with which we have business relations are in line with the rules set forth in this document. The below rules have been identified for the gifts that may be given accordingly.

- The basic rule here is not to make any amount of payments in cash, or give gifts that can easily be converted into money. However, as per our traditions and customs, the gifts that our employees may give due to private or general celebrations (weddings, engagement ceremonies, birthdays), in accordance with their status and position are outside this scope.
- The value of the gift given may not exceed TL 500. The approval of the most senior executive of the department is required for exceptions.
- The gifts given must not be for affecting the impartiality, decisions, and behaviours of the other party with regards to any business dealing, agreement, or bureaucratic transaction that the Company is involved in.

2.1.2. Gifts That Can Be Accepted

Our employees may not ask for any personal payments or gifts from 3rd parties that have business dealings with the Company, nor may act in a manner as to imply such requests. Provided that the rules of honesty and good intentions are complied with, gifts may be accepted only as per the following rules.

- Our employees may not accept payments in any manner and quantity whatsoever. This includes instruments that can easily be converted into cash (gift cheques, and the like).
- Gifts may be accepted provided that they are not payments, that they do not exceed TL 500, are not related with any business or agreement that concerns the Company, and that it is clear that they are not given for the purpose of influencing our employees on these matters.
- In case they encounter non-cash gifts or offerings the value of which exceeds TL 500, the employee should not accept such gift as a rule. However, exceptionally, in case of a gift that is presented in such a manner and reason as to not lead to a conflict of interest, such gifts may be accepted with the written approval of the management. Written approvals are obtained from the most senior executive of the relevant department of the employee. Approvals indicating that the gifts may be accepted must be kept by the party obtaining the permission.

2.1.3. Gifts That Can Be Given to Officials

When an employee wishes to give gifts to any official or public employee, action must be taken as per the current decision of the Ethic Committee of the Prime Ministry at the address of www.etik.gov.tr.

2.1.4. Business Lunches and Dinners

When inviting someone for, or attending to, a lunch or dinner invitation, employees must be careful to ensure that the invitation is complaint with the purpose. As a principle, an invitation extended as a business meal must be at a location that is fit for the concept of a business meal, and the positions of the attendees.

2.1.5. Activities of Political Content

Doğan Holding respects the rights of the employees to individually take part in political events, however those who take part in political events must clearly specify that they are not representing the Company. The following are expected from our employees who take part in political events:

- To clearly reveal the fact that you are not representing the Company in any manner whatsoever.
- To absolutely abstain from using Company resources in fulfilling or supporting personal political activities (including Company time, telephones, papers, e-mail and other assets).

2.1.6. Side/Second Jobs

Company employees may not work at a second job with remuneration neither during work days, weekends, national holidays, and general holidays, nor during their annual paid leave days. The Human Resources Department shall be informed for the works carried out in return for copyrights through cultural, artistic, or scientific work.

Furthermore, in case our employees receive an offer that requires them to receive remuneration, such as consultancy, or a similar position, or in case they hold direct or indirect shares at a company, they must obtain the written approval of the Chief Executive Officer.

Furthermore, our employees may carry out volunteer activities in such a manner as to not disrupt their duties and responsibilities at the company (charities, foundations, or non-government organizations, founded legally). However, they may not use corporate titles and positions during the course of such activities.

2.1.7. Proxy Agreements with Customers

The Employees may not undertake proxy duties for third parties with whom they have direct or indirect business relations (unless they are close relatives or family members).

2.1.8. Personal Investments

When our employees are managing their personal investments, they may not make personal investments with the shares of the companies or other investment instruments which will create any possible interest conflicts with their duties and responsibilities at the company.

2.2. Relations with Stakeholders

The basic principles that the employees must take into consideration with regards to their relations with stakeholders (each other, business partners, customers, suppliers) are listed below.

- The principles of honesty, trust, consistency, professionalism, long term relations, and respect for mutual interests are regarded in relations with the customers, suppliers, and other persons and organizations that the Company has business relations with.
- The objectives are superior quality, and meeting the needs and expectations of the customers fully with regards to services and products.
- Competitors' products may not be slandered, and misleading advertising is not allowed.
- In Human Resources Management, no discrimination is allowed due to race, ethnic origin, nationality, religion, and gender; equal opportunities are offered for people under equal conditions; performance and efficiency are taken as the basis for remuneration and promotions, and an "open doors policy" is embraced.
- The employees are offered a secure and healthy working environment, and an opportunity to develop their careers in the work place.
- Awareness of the protection of environment and natural life, consumer rights, and public health as well as compliance with the regulations thereon is essential.

Code of Ethics

Our employees and units

WORK IN LINE WITH OUR CODE OF ETHICS

- Known or suspected breaches of the code must be presented for the attention of the Department Manager or the Human Resources Management prior to taking any personal measures.
- Employees must dress in a manner that is fit for a business surrounding, simple, and professional and they must absolutely abstain from clothing that is not in line with the seriousness of the Company, and that represent a certain political, religious, or a social view.
- Employees only regard the interests of the Company with priority rather than individual and family concerns when making business related decisions. Furthermore, in case of encountering an uncertainty at the decision making stage, the priority should be given to public interest.
- Employees shall exercise maximum care with regards to company expenditures, and act with an awareness of savings and costs.
- Unless expressly authorized, employees may not undertake any commitments, and make statements on behalf of the Company.
- Company activities are carried out taking into account the legislation in effect, the Articles of Association of the Company; internal regulations, and the policies created. The deadlines and other restrictions set forth in the information requests received from the official entities are complied with.
- Employees carry out their duties in an equitable, transparent, accountable, and responsible manner.
- Mutual respect, trust, and cooperation are essential in relations between employees.
- All employees fulfill their responsibilities to protect and further the respectable image of the company. Accordingly, all employees ensure that their personal attitude and behavior are in compliance with the law and the general Code of Ethics.

2.2.1. Communication

Giving wrong, misleading, and exaggerated information during contact with our customers or other organizations should absolutely be avoided.

2.2.2. Media Inquiries and Interview Requests

Any and all kinds of interviews or clarification requests to be used in the media shall be coordinated and replied as per the written "Information Policy" of the Company.

Employees may not make any clarifications to any media, print, verbal, or visual, on the relevant topics with regards to the company, without the permission of the Chief Executive Officer or the Chairman.

Speaking, presenting papers, or becoming a panelist in meetings held by others, such as congresses, conferences, and seminars, require the written approval of the most senior executive of the relevant department. Likewise, no articles, papers, or pictures may be prepared using the titles at the Company, without approval.

2.2.3. Pricing

For the pricing of all products and services delivered by the Company, our employees are obliged to comply with the internal corporate regulations as well as the relevant legal obligations. Compliance with the rules set forth in this document hereby as well as the reputation of the Company is taken into consideration with regards to pricing.

2.2.4. Customer Complaints

Any and all complaints of our customers with regards to corporate products and services must be directed to the required channels in order to ensure a fast and proper solution. Any and all serious and extraordinary complaints which may affect the reputation of our Company must be conveyed to the relevant Department Manager and the Corporate Communications Group without delay.

2.2.5. Legal Requests Regarding Shareholders

Information requested by the authorized entities regarding shareholders may only be given with the approval of legal counsel.

2.2.6. Transactions Against the Competition Law

Our employees may not, under any condition, act in a way, or be involved in agreements, with the competitors that may create a dominant position in the market or that may influence the pricing and the marketing policies, and that may violate the competition regulations. In case of uncertainties, action shall be taken pursuant to the opinions of legal counsel.

2.2.7. Legal Matters

In case our employees are involved in a penal or an administrative interrogation, taken under custody, arrested, taken into interrogation or convicted due to any reason whatsoever (to be heard as witnesses or as the accused party), they must inform their Managers and the Human Resources Management in writing, or in cases that is not possible, verbally. The Human Resources Management shall inform the Legal Group, and where necessary, it will be ensured that they receive the support of an attorney.

2.3. Flow of Information

All Company related information is subject to the principle of confidentiality, and it is forbidden to convey such information to third parties and trade such information. Accordingly;

- Any and all kinds of Company information as well as the personal information of the employees and that of the customers and business partners are kept confidential.
- Employees may not use secret and non-public Company information in their own favor or in the favor of others.

- Care is exercised with regards to restrictions with regards to copyrights, commercial brands, commercial secrets, and patents.

2.3.1. Company Related Information

Proprietary commercial secrets, financial information, customer-employee information, and all information acquired during the course of employment, materials, programs and documents, computer and telecommunication systems, hardware-software, and all other arrangements and practices as well as all works by the employees in the company, agreements, and products developed are confidential, and are owned by the company. The information related with third parties acquired during such work is also within this scope.

It is absolutely forbidden to use such document for personal or private interests or for the benefit of third parties, entities, and organization, while working at the Company, or afterwards upon leaving work. The patent rights of inventions belong to the Company.

2.3.2. Ban on Insider Trading

It is absolutely forbidden for our employees who possess any and all confidential information on the Company, the customers, or the transactions to use such information when buying and selling financial instruments such as shares, and the like, and to gain personal interests, including their third degree relatives as well, and to convey such information to third parties through inappropriate means.

2.3.3. Information Systems

No software that has been developed within the Company or procured externally may be used without authorization and permission regardless of the purpose of such use, whether personal or business related, may not be allowed to be used by the third parties, and may not be copied.

2.3.4. Confidentiality of Electronic Documents or Other Information

Fundamentally, our employees should not use the equipment, system, or e-mail systems of the Company to prepare, store, or send personal and private information. However, in case of such use they will have waived the confidentiality of their personal information, and the employees responsible for the supervision and the security of the company will be entitled to examine such information.

2.4. Document Responsibility

The implementation and the control of these regulations shall be carried out under the responsibility of the Executive Committee of Doğan Holding.

2.5. Practice

Our employees are expected to comply with the principles set forth within the scope of Code of Ethics. Accordingly:

- Action is taken as per the Labor Law, other relevant legislation, and the provision of the internal procedures about those who violate the rules set forth in this document hereby.
- Employees who know/suspect of any rule violation(s), but who do not inform the Department Manager or the Human Resources Management about this issue are assessed in the same manner with the employee who is in violation.

2.6. Effectiveness

These regulations have become effective pursuant to the approval of April 1, 2013 of the Executive Committee.

Company activities are carried out taking into account the legislation in effect, the Articles of Association of the Company, internal regulations, and the policies created.

Occupational Health and Safety

We continue to

FULFILL ALL OUR OBLIGATIONS

and ensure compliance with the applicable legislation

Occupational Health and Safety Committees have been set up in all Group companies, and committee members were trained about their duties and powers.

The obligations outlined in the Law on Occupational Health and Safety issued on June 30, 2012 and numbered 6331 ("Law" henceforth) have come into effect as of January 1, 2013 for all companies with more than 50 employees.

Within the scope of these legal obligations, work has been started to overcome deficiencies in the staffing pattern.

Occupational Health and Safety (OHS) Committees: Occupational Health and Safety Committees have been set up in all Group companies, and committee members were trained about their duties and powers. As per the Law, the committees are comprised of the employer's representative, occupational doctor, occupational safety specialists, human resources officer, employee representatives, and technical and administrative personnel. The committees have convened within the periods demanded by law and have made decisions on issues falling under their authority.

Occupational doctors and occupational safety specialists: Due to variations in the locations and headcounts of Group companies, and as is permitted by law, we embrace the principle of joint use of resources by all Group companies.

In almost all the workplaces, the powers of current occupational doctors were revised in line with Law no. 6331.

Prior to Law no. 6331, occupational safety specialists were required only in heavy and hazardous work. Since the new law makes these specialists obligatory for all workplaces, new positions were defined for occupational safety specialists.

In places where geography permits, companies are to employ common occupational doctors and occupational safety specialists so as to share costs. Otherwise, these services will be procured from Joint Health and Safety Units (OSGB) defined and authorized by the new law.

Risk assessment: Since Law no. 6331 requires all workplaces to assess their occupational health and safety risks and issue a report, risk assessment committees chaired by the occupational safety specialist have issued risk assessment reports in all appropriate units. In the remaining units, the risk assessment reports were issued by procuring services from the above mentioned OSGB.

Emergency action plan: To minimize damages in emergencies such as fire and earthquake, emergency action plans have been prepared and all the personnel have undergone theoretical and practical training.

First aid training: As per Law no. 6331, according to the level of hazard of each job, varying numbers of personnel need to receive first aid training and become first aid officers in a workplace. The required number of employees have received theoretical and practical training from authorized agencies, and these employees have obtained their certification after passing tests.

Training efforts: Law no. 6331 demands that all employees receive basic OHS training, as well as additional training programs according to the specificities of their work. In 2013, all new recruits underwent such seminars, whereas technical personnel participated in special training programs according to the nature of their work. Especially in the media, since it is difficult to convene personnel for training, distant learning schemes permitted by law were devised and will be launched in the coming days.

Recruitment and periodic health checks: Since in many Group companies there is an extensive human resources program, it becomes difficult to follow up recruitment and periodic health checks. To facilitate this process, a program was devised to work in sync with the human resources records. As such, deficient health checks were completed and the health records of all the new recruits were entered in the system.

Newly recruited personnel undergo additional checks such as visual tests, X-ray of the core area 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 tests for hearing and sight.

All willing employees were vaccinated against the flu, since this illness leads to health risks and loss of working days.

Checks for infectious disease: All personnel active in nutritional services participate in regular health checks for infectious disease.

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 controls variables such as air quality, dust, chemicals, temperature, lighting, noise level and biological pollutants are regularly monitored and reported.

Work equipment controls: All equipment used in workplaces were checked by the authorized personnel within the deadlines.

Monitoring subcontractors: As per Law no. 6331, the main employer is required to ensure the OHS compliance of all subcontractors. As such, the activities of all subcontractors which serve the Doğan Group are closely monitored.

Legal compliance: Since early 2013, new regulations are issued and practical guidelines are revised frequently. The Group does its utmost to keep abreast of these revisions and make swift adaptations.

In all facilities, workplaces are checked against any health hazards that could affect employee health and all necessary precautions are taken.

Human Resources

We strive to become

THE COMPANY OF TODAY AND THE FUTURE

Understanding that its workforce is its most valuable asset, the Holding embraces human resources policies which maximize employee satisfaction.

Keen to ensure the sustainability of its current success and to put its signature to new achievements, Doğan Holding strives to become the company of not only today but also the future. The Holding has a confident perspective about the future owing to its deeply-rooted know-how, and derives its main strength from the highly skilled and well-educated workforce of Group companies who embrace the goals of the Holding.

Understanding that its workforce is its most valuable asset, the Holding embraces human resources policies which maximize employee satisfaction. The corporate culture at Doğan Holding is based on the fair, reliable, close and appropriate bonds between employees and honesty is considered to be the most important value in the relation between the company and employees.

Doğan Holding always employs modern and rational methods in human resources procedures and practices, and continuously strives to improve its human resources policies with regular feedback from employees and managers. In line with this objective, the Company maintains a close watch on domestic and international human resources strategies and recent developments in the fields of corporate sociology and work psychology. Doğan Holding is also a member of various NGOs studying human resources. Furthermore, managers participate in seminars, congresses and meetings to improve their skills and know-how. The information thus acquired is utilized across the Holding to put into practice new policies which support our corporate culture, and improve the work environment.

At Doğan Holding, training programs designed for employees boost motivation, improve professional skills and increase the value added to the corporation.

Human resources policies are mainly focused on aligning the objectives of the Company and employees. Accordingly, it is very important to keep corporate loyalty at a high level and ensure that all employees embrace the corporate culture. Our main human resources objective is to make sure that everyone under the umbrella of Doğan Holding works as part of a strong team, and feels proud of not only individual but also collective achievements.

Sector-specific and local human resources activities at Doğan Holding and Group companies are shaped according to the common corporate culture. These activities fall under the four categories of human resources planning, work analyses based on roles and responsibilities, training and performance, and compensation management.

Peaceful Work Environment, High Employee Satisfaction

At Doğan Holding, individual differences such as nationality, religion, ethnic origin, gender, disability, political viewpoint and age are considered to reflect the diversity of our human resources. Regardless of such differences, all employees enjoy equal rights. All managers and employees make a point of establishing and preserving a work environment based on equality at the Holding and at Group companies, and assume the necessary responsibilities to achieve this.

Starting from their recruitment, the personal and professional data of employees are stored in the Company's human resources program "mydmg." The program includes all occupational information such as payroll data, training and achievements. The personal data of employees concerning private and corporate issues is kept under maximum security.

All employees have private health insurance policies, and workplace doctors and health personnel keep a close watch on employee health in coordination with human resources units. Legal obligations such as periodic vaccinations and ophthalmic controls are meticulously fulfilled.

Doğan Holding and Group companies immediately fulfill any amendments to laws and regulations concerning employee rights and obligations. Whenever deemed necessary, employees are offered training programs to inform them of legal changes.

Modern Solutions in Selection and Recruitment

Doğan Holding believes that recruiting the right person for the right job is one of the keys to corporate success. Accordingly, the Holding utilizes modern recruitment procedures to ensure that the requirements of the Company and the position are in tune with the training, experience, competence, career targets and expectations of the candidate. In the selection and recruitment process, candidates undergo interviews based on competence and personality inventories, and the most appropriate candidate is determined as a result of the process. Doğan Holding cooperates with professional companies in its search for candidates and places its general ads on the job website of the Group company yenibiris.com.

Training Opportunities for Lifelong Learning

At Doğan Holding, training programs designed for employees boost motivation, improve professional skills and increase the value added to the corporation. The Holding deploys modern methods to identify ways to improve employee know-how and skills. Later, employees are offered means of personal and professional training programs to help them actualize their full potential. The programs focus on issues such as personal development, technical and managerial skills, legal issues, digital marketing and social media.

The Human Resources Department organizes a number of seminars through 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. Managers' demands for seminars in their units are met under the best possible conditions.

Doğan Holding signs special discount agreements with private universities to support employee participation in graduate programs. "Leadership and Mentorship" training for managers provides professional support to managers working in various subunits.

The training programs organized at the Holding include social seminars designed to help employees manage stress-related issues. Managers and employees participate together in these seminars which lay the basis of a peaceful work environment.

Human Resources

We are responsible for providing

A PEACEFUL AND PRODUCTIVE WORKING ENVIRONMENT

Target Continuity through Strategy Meetings

Doğan Holding Board of Directors and senior managers hold strategy meetings, which are key to identifying the Group's overarching goals and future-looking strategies. In these meetings organized as two-day events including an overnight stay, first roadmaps are laid out and then consecutive sessions are held on issues such as corporate reputation communication, energy and the media.

Doğan Talent Project in 2013

The Doğan Talent Project was put into practice in 2012 with a view to recruiting successful new graduates to the Group.

As part of this Group-wide project, cognitive skills and English exams were organized simultaneously in Istanbul and Ankara. Some 134 of 317 candidates were invited to interviews. Finally, 32 individuals commenced their professional career at Doğan Holding and Group companies in departments such as Business Development, Financial Affairs, Information Systems, Energy, Strategic Planning, Sales and Marketing, Social Media, Advertisement/Advertisement Sales, Product Management, Technology Development, Foreign Acquisitions and Revenue Management.

Newly recruited graduates received two weeks of in-house and outside training as part of the orientation programs designed by HR departments. In addition to these programs focused on personal development and skills development, they participated in technical visits and meetings with experts to learn about the corporate culture and business processes.

The professional development of the new graduates recruited under the Doğan Talent Project is continuously monitored and assessed by the Human Resources Department. New graduates who completed the year 2013 at Doğan Holding and Group companies have embraced the corporate culture and have started to get promotions.

Supporting Youth with Internship Programs

Doğan Holding offers high school and university students internship opportunities at Group companies so as to prepare them for business life. Aydın Doğan Foundation organizes the annual "Young Communicators" competition among faculties of communications to contribute to the education of well-qualified media employees and recruits successful candidates as interns. During these internships at Group companies, young individuals get the chance to learn firsthand about the business practices in various departments.

Internal Communication Boosts the Sense of Community

In order to help employees enjoy healthy and continuous communication both with the corporation and among themselves, Doğan Holding places great importance on the development of internal communication activities. To this end, the Group makes utmost use of advanced technologies and also organizes social events to strengthen face to face contact among employees.

Doğan Group's internal social web site www.doganbiz.net allows employees to post ads and announcements. The site features employee photos and information, and functions like an address book.

The HR units of Doğan Holding and Group companies issues the bi-monthly D-Bülten (D-Bulletin) sent to all employees via e-mail. The bulletin features news about promotions, training, achievements, awards and other developments. D-Bülten allows Group employees to get informed about other Group companies and personnel, and creates a sense of community across the Doğan Holding Family.

Always abreast of modern communication practices, Doğan Holding has launched the Doğan Holding Human Resources Facebook and Twitter pages in 2013 to expand its social media footprint.

The social communication efforts under the Holding's umbrella include the following:

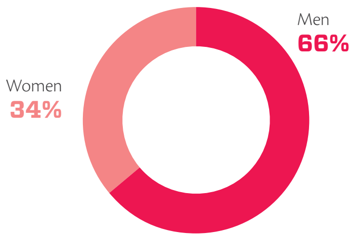
- All employees are sent gift packages on special occasions such as feasts.
- Various parties are organized throughout the year around different concepts.
- Senior managers join in events and competitions organized by employees to reinforce the spirit of unity and community.
- Employees are continuously encouraged to participate in sports activities and team games which strengthen corporate values, as well as in individual competitions such as Doğan Yachting Club.
- Doğan Holding also organizes special events for employees' children, helping families spend quality time together.

Doğan Holding's Human Resources Profile(*)

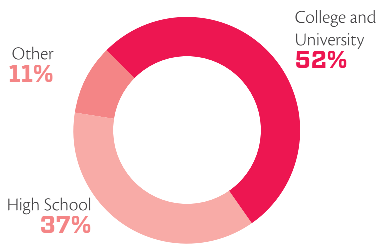
As of December 31, 2013, 9,311 employees out of Doğan Holding's total workforce of 12,798 are employed in Turkey. Some 34% of the staff employed in Turkey are women and 52% of them are university graduates.

As of December 31, 2013, 51% of Doğan Holding's personnel in Turkey are in the 22-33 age groups, giving the Company a young employee profile.

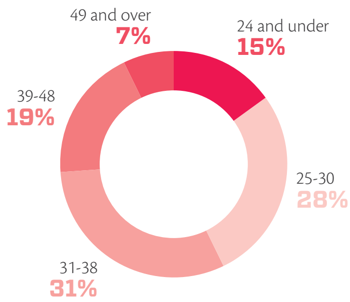
Gender (*)



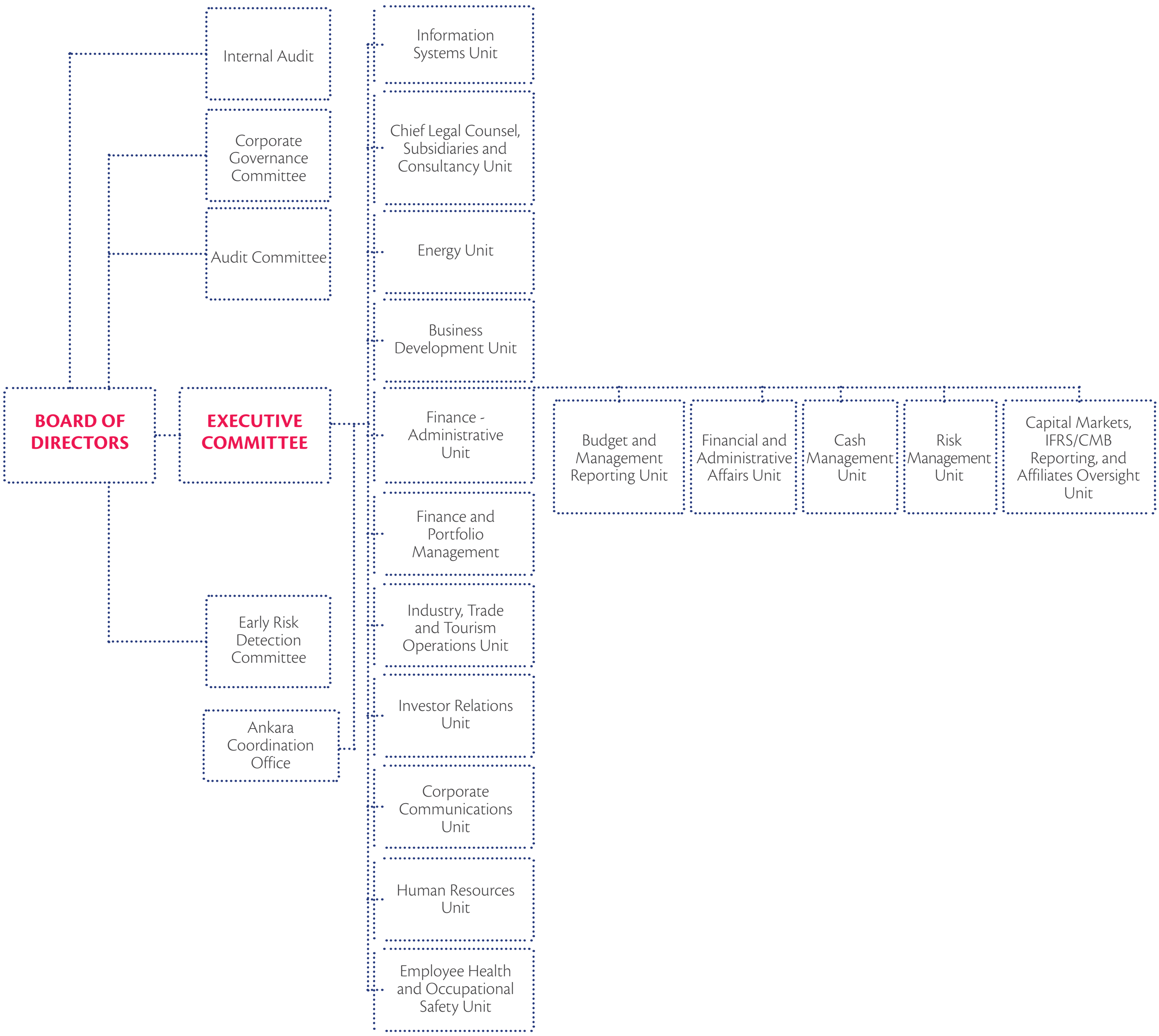
Education Profile



Number of Employees (Age) (In Turkey)



Doğan Holding Organizational Chart



* Business partners are included in the number of employees.

Remuneration Policy

Unless our Board of Directors makes a decision otherwise, duties of the Remuneration Committee are carried out by the Corporate Governance Committee as also stipulated by the Communiqué for Corporate Governance (II-17.1) ("Communiqué") of the Capital Markets Board.

A-General

In consideration of the market conditions and balanced implementations within Doğan Şirketler Grubu Holding A.Ş. ("Company"), the Company adopts the principle of equal remuneration for equal jobs.

Market trends and performance evaluations are taken into account in defining the remuneration levels and updating the same.

Annual salary raises are reflected in salaries of employees at the rates and in time periods deemed required by the employer upon approval of the Chairman of the Executive Board.

All employees are allowed, in addition to salaries, some auxiliary benefit packages in line with their positions.

Senior executives and other personnel who engage in management may gain additional premiums or rewarding depending on their performances.

Meetings are organized with the personnel for giving information and soliciting their opinions about various subjects including the financial status of the Company, remunerations, careers, training and health.

All staff is informed about their job descriptions and distribution along with performance and rewarding criteria. Productivity is taken into consideration in defining the remuneration and other benefits to the staff. The Company may make plans of offering shares to the personnel.

B-Corporate Governance Committee

Corporate Governance Committee;

a) defines and monitors the principles, criteria and applications, by taking into consideration of the long term targets of the Company, of remuneration of members of the Board of Directors and of the senior executives with management responsibilities and their performance evaluation;

b) submits proposals to the Board of Directors in connection with the remuneration of members of the Board of Directors and of the senior executives with management responsibilities by taking into consideration the degree of reaching the criteria used in remuneration.

Additionally, the committee submits criticism and performance evaluation on the Board of Directors, and on senior executives who have offices in both the Board and carrying management responsibilities.

C-Board of Directors

In accordance with provisions of Article 394 of the Turkish Commercial Code, members of the Board of Directors may be paid attendance fee, wage, gratuity, premium and dividend from annual profit providing the relevant amounts are defined by the Articles of Association or by a resolution of the General Assembly. Those of the members of the Board of Directors who are charged also in operations are offered, along with the attendance fee they receive due to being a member of the Board of Directors, monthly salaries and any relevant benefits for their duties in the Company.

Such principles of remuneration of the members of the Board of Directors and executives with management responsibilities are made in writing order to present to the shareholders' information in a separate article of the agenda of the General Assembly meeting so participants may give their opinions. The Remuneration Policy is announced by the official web site of the Company at www.doganholding.com.tr.

Dividends, share options or performance based Company payment plans are not used in the remuneration of the independent members of the Board of Directors. On the other hand, care is shown onto the fact that the remuneration of the independent members of the Board of Directors shall be in the way to support them to preserve their independence.

The Company does not extend loans, allow credits, extend any payment terms for any credits or loans formerly allowed or optimize conditions thereof, if any, or allow credits under personal credits through a third individual to or show guarantees including sureties to the benefit of a member of the Board of Directors or senior executive with management responsibilities.

All fees paid and other benefits supplied to the members of the Board of Directors and senior executives with management responsibilities (including salaries, gratuities, any other regular and occasional payments along with monetary, shares, derived products subject to shares, share purchase options given to the employee within share earning plans, non-cash payments such as automobile and housing of which possessions are given and/or which are given temporarily given for use only) are announced to the public by classifying through an annual report of activities as registered with a title deed.

Internal Audit and Control

The Vice Presidency of Audit maintained its communication flow with the Audit Committee and Board of Directors as regards internal audit and internal control processes. The actions suggested by the Audit Committee to render internal control more efficient were assessed and duly included in the activity plan for 2013-2014. Accordingly, work was initiated to upgrade the internal audit and audit manuals, and the Audit Department submitted an Internal Assessment to the Board of Directors complete with the activity plan for the coming year.

During the year, the Vice Presidency of Audit fulfilled its "assurance" function by expending efforts on the preservation of Company assets, fixed asset reconciliations and tests, business flow processes and control/authorization-approval mechanisms, as well as its "consultancy" function by formulating productivity/savings projects. Actions suggested by the Vice Presidency of Audit and approved by the Board of Directors are put into force by the Executive Committee.

Plans for the year 2014 include increasing the IT competence of teams in both qualitative and quantitative terms, carrying out audit and supervision activities in this field, setting up the IT infrastructure for supervision/warning efforts at Group companies, and determining business flow processes/internal control points so as to increase the efficiency of internal control mechanisms.

During the year, the Vice Presidency of Audit fulfilled its assurance function by expending efforts on the preservation of Company assets, fixed asset reconciliations and tests, business flow processes and control, authorization and approval mechanisms, as well as its consultancy function by formulating productivity and savings projects.

Risk Management

As part of its risk management policies, Doğan Holding defines and measures fiscal, operational and compliance risks as well as financial risks.

As part of its risk management policies, Doğan Holding defines and measures fiscal, operational and compliance risks as well as financial risks, in addition to providing recommendations to Group companies according to available data. The Holding's Finance Division is responsible for the management of fiscal, operational and compliance risks while financial risks are handled by the Vice Presidency of Finance and Portfolio Management.

Fiscal, Operational and Compliance Risk Management

Efforts for defining, identifying and monitoring the risks that the Group companies are exposed to, as well as risk management activities for controlling and mitigating such identified risks are performed under the coordination of the Holding's Finance Division 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 are active, 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 created at all levels of the Company. Another effort to identify operational risks is the early warning system project carried out in tandem with the IT department.

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 Financial Affairs Division 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, as per Article 378 of the Turkish Commercial Code (Law No. 6102), Doğan Holding Board of Directors has set up an Early Risk Detection Committee with a view to detecting early on the risks which 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 once every two months to assess risks and submit a report to the Board of Directors.

Financial Risk Management

Due to its 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 fiscal 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. In 2012 and 2013, systemic improvements were carried out to meet needs. 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 the portfolio management software, which helps report the financial cash flow and portfolio efficiency on a daily basis for every company and for the whole Group.

Credit Risk

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

Media

The Group controls its credit risk primarily by credit assessment through its factoring firm and by assigning credit limits to counter parties, hence creating a data center. Credit risk is distributed due to the high number of organizations in the client-base and their distribution among diverse business fields.

Other

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

Interest Rate Risk

Media

The Group is subject to interest rate risk due to changes in interest rates, which affect its assets and liabilities sensitive to interest rates. The Group manages this risk by the limited utilization of derivative instruments and the natural measures generated by offsetting its assets and liabilities sensitive to interest rates.

Other

The financial liabilities of other segments of activity expose these to interest rate risk. The financial liabilities of such segments mostly consist of borrowing at variable interest rates.

Liquidity Risk

Prudent liquidity risk management consists of keeping 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 activity under the Group's umbrella, the risk concerning 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

The Group subject foreign currency risks related to changes in exchange rates as a result of conversions of foreign currency debt amounts to the functional currency. These risks are monitored and limited through foreign currency positions analysis. Scenario analyses and stress tests are also utilized in the analysis of foreign exchange positions.

The Group is mainly subject to foreign exchange risks in terms of US dollars and euros, and the impact of other currencies is negligible.

(TL thousand)	December 31, 2013	December 31, 2012
Assets in foreign currency	2,480,267	2,936,296
Liabilities in foreign currency	(2,457,998)	(2,539,395)
Off-balance sheet net derivative liabilities	(2,572)	47,289
Net foreign currency position	**19,697**	**444,190**

Risk Management

The Holding's Finance Division is responsible for the management of fiscal, operational and compliance risks while financial risks are handled by the Vice Presidency of Finance and Portfolio Management.

Capital Risk Management

Doğan Holding's capital risk management efforts are aimed at providing return to its partners and benefit to other shareholders, and accordingly, maintaining the optimal capital structure ideal for the Group's activities. The Group can issue new shares to preserve or reorganize its capital structure and sell assets to decrease its borrowing levels.

To preserve 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.

The Group monitors its capital through the ratio of net liabilities/total capital. The net liabilities are calculated by subtracting liquid assets, 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 Risks

There are no lawsuits filed against Group companies, which could jeopardize the continuity of their activities or damage their financial structure. The legal disputes and cases related to the activities of Group companies are monitored centrally by the attorneys at 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 from Technology Risks

The procurement, production, sales and accounting processes across Group companies are managed via applications and modules on an integrated information system (SAP), and the reports concerning these transactions are also produced through this system.

The Group keeps a close watch on technological progress, 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 the processes and activities they need with regards to IT, and accordingly the Group undertakes IT investments to meet these demands.

Corporate Governance Principles Compliance Report

1. 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 Capital Markets Board's ("CMB") 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. The Company complied with the Corporate Governance Principles rendered obligatory by CMB's regulations and resolutions during the fiscal year that ended on December 31, 2013. We believe that under the current circumstances, the items in the principles that we fail to fully comply with as of yet do not give rise to a major conflict of interest.

Best regards,

Yahya Üzdiyen
EXECUTIVE DIRECTOR
AND CEO

Yaşar Begümhan Doğan Faralyalı
CHAIRWOMAN

Corporate Governance Principles Compliance Report

PART I – SHAREHOLDERS

2. Shareholder Relations Unit

2.1. Exercise of shareholder rights is conducted in compliance with the relevant legislation, the Articles of Association and other in-house rules. All necessary measures are taken to facilitate exercise of these rights.

2.2. The Shareholder Relations Unit was established on March 18, 2009 in accordance with the Law and CMB regulations/resolutions to monitor relations between shareholders and the Company and to ensure that the requirements pertaining to shareholders' rights concerning access to information are fully met. The Shareholder Relations Unit functions in accordance with Capital Markets Legislation and CMB regulations/resolutions and the Articles of Association.

2.3. The Shareholder Relations Unit is coordinated by Vice President of Finance - Capital Markets, IFRS/CMB Reporting and Affiliates Oversight.

2.4. In the year 2013, the requests for information from investors or shareholders were answered in line with Capital Markets Legislation and CMB regulations and resolutions; and relevant information and documents were delivered to investors and shareholders in line with the principle of equality, with the exception of confidential data or commercial secrets. In this regard, the Unit held or participated in various analysts' meetings.

Reporting to the Shareholder Relations Unit are the investor relations, legal affairs, and financial affairs staff. The Unit's manager is the Vice President of Finance - Capital Markets, IFRS/CMB Reporting and Affiliates Oversight, Dr. Murat Doğu, whose his contact details are as follows:

Full Name	Title	Tel	E-mail
Murat Doğu	Vice President of Finance - Capital Markets, IFRS/CMB Reporting and Affiliates Oversight	(216) 556 90 00	mdogu@doganholding.com.tr

At the Company's corporate website at www.doganholding.com.tr, information about the Company is presented to shareholders in a regular and up-to-date fashion in both English and Turkish.

2.5. Utmost care is taken to meet requests and comply with legislation and the Articles of Association. No written or verbal complaint reached the Company in 2013 concerning the exercise of shareholders' rights, nor is the Company aware of any legal proceedings initiated against it in this regard.

3. Exercise of Shareholders' Right to Obtain Information

3.1. 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.

3.2. The information requests received from shareholders in 2013 were tried to be responded in a timely manner, as per Capital Markets Legislation, Law, CMB regulations and resolutions.

3.3. Presentations and financial information on developments about the Company, and all information which could affect the shareholders' exercise of their rights are made available in an up-to-date fashion on the Company's web site at www.doganholding.com.tr.

3.4. The Articles of Association currently do not recognize requests for the assignment of a special auditor as an individual right. Shareholders did not demand the appointment of any special auditors during the reporting period. However, depending on the legislative developments in the upcoming period, this right might be incorporated into the Articles of Association.

4. General Assembly Meetings

4.1. The Company's Ordinary General Assembly meeting on the activity results of 2012 was held on July 3, 2013 at the Company's headquarters, at the address of Burhaniye Mahallesi Kısıklı Caddesi No: 65 Üsküdar-İstanbul. The invitation to the meetings was published, as stipulated in the Company's Articles of Association, in the Turkish Trade Registry Gazette and announced on the PDP (Public Disclosure Platform) System.

4.2. Before the General Assembly meetings, the information memorandum, including meeting agenda and legal grounds of the agenda, the proxy voting form, as well as information notes featuring the necessary notifications required by Capital Markets Board's Corporate Governance Communiqué were presented to the shareholders. All announcements and notifications comply with the Turkish Commercial Code, Capital Markets Legislation, CMB regulations/resolutions as well as the Articles of Association.

4.3. The method of holding 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. This action is in compliance with CMB's resolution dated February 1, 2013 and numbered 4/89.

4.4. 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.

4.5. General Assembly meetings are held at Company headquarters in Istanbul to facilitate the participation of shareholders.

4.6. 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, Law, and CMB regulations/resolutions.

4.7. As regards the Ordinary General Assembly meeting, the Balance Sheet and Income Statement for the accounting period from January 1, 2012 until December 31, 2012, Board of Directors Annual Report, Board of Directors' dividend distribution proposal for the year 2012, the announcement text, independent audit report, amendments to the Articles of Association, General Assembly Information Memorandum and Proxy Voting Form, as well as the information notes featuring the necessary notifications required by Capital Markets Board's Corporate Governance Communiqué were made available for the scrutiny of the shareholders as per CMB's regulations and resolutions, as well as the Articles of Association, 3 weeks prior to the Ordinary General Assembly meeting and published on the website at www.doganholding.com.tr. Inquiries received from shareholders after the announcement of the General Assembly meeting date were answered by the Shareholder Relations Unit as per Capital Markets Legislation, Law, and CMB regulations/resolutions. There have been no major changes to the management or operational organization of the Company during the previous reporting period. Any such changes that may arise will be announced to the public in compliance with the applicable legislation.

4.8. During the General Assembly meetings, agenda items are presented in an objective, detailed, clear and comprehensible manner, and shareholders are given equal opportunity to voice their opinions and ask questions, thus creating a healthy discussion environment. In 2013, the Company did not receive any written requests from the shareholders for adding items to the agenda.

4.9. There were no suggestions about the agenda of the Ordinary General Assembly meeting, or demands to add new agenda items. At the meeting, questions by some shareholders on the agenda were responded by the meeting council.

Corporate Governance Principles Compliance Report

4.10. At the Ordinary General Assembly, the shareholders were informed about donations of TL 4,072,180 made by the Company to foundations, associations, public agencies and institutions in 2012.

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

4.12. General Assembly meeting decisions require the presence of shareholders or their proxies representing at least half of the Company's capital. Out of the Company's 2,450,000,000 shares, 1,751,390,195.088 shares (71.48%) were represented at the Ordinary General Assembly meeting dated July 3, 2013 where the activities of 2012 were discussed.

4.13. Minutes of the General Assembly meeting were available at Company headquarters and were sent to shareholders upon request. Additionally, past and current General Assembly meeting minutes are available at the corporate web site at www. doganholding.com.tr.

4.14. General Assembly meetings were attended by shareholders, some Board Members, Company employees and independent auditors, but not by other stakeholders or the media.

5. Voting Rights and Minority Rights

5.1. 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.

5.2. No upper limits are defined for the voting rights of any shareholder.

5.3. There are no "privileges" concerning Company shares.

5.4. Each share is entitled to one vote at the Company.

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

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

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

5.8. 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.

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

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

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

6. Right to Dividends

The Company takes decisions on dividend distribution in due consideration of Turkish Commercial Code, Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions, tax laws and other relevant legislation, as well as Articles of Association and Dividend Distribution Policy.

6.1. In line with Capital Markets Legislation and CMB regulations and resolutions, the Holding and its subsidiaries listed on the Bourse Istanbul have submitted their dividend distribution policies to their General Assemblies and to the public.

6.2. The dividend distribution is carried out in the shortest delay following the General Assembly, within the deadline set by Capital Markets Legislation and CMB regulations.

6.3. At the Ordinary General Assembly on July 3, 2013, it was resolved that no dividend would be distributed to shareholders for the year 2012 since the dividend distribution statement issued as per CMB regulations / resolutions for the accounting period January 1, 2012 – December 31, 2012 showed no distributable profit for the period.

6.4. 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 percentage.

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.

Corporate Governance Principles Compliance Report

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 aids and donations that will be made by the Company within an 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" tax base.

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 upfront as "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.

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

7. Transfer of Shares

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

PART II - PUBLIC DISCLOSURE AND TRANSPARENCY

8. Public Disclosure Policy

8.1. The main purpose of the Disclosure Policy of the Company is to provide fair, timely, accurate, complete, understandable, analyzable and easily accessible information to shareholders and stakeholders about the Company's prior performance, and information and developments related to its future outlook. The Public Disclosure Policy of the Company is available at www.doganholding.com.tr.

8.2. To this end, the Company holds or participates in meetings, in addition to issuing public disclosures, and publishing periodical financial statements and annual reports. Investors, analysts and the media are invited to these meetings. In this context Board Members and senior executives participated these meetings and presented their presentations. In addition to these efforts, promotional documents, statements to data distribution companies, announcements and news features on the corporate web site are other instruments within the scope of the Public Disclosure Policy.

8.3. The Company's public disclosure activities are carried out under the supervision and control of the Vice Presidency in charge of Capital Markets, IFRS/CMB Reporting and Affiliates Oversight who reports to the Financial Affairs Group, and in coordination with the Corporate Governance Committee.

Within the scope of the Public Disclosure Policy, the individuals authorized to make public disclosures at the Bourse Istanbul Public Disclosure Platform and their contact details are as follows:

Full Name	Title	Tel	E-mail
Murat Doğu	Vice President of Finance, Capital Markets, IFRS/CMB Reporting and Affiliates Oversight	(216) 556 90 00	mdogu@doganholding.com.tr
Hande Özer	Director, Capital Markets, IFRS/ CMB Reporting and Affiliates Oversight	(216) 556 90 00	handeo@doganholding.com.tr

While implementing the Public Disclosure Policy, utmost care is taken to preserve the principle of equal opportunity among stakeholders.

8.4. The Company's Public Disclosure Policy was announced to the public in 2007, was revised by the Board of Directors in 2009 and was presented to shareholders at the Ordinary General Assembly meeting dated July 9, 2009 concerning the year 2008.

8.5. "Individuals with Administrative Responsibilities" defined in the Capital Market Legislation and individuals in close contact with them disclose to the public their transactions on the Company's capital markets instruments, in compliance with the Capital Market Legislation.

8.5.1. All public disclosures, including those which fall within the scope mentioned above, are automatically published on the our corporate web site.

8.5.2. There are no derivative instruments based on the Company's shares.

8.6. The financial statements and accompanying notes have been prepared on a consolidated basis in accordance with CMB Communiqué Series: II-14.1, and the Turkish Accounting Standards and Turkish Financial Reporting Standards issued by the Public Oversight, Accounting and Audit Standards Agency. They are reported in line with the presentation principles outlined by CMB's resolution dated June 7, 2013 and numbered 20/670, and announced by CMB's Weekly Bulletin dated June 7, 2013 and numbered 2013/19, and independently audited and disclosed to the public as per Turkish Audit Standards ("TDS").

9. The Company's Website and Its Contents

9.1. The Company's 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.

Corporate Governance Principles Compliance Report

9.2. An English version of the information is also available for the convenience of foreign investors as set forth in the Turkish Commercial Code, Capital Markets Legislation, Capital Markets Law and CMB regulations / resolutions.

10. Annual Report

The Company's Annual Report for 2012 and the quarterly interim reports for 2013 are in compliance with Turkish Commercial Code, Capital Markets Legislation, Capital Markets Law and CMB regulations / resolutions.

SECTION III – 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. Other important albeit indirect stakeholders of the Company are the customers provided goods and services in various sectors of activity. The Company actively participates in and supports the activities of NGOs that operate in its business lines. Due to the importance of human resources in Company operations, human resources management is represented at the senior management level and human resources policies are formulated at a macro level. Operational policies are performed in coordination with Group companies.

11. Informing Stakeholders

11.1. As is explained in detail in the first part of this report, shareholders and investors are kept informed in accordance with Capital Markets Legislation, Capital Markets Law, CMB regulations / resolutions, and the Public Disclosure Policy, through the instruments identified.

11.2. The stakeholders of the Company, i.e. shareholders, investors, financial institutions and suppliers, can access Company information via meetings, presentations, news shared with print and visual media, and the website in accordance with Capital Markets Legislation, Capital Markets Law, CMB regulations / resolutions, and the Public Disclosure Policy.

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

12. Stakeholder Participation in Management

12.1. 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.

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

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

13. Human Resources Policy

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.

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.

Human resources practices are grouped under the following categories in line with the shared values and strategies of Doğan Holding and Group companies:

- Recruitment
- Training and development
- Performance development
- Remuneration system

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.

14. Code of Ethics and Social Responsibility

14.1. The Company's Code of Ethics has been disclosed to the public via the corporate website. The said code is continuously reviewed and updated according to the requirements of the current day.

14.2. As a result of its institutional 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.

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.

The activities geared toward the educational, social and cultural development of Turkey are conducted under the name of the Company and its subsidiaries, as well as through the Aydın Doğan Foundation. The Foundation focuses its activities on facilitating development and improvement in education, public health, scientific research, sports, arts and the economy. The Foundation also extends efforts to support media-related activities, encourage technological developments and expand the scope of cultural and social progress.

In addition to the projects organized directly within its own structure, the Company also supports projects of social awareness by various organizations and companies through its media channels and takes on the mission of helping hundreds of projects every year to achieve the prominence they deserve.

As an example in social investment, the Company has established in the Kelkit region of the Gümüşhane province, its subsidiary Doğan Organik Ürünler Tesisi, which is a multi-award winner pioneering company in its sector. This investment is not only supportive of the environment, animal rights and natural resources, but also contributes to regional development through the "contract farming" project. This investment is among the most prominent regional development initiatives in the nation.

Doğan Holding supports the activities of various NGOs and actively participates in their events.

Corporate Governance Principles Compliance Report

14.3. Our subsidiary Doğan Yayın Grubu is a leading global media company, which offers exclusive news, content and services 24/7 via various channels, in many formats and languages, setting the public agenda, and communicating with and adding value to the lives of its viewers and readers.

Our "Common Values" constitute the most important common asset of the Company and its employees, and forms the basis of our publishing and broadcasting principles. These common values also form the essence of the contract between us and our readers and viewers. To the readers and viewers who prefer us, we promise top quality, creative and occasionally groundbreaking content which is always in line with professional ethics and respectful of our readers and viewers.

Accordingly, the publishing and broadcasting principles concerning print and audio-visual media are outlined in detail and accessible via the corporate web site.

SECTION IV - BOARD OF DIRECTORS

15. Structure and Formation of the Board of Directors

15.1. The Board of Directors is made up of nine members, of which 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.

15.2. 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.

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

Member	Duty	Notes
Yaşar Begümhan Doğan Faralyalı	Chairperson	Non-executive
Hanzade Vasfiye Doğan Boyner	Vice Chairperson	Non-executive
Arzuhan Yalçındağ	Member	Non-executive
Vuslat Sabancı	Member	Non-executive
Yahya Üzdiyen	Member	Executive Director/CEO/Executive
İmre Barmanbek	Member	Non-executive
Tayfun Bayazıt	Member	Independent Member
Ertuğrul Feyzi Tuncer	Member	Independent Member
Ali Aydın Pandır	Member	Independent Member

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 in 1998. 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, technology and FMCG 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 Overseas 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, a general entertainment TV channel, 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. She is married with two children.

Hanzade V. Doğan Boyner

Hanzade Doğan Boyner is the leading personality in Turkey's online and digital world. As one of the pioneers of e-commerce in Turkey, she founded and led Hepsiburada.com to become the biggest online retailer in the region.

As a member of a family that has extensive media interests in Turkey and abroad, she has a wide range of vision from energy to media, online businesses to social initiatives. She is currently the Honorary Chairwoman of Doğan Gazetecilik, which includes Posta, the highest selling daily in Turkey; the Chairwoman of Aydın Doğan Foundation and Doğan Online. She also serves as the Vice Chairwoman of Doğan Burda and Doğan Holding.

Ms. Doğan Boyner is actively involved in various non-profit, business and trade organizations. She is the founding member and Vice Chairwoman of Global Relations Forum and serves as the Vice President of World Association of Newspapers. She is also an active participant in several think tanks including the Brookings Institute International Advisory Council, European Council on Foreign Relations, Foreign Economic Relations Board, Association of Turkish Businessmen and Industrialists, Young Presidents' Organization and Association of Woman Entrepreneurs.

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.

Ms. Doğan Boyner is a graduate of London School of Economics, has received her MBA from Columbia University and serves on the Columbia Business School Board of Overseers. She is married with one child.

Corporate Governance Principles Compliance Report

Arzuhan Doğan 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 Production, D-Smart satellite platform and radio concerns. In 2007, she was elected as the first female President of the country's leading business organization, TUSİAD - Turkish Industrialists' and Businessmen's 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'

After leaving post at TUSİAD, she took over the chair of Dogan Holding from her father, the founder of the company, 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 2011 and 2012.

The then Foreign Minister, now President H.E. Abdullah Gül, appointed her as a goodwill ambassador of Turkey to EU; with this capacity Arzuhan Doğan Yalçındağ launched "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 WEF. She also served on the board of the Turkish Education Volunteers Foundation - TEGV. She was also a founding board member of the Turkish-American Businessmen Association –TABA. 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.

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 Doğan Sabancı

Vuslat Doğan Sabancı was appointed Chairperson of the Board of Directors of Hürriyet on May 26, 2010.

In January 2004, she was appointed President of the Executive Committee of Hürriyet. As a top executive of the Company, she was responsible for commercial strategy and management of the Company.

During the recent four years she worked as President of the Executive Committee, Vuslat Doğan Sabancı managed the Company in tandem with a global perspective and further reinforced the assets of Hürriyet through acquisitions in developing media markets. In addition to such initiatives, she upgraded the Company to a competitive level in the new media world through successful online projects. Throughout her term of office, the social existence of Hürriyet is also strengthened through social responsibility campaigns.

Included among the aforementioned initiatives are: Acquisition of Trader Media East, the most successful online and printed advertisement means of Russia, Commonwealth of Independent States and other countries in the region; Pioneering the opening of the website of Hürriyet, thereby initiating and strengthening Hürriyet online version, and making it number-one website with Turkish content; Opening of online classified ads websites in this new and developing field so as to upgrade and develop Hürriyet also in real estate and automobile advertisements market; Strengthening the existing papers included in Hürriyet portfolio, such as Hürriyet Daily News, and launching Referans paper for business world; Starting a campaign against domestic (family) violence and another campaign for impressing the human rights idea upon the Turkish people with a view to spreading the democracy to a wider base; Creating of some certain procedures for institutionalization of internal activities of Hürriyet and for making the management of daily business affairs more objective. In spite of macroeconomic difficulties caused by the national economy, Hürriyet recorded a material growth under the management of Vuslat Doğan Sabancı. Hürriyet stock became one of the most preferred and sought after stocks of foreign investors on the Istanbul Stock Exchange.

Vuslat Doğan Sabancı has served at Hürriyet newspaper as the Vice President Advertisements in 1996. When she was promoted to Marketing Operations Group Head of the newspaper three years after, her duties and responsibilities extended to marketing, sales, human resources and Information Technologies (IT) as well.

Before serving at Hürriyet, Vuslat Doğan Sabancı worked in the editor-in-chief's office at The New York Times for one year, and thereafter, she contributed to establishment of Asian Business World News Channel and Latin America Edition of The Wall Street Journal.

Vuslat Doğan Sabancı graduated from the Faculty of Economy at Bilkent University, and continued her education at Columbia University, New York and was awarded a postgraduate diploma in the International Media and Communications field therein.

Vuslat Doğan Sabancı is an honorary board member of the Vienna-based International Press Institute where she served as Vice President until 2008. Ms. Sabanci is also Member of the Executive Board of Endeavour Turkey.

She is married with two children.

Yahya Üzdiyen

Born in 1957, Yahya Üzdiyen graduated from Middle East Technical University (METU) business administration department. Between 1980 and 1996, he worked as trade & investment specialist and manager in several privately owned companies in Turkey and abroad.

Between 1997 and 2011, he assumed the position of Strategy Group President at Doğan Holding and became Deputy Chairperson on January 18, 2011. In these years, he played an important role in the acquisition, partnership and sale of Group companies, such as Petrol Ofisi, Ray Sigorta and Star TV.

A member on Boards of several Group companies, Yahya Üzdiyen was appointed CEO of Doğan Holding as of January 24, 2012.

Mr. Üzdiyen is married with two 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 in 1963 at the Ministry of Finance, as an assistant tax auditor in the Board of Accountancy Specialists, followed by a promotion in 1966 to Accountancy Specialist. Between 1969 and 1972, she worked at the State Planning Organization as a State Planning Specialist. Afterwards, she became a member of the Tax Appeals Commission.

In 1977, Mrs. Barmanbek resigned from her post in Ankara and started her private sector career. İmre Barmanbek assumed the position of Financial Director, for the joint venture company between Koç & Doğan Group's, Doğus Akü. She soon became General Manager of the company. Following this success, İmre Barmanbek assumed the position of Financial Coordinator for Doğan Group of Companies Holding Inc. and became CFO in 1988. Her success in finance and organization and her influence as a professional leader within the corporation propelled Mrs. Barmanbek to becoming the CEO and a Member of the Board in 1999. Between 2003 and 2012, she was the Deputy Chairperson and a Member of the Executive Board of Doğan Holding.

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. In 2002, the prestigious Fortune Magazine International Edition recognized her as the 33rd "Most Powerful Women in Business". In 2003 and 2004, she was recognized as the 21st and 22nd most powerful woman by the same magazine, respectively.

Currently, she serves as a member of the Board of Doğan Holding and several Group companies.

Corporate Governance Principles Compliance Report

Ertuğrul Feyzi Tuncer

Ertuğrul Feyzi Tuncer was born in 1939. He received his BA in Business Administration and Economics from Robert College in 1964. Later, he obtained an Executive Management certificate from University of Stanford.

He started his professional career in 1967, as Regional Director and Director of Investments at Mobil Oil Türk A.Ş. and eventually became General Manager in 1990. In 1994, he served as Chairman at ATAŞ Anatolian Refinery, and then became General Manager of BP Mobil Turkey Joint Venture.

In 2000, he resigned from both of these positions to continue his career as General Manager and Board Member at Petrol Ofisi A.Ş. In 2005, he became Board Member at Doğan Holding. In 2006, at Tuncer Consulting Services and Trade, he became the founder and partnership manager of CASE Consulting Energy.

Ertuğrul Tuncer has served as the founder Chairman of PETDER (Association of Petrol Industrialists) and is a member of the Association of Corporate Risk Management and High Council Board of Fenerbahçe Sports Club.

Tayfun Bayazıt

Tayfun Bayazıt received his postgraduate degree (MBA) in Finance and International Relations in at Columbia University in 1983 following his degree in Mechanical Engineering in 1980. Mr. Bayazıt started his banking career at Citibank after Columbia University. His professional endeavours saw him through several senior management positions with the Çukurova Group for the next 13 years; he served as Chief Assistant General Manager and Executive Board Member at Yapı Kredi, General Manager at Interbank, and President & CEO at Banque de Commerce et de Placement S.A. Switzerland. Mr. Bayazıt was offered a position with Doğan Group of Companies to act as the Vice Chairman as well as Executive Director at Dışbank in 1999, where he later assumed the position of CEO in 2001, and Chairman of the Board in 2003, respectively. Mr. Bayazıt then took on the post of Fortis Turkey CEO, as well as Fortis Global Management Committee Membership positions, once Fortis acquired the majority shares of Dısbank in July 2005. Following the General Assembly held in 2006, Mr. Bayazıt continued serving at Fortis Turkey as Chairman. Tayfun Bayazıt returned to Yapı Kredi in 2007 (a UniCredit and Koç Group partnership) as an Executive Director and General Manager, where he took over the post of Chairman of the Board in 2009. After a two year stint at Yapı Kredi, Mr. Bayazıt left the bank in August 2011 to establish "Bayazıt Consulting Services", where he currently serves as the President of the Company. Tayfun Bayazıt is Vice President of TUSİAD (Turkish Industry and Business Association), and is also currently active in various non-governmental organizations, such as TEGV (Education Volunteers Foundation of Turkey), Darüşşafaka, Embarq and TKYD (Corporate Governance Association of Turkey).

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 Firması, 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 the said firm. 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 President of Indonesia, he managed the restructuring and consolidation of GM's business 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 has been the Chairman of the Board of Directors and Executive Director of the Erdemir, Ereğli and İskenderun Iron and Steel Factories, member of the Board of Directors of the Tofaş and Turkish tractor companies in representation of Company Fiat, besides independent membership.

15.4. 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 July 3, 2013 to serve until the Ordinary General Assembly when the accounts and activities of the year 2013 will be discussed.

15.5. 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 and CEO are not the same individual. More than half of the Board Members are non-executive.

15.6. Statements of independence of three candidate Independent Board Members were evaluated by the Board of Directors and subsequently disclosed to the public on June 11, 2013. The Company asks for written statements from the independent Board Members to prove that they satisfy the 'independence' criteria set forth in the CMB regulations and resolutions. 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:

Corporate Governance Principles Compliance Report

May 28, 2013

STATEMENT OF INDEPENDENCE

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

As a member of the Board of Directors of Doğan Şirketler Grubu Holding A.Ş., I declare that; I do have the qualifications of an "independent member of the board of directors" stipulated in the Capital Markets Law, Capital Markets Board Communiqué, Principle Decision and other regulations and the Articles of Association of your Company; and I will immediately inform your 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 BAYAZIT

May 28, 2013

STATEMENT OF INDEPENDENCE

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

As a member of the Board of Directors of Doğan Şirketler Grubu Holding A.Ş., I declare that; I do have the qualifications of an "independent member of the board of directors" stipulated in the Capital Markets Law, Capital Markets Board Communiqué, Principle Decision and other regulations and the Articles of Association of your Company; and I will immediately inform your 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 PANDIR

May 29, 2013

STATEMENT OF INDEPENDENCE

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

As a member of the Board of Directors of Doğan Şirketler Grubu Holding A.Ş., I declare that; I do have the qualifications of an "independent member of the board of directors" stipulated in the Capital Markets Law, Capital Markets Board Communiqué, Principle Decision and other regulations and the Articles of Association of your Company; and I will immediately inform your 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,

Ertuğrul Feyzi TUNCER

15.7. 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, direct and audit the interests of the Company and shareholders. 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:

Name Surname	Duties Outside the Corporation
Yaşar Begümhan Doğan Faralyalı	Chairwoman of the Board of Directors in the Group Companies
Hanzade Vasfiye Doğan Boyner	Vice Chairwoman of the Board of Directors in the Group Companies
Arzuhan Yalçındağ	Chairwoman and Member of the Board of Directors in the Group Companies
Vuslat Sabancı	Chairwoman of the Board of Directors, Member of the Board of Directors in the Group Companies
Yahya Üzdiyen	Chairman, Vice Chairman and Member of the Board of Directors, and Chairman of the Executive Board, Corporate Governance Committee Member in the Group Companies
İmre Barmanbek	Vice Chairwoman and Member of the Board of Directors, and Corporate Governance Committee Member in the Group Companies
Tayfun Bayazıt	Does not have duties in the group companies outside the Corporation. His duties in the companies outside the Group are available in his résumé included in this report.
Ertuğrul Feyzi Tuncer	Independent Member of the Board of Directors, Audit Committee Member, Chairman of the Corporate Governance Committee in the Group Companies
Ali Aydın Pandır	Does not have duties in the group companies outside the Corporation. His duties in the companies outside the Group are available in his résumé included in this report.

16. Principles of the Activities of the Board of Directors

16.1. 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 Law, CMB Regulations and Decisions. Principles regarding the issue were determined with our Company's Articles of Association.

16.1.1. 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, tables and reports, preferably have had higher education.

16.1.2. 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 Code of Commerce, Capital Markets Law, Capital Markets Board regulations and decisions, Articles of Association and the provisions of legislation in effect.

Corporate Governance Principles Compliance Report

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 held 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.

16.1.3. 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 persons who are managers. At least one member of the board of directors 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 power (authority) will not be valid. Limitation of the power to represent, does not set forth any terms and conditions for bona fide third persons; 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. 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 affairs, and monitor the implementations of the Board's decisions. In such case, the scope of the responsibilities of each executive member of the Board of Directors, 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 held responsible for transactions within this scope; without prejudice to the duties and powers within the scope of the nonnegotiable 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.

16.2. The résumés of the members of the Board of Directors are available in our Annual Report and Corporate Website (www.doganholding.com.tr).

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

16.4. In 2013, 37 (2012: 35) Board of Directors meetings/decisions were made/taken.

16.5. 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.

16.6. 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 dissenting votes must sign the meeting minutes with their justifications for their dissenting 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 dissenting 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 member of the Board of Directors 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 Company Articles of Association or on the system with support services to be purchased.

17. The Number, Structure and Independence of Board Committees

17.1. 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.

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

17.3. Also the Audit Committee and the Corporate Governance Committee has 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 and resolutions, Articles of Association and international practices abroad. The committees' charters are reviewed according to legislative changes and changing circumstances. The committees convene at least every three months.

Corporate Governance Principles Compliance Report

17.4. 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 2013.

Full Name	Title	Other Duties	Duties in Other Committees
Yahya Üzdiyen	President	Executive Director	None
Soner Gedik	Member	None	None
Ahmet Toksoy	Member	CFO	None

17.5. The Board of Directors elected Tayfun Bayazıt 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 2013.

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
Ali Aydın Pandır	Member	Independent Board Member (Non-Executive)	Independent	None

17.6. 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.

17.7. The Audit Committee carries out its duties regularly in compliance with the Capital Markets Legislation and CMB's regulations and resolutions. Within this framework, in 2013:

- Annual/interim financial statements, footnotes and independent audit reports of the Company and its subsidiaries with shares traded in the Bourse Istanbul (due to the fact that their financial statements and tables are consolidated), were reviewed before publicly disclosed and meetings were made with the independent audit company;
- The independent audit agreements of the Company and its subsidiaries with shares traded in the Bourse Istanbul were reviewed;
- Results of the internal audit activities and measures taken were reviewed.

17.8. 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 2013 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 Corporate Governance 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

The majority of Corporate Governance Committee members are non-executive.

17.9. The Corporate Governance Committee carries out its duties regularly in compliance with the Capital Markets Legislation and CMB's regulations and resolutions. Within this framework, in 2013:

- 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 score for corporate governance, was coordinated.
- Tasks were carried out regarding the "Remuneration Policy".
- 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.

17.10. In line with the CMB decision taken for all publicly traded corporations that get corporate governance scores; Saha Rating Services revised our corporate governance score together with all the other publicly traded corporations and announced to the public on March 3, 2014. Corporate governance rating scores are available on our Company's corporate website at www.doganholding.com.tr.

17.11. 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
Ertuğrul Feyzi Tuncer	President	Board Member (Independent)	Independent	None
Erem Turgut Yücel	Member	Chief Legal Counsel	Dependent	None
Tolga Babalı	Member	Vice President of Risk Management and Financial Affairs	Dependent	None
Yener Şenok	Member	Vice President of Financial and Administrative Affairs	Dependent	None
Dr. Murat Doğu	Member	Vice President of Finance (Capital Markets, IFRS/CMB Reporting and Affiliates Oversight)	Dependent	None
Ayhan Sırtıkara	Member	Board of Directors/Board Coordination Director	Dependent	None
Korhan Kurtoğlu	Member	Financial Reporting Director	Dependent	None

The committees convene as frequently as is required by their activities, upon the invitation of the Committee President. All activities are set down in writing and the necessary records are kept.

17.12. 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.

Corporate Governance Principles Compliance Report

18. Risk Management and Internal Control Mechanism

Since the Company is a holding company, it predominantly focuses on asset management, the financial performance of its affiliates, and fiscal and financial risks. The management of fiscal and financial risks is monitored by the Chief Financial Officer, relevant Vice Presidents of Financial Affairs and the Vice President of Finance and Portfolio Management. On the other hand, the identification and reporting of financial as well as operational risks of the affiliates are also under the responsibility of and undertaken by the President of the Executive Committee. From time to time, the Audit Committee and the Corporate Governance Committee also report problems and suggestions for solutions regarding risk management and internal control mechanisms to the Board of Directors. In 2013, special emphasis was given to risk management and reporting as well as to restructuring efforts. The Early Risk Detection Committee will present suggestions to the Board of Directors with regard to the identification and management of risks.

19. Strategic Goals of the Company

19.1. Our vision is to undertake productive and sustainable investments that will contribute to transparency in the 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.

19.2. The vision and mission of the Company are available in the annual report.

19.3. 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.

19.4. The performance of our Company is monitored in the Executive Board meetings held every week and necessary measures are taken.

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

20. Remuneration of Board Members

20.1. 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 and resolutions and other applicable 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.

The Remuneration Policy, created regarding the financial rights that will be provided to the members of the Board of Directors and to the Company's senior executive managers who have administrative responsibilities is publicly disclosed on the corporate website of the Company and submitted as a separate agenda item for the information of the shareholders at the General Assembly.

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.

20.2. At the Ordinary General Assembly meeting held to discuss the 2012 activities; it was decided by majority vote that the members of the Board of Directors are paid a net amount of TL 10,000 per month. Apart from this, there is no performance based salary paid to the members of the Board of Directors.

20.3. 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 etc.. Benefits received by the key management personnel, such as salaries, premiums, health insurance, communication and transport, are specified below:

(TL thousand)	2013	2012
Salaries and other short term benefits	20,131	19,842
Post-employment benefits	-	-
Other long term benefits	-	-
Termination (dismissal) benefits	-	-
Payments per shares	-	-
Total	**20,131**	**19,842**

Other Obligatory Disclosures

General Information

Accounting Period for the Report:
This activity report covers the period from January 1, 2013 till December 31, 2013.

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

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, 2013 until December 31, 2013.

Information About the Company's Acquisition of Its Own Shares:
During the accounting period from January 1, 2013 until December 31, 2013, the Company did not acquire its own shares.

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.

Administrative or Legal Sanctions Imposed Upon the Company or its Executives Due to Action Violating Legislation:
During the period, no administrative or legal sanction was imposed upon the Company or its executives due to actions violating legislation.

Amendments Made to the Articles of Association within 2013 and the Reasons for the Amendments:
In order to ensure compliance our Articles of Association with the Turkish Commercial Code n.6102 and the Capital Markets Law n. 6362, with the permission letter n.2108-7083 of the Capital Markets Board given on the date 02.07.2013, and within the framework of the permission n.7570-5323 of the General Directorate of Domestic Trade of the Ministry of Customs and Trade given on the date 02.07.2013, issues regarding the amendments to the Articles 4, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30 and annulment of the Articles 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41 and 42 and annulment of the section titles in the Articles of Association were submitted to the approval of the shareholders and were approved by majority vote at the Ordinary General Assembly Meeting held on July 3, 2013 regarding the 2012 activities.

Research and Development Activities:

The Company carried out no R&D activities during 2013 and thus incurred no related costs.

Company Activities and Important Developments

Attainment of Targets Set in Previous Periods, Implementation of General Assembly Resolutions, Any Reasons for Failure to Attain Targets or Implement Resolutions, and Assessments:

The Company implemented all General Assembly resolutions in the concerned accounting period.

Lawsuits Against the Company Which Could Affect Its Financial Situation and Activities, and Their Possible Outcomes:

The Company sets aside reserves for the pending lawsuits filed against it. The litigation against the Company and the reserves set aside for possible litigation damages are as follows:

Lawsuits (TL thousand)

The total amount of the litigation filed against the Group pending as of December 31, 2013 is TL 80,623 (December 31, 2012: TL 85,082).

	December 31, 2013	December 31, 2012
Administrative Cases	65,797	62,574
Commercial Cases	5,552	14,650
Business Cases	7,664	6,309
Other	1,610	1,549
Total	**80,623**	**85,082**

As regards the pending lawsuits detailed above, a provision amounting to TL 31,189 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, 2012: TL 28,712). Administrative cases mainly consist of pecuniary and non-pecuniary damages and lawsuits filed against Doğan Yayın Holding and its subsidiaries and lawsuits initiated by the Radio and Television Supreme Council.

Information on Extraordinary General Assembly:

No Extraordinary General Assembly was held during the period.

Information on Private and Public Audits:

No such private or public audits were carried out in the Company during the accounting period.

Information about the Company's Donations, Aid, and Spending on Social Responsibility Projects during the Year:

In 2013, our Company donated TL 788,135 for public interest purposes to several foundations and associations as follows:

TL	
Koç University	100,000.00
Association of Global Relations Forum	100,000.00
The Brookings Institution	554,250.00
Other	33,885.00
Total	**788,135.00**

Other Obligatory Disclosures

Company's Legal Actions, and Measures Taken or Avoided in Favor of the Parent Company or Group Companies:
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.

Any Corrections Against the Legal Actions Listed Above, Any Damages Inflicted the Company Arising from Measures Taken or Avoided, Any Corrections for Such Damages:
Since the Company did not take any action falling under the scope of the previous paragraph, there are no damages to be redressed.

Financial Situation

Type and Quantity of the Capital Market Instruments Issued:
There were not any Capital Market Instruments issued in 2013.

Board of Directors' Evaluations Regarding "Loss of Company Capital or Deep-in-Debt Situation":
As of 31.12.2013, the amount of our shareholders' equity is 63% more than our capital of TL 2,450,000 thousand and is equal to TL 4,000,435 thousand. This ratio is an indicator of our strong shareholders' equity structure.

Measures to be Taken in Order to Improve the Financial Structure of the Company:
As of 31.12.2013, our consolidated financial debt is TL 2,098 million TL (31.12.2012: TL 2,133 million). While the financial debt remained at the same level, the TL 2,814 million of cash and cash equivalents including the blocked deposits and financial investments is greater than the financial debt. In this aspect, the total net financial cash level is TL 716 million as of the end of 2013. Maturity of the cash and financial debt of the Group, are consistently monitored in terms of financial risk management components such as interest risks, FX risks.

Information on the Parent Company

Information about the Corporate Enterprises' Shares in the Capital of the Parent Company:
The corporate enterprises do not have shares in the capital of the parent company.

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, tables and footnotes are; prepared on 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 about 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.

Direct or Indirect Control of a Five, Ten, Twenty, Twenty Five, Thirty Three, Fifty, Sixty Five or Hundred Percent Stake at a Capital Markets Firm, and Reasons for Falling Below These Percentages

Trade Name	31.12.2013 Effective Share Ratio (%)	31.12.2012 Effective Share Ratio (%)	Change	Description
Doğan Gazetecilik A.Ş.	74.23	53.49	20.74	Due to acquisition of shares
Milliyet Verlags-und Handels Gmbh	0.00	74.31	-74.31	Due to liquidation
Mozaik İletişim Hizmetleri A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Posta Haber Ajansı A.Ş.	0.00	55.19	-55.19	Due to the merger
Doğan Gazetecilik İnternet Hizmetleri ve Ticaret A.Ş.	74.23	53.72	20.51	Due to acquisition of shares
OOO Novoprint	0.00	45.61	-45.61	Due to liquidation
OOO Pronto Stavropol	0.00	45.61	-45.61	Due to the merger
OOO Pronto Obninsk	4.78	45.61	-40.83	Due to selling of shares
OOO Pronto Pskov	0.00	41.05	-41.05	Due to selling of shares
Moje Delo spletni Marketing d.o.o.	0.00	45.61	-45.61	Due to selling of shares
Bolji Posao d.o.o. Serbia	47.80	25.08	22.72	Due to transfer of shares
Bolji Posao d.o.o. Bosnia	47.80	25.08	22.72	Due to transfer of shares
Sklad Dela Prekmurje NGO	0.00	25.08	-25.08	Due to selling of shares
Primeturk GmbH	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Osmose Media SA	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
OOO Rosprint Samara	0.00	45.61	-45.61	Due to the merger
Doğan TV Holding A.Ş.	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
DTV Haber ve Görsel Yayıncılık A.Ş.	63.07	57.33	5.74	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Kanal D Yapımcılık Reklamcılık ve Dağıtım A.Ş.	63.07	57.33	5.74	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Alkım İletişim Hizmetleri A.Ş.	66.48	0.00	66.48	Due to establishment
Alp Görsel İletişim Hizmetleri A.Ş.	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Fun Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş.	66.63	58.37	8.26	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Tempo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş.	66.48	60.10	6.38	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Kanalspor Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.

Other Obligatory Disclosures

Trade Name	31.12.2013 Effective Share Ratio (%)	31.12.2012 Effective Share Ratio (%)	Change	Description
Milenyum Televizyon Yayıncılık ve Yapımcılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
TV2000 Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Popüler Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
D Yapım Reklamcılık ve Dağıtım A.Ş.	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Bravo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Doğa Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Altın Kanal Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Stil Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Selenit Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.46	6.17	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to the transfer of shares
Trend Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Ekinoks Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Fleks Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Kutup Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Galaksi Radyo ve Televizyon Yay. Yap. San. Tic. A.Ş.	66.63	60.54	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Koloni Televizyon ve Radyo Yayıncılık A.Ş.	66.48	54.40	12.08	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Atılgan Televizyon ve Radyo Yayıncılık A.Ş.	66.48	54.40	12.08	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Yörünge Televizyon ve Radyo Yayıncılık A.Ş.	66.63	60.05	6.58	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares

Trade Name	31.12.2013 Effective Share Ratio (%)	31.12.2012 Effective Share Ratio (%)	Change	Description
Doruk Televizyon ve Radyo Yayıncılık A.Ş.	66.48	60.40	6.08	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Tematik Televizyon ve Radyo Yayıncılık A.Ş.	66.48	52.39	14.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Süper Kanal Televizyon ve Radyo Yayıncılık A.Ş.	66.48	60.39	6.09	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Uydu İletişim Basın Yayın A.Ş.	66.63	39.14	27.49	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Eko TV Televizyon ve Radyo Yayıncılık A.Ş.	63.17	57.43	5.74	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Denizatı İletişim Hizmetleri A.Ş.	0.00	60.44	-60.44	Due to the merger
Protema Yapım Reklamcılık ve Dağıtım Anonim Şirketi	0.00	60.44	-60.44	Due to liquidation
NetD Dijital Yayıncılık Ticaret A.Ş.	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Doğan Uydu Haberleşme Hiz. ve Telekomünikasyon Tic. A.Ş.	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Doğan Teleshopping Pazarlama ve Ticaret A.Ş.	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
ZAO NPK	0.00	45.61	-45.61	Due to liquidation
Rapsodi Radyo ve Televizyon Yayıncılık A.Ş.	66.48	59.99	6.49	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş. and due to transfer of shares
Doğan Müzik Yapım ve Ticaret A.Ş.	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
İnteraktif Medya Hizmetleri Geliştirme Pazarlama ve Ticaret A.Ş.	66.48	60.44	6.04	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Doğan İnternet Yayıncılığı ve Yatırım A.Ş.	80.02	0.00	80.02	Due to the indirect impact of the capital increase of Doğan Yayın Holding A.Ş.
Doğan Otomobilcilik ve Ticaret A.Ş.	0.00	99.80	-99.80	Due to the merger
Zigana Elektrik Dağıtım Sanayi ve Ticaret A.Ş.	0.00	85.01	-85.01	Renouncement as per the 7th Article of the Turkish Commercial Code
D Tes Elektrik Enerjisi Toptan Satış A.Ş.	100.00	25.00	75.00	Due to acquisition of shares
DB Popüler Dergiler Yayıncılık A.Ş.	0.00	33.92	-33.92	Due to liquidation
OOO Autoscout24	0.00	23.26	-23.26	Due to liquidation
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti.	0.00	26.74	-26.74	Due to the merger
Tipeez Internet Hizmetleri A.Ş.	0.00	18.42	-18.42	Due to selling of shares

Audit Committee Resolution

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
AUDIT COMMITTEE RESOLUTION

DATE : 05.03.2014

SUBJECT : 01.01.2013–12.31.2013 Accounting Period Financial Reports

The independently audited comparative consolidated financial report, (in comparison with previous period's financials) prepared for the accounting period of 01.01.2013–12.31.2013, 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 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 getting 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 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 the CMB regulations.

Tayfun BAYAZIT
PRESIDENT

Ali PANDIR
MEMBER

Corporate Governance Committee Resolution

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CORPORATE GOVERNANCE COMMITTEE RESOLUTION

DATE and NUMBER : 05.03.2014
SUBJECT : Approval of the Annual Report and Other Issues

In the meeting held at the Company's Headquarters on the date specified above;

1- The Annual Report and the Corporate Governance Compliance Report (will be included in the Annual Report), which were prepared for the accounting period of 01.01.2013–31.12.2013 in compliance with the Communiqué (Serial: II, No: 14.1) on the "Principles Regarding Financial Reporting in the Capital Markets" of Capital Markets Board (CMB), were audited by our Committee, by getting the opinions of the executives who are responsible for the preparation of the Company's Annual Report.

Limited within the scope of the information we have and we have been given, our opinion relating to this Annual Report and the Corporate Governance Compliance Report, was presented to the executives who have responsibility in the preparation of the Annual Report and the Corporate Governance Compliance Report. Within the framework of this opinion, our committee reached a conclusion that this Annual Report and the Corporate Governance 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 the CMB regulations.

2- It was recommended that; it will be appropriate to inform the Board of Directors about the policies and rules that must be determined and/or revised and the actions that must be taken in line with the CMB's Corporate Governance Communiqué (Serial: II, No: 17.1) and its provisions which became effective after being published in the Official Gazette numbered 28871, dated 03.01.2014.

3- The efforts made in relation to the Company's website, were assessed within the scope of the Turkish Commercial Code, Capital Markets legislation and the practices of the Corporate Governance Principles and recommendations were made.

Tayfun BAYAZIT	*İmre BARMANBEK*	*Dr. Murat DOĞU*
PRESIDENT	MEMBER	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 : March 7, 2014 — Ref No: 251
DECISION NO : 11

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 01.01.2013–31.12.2013 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 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), 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.

Ahmet TOKSOY
CFO

Yener ŞENOK
VICE PRESIDENT OF FINANCIAL AND ADMINISTRATIVE AFFAIRS

Board of Directors' Resolution on the Approval of the Reports

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
DECISION OF BOARD OF DIRECTORS

Date of Meeting : 07.03.2014
Time :
Decision No. : 11

In order to resolve the issues that were in 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, the annual report and the corporate governance compliance report

Resolution :

- approve and submit to the General Assembly's approval the independently audited comparative consolidated financial report (in comparison with 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 01.01.2013–31.12.2013, 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),
- approve and submit for the information of our shareholders the attached "2013 Annual Report" and the "2013 Corporate Governance Compliance Report" which were submitted to the approval of our Board with the assent of our Corporate Governance Committee and of the related executives.

Y. BEGÜMHAN DOĞAN FARALYALI CHAIRWOMAN	*HANZADE V. DOĞAN BOYNER* VICE CHAIRWOMAN	*ARZUHAN YALÇINDAĞ* MEMBER
VUSLAT SABANCI MEMBER	*YAHYA ÜZDİYEN* EXECUTIVE MEMBER	*İMRE BARMANBEK* MEMBER
ERTUĞRUL FEYZİ TUNCER MEMBER	*TAYFUN BAYAZIT* MEMBER	*ALİ AYDIN 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 aids 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, dividend advance, 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 : 07.03.2014

Decision No. : 12

In order to resolve the issues that were in 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 : Profit Distribution

Resolution : This resolution was signed by the members of the Board of Directors pursuant to the provision of the Article 390/IV of the Turkish Commercial Code.

Taking into account the Turkish Commercial Code (TCC), the Capital Markets Legislation, the Capital Markets Law, the Capital Markets Board (CMB) Regulations/Decisions, Corporate Tax, Income Tax, Tax Procedure Law (VUK) and the provisions of the other relevant legal legislations, the provisions of the Company's Articles of Association and the "Profit Distribution Policy" which was publicly disclosed; and according to the independently audited financial statements which were determined for the accounting period of 01.01.2013-31.12.2013 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 CMB's Communiqué (Serial: II ,No: 14.1) on "Principles Regarding the Financial Reporting in the Capital Markets", and prepared in compliance with the presentation principles determined pursuant to the CMB's decisions on the issue;

Our Board of Directors decided unanimously;

1. to inform the shareholders on the issue that the profit distribution will not be made relating to the accounting period of 01.01.2013-12.31.2013 within the scope of the CMB regulations regarding profit distribution, and to submit this issue to the approval of the General Assembly; due to the facts specified below;
• when the "Deferred Tax Income" and "Current Period Tax Expense" from Continuing Operations, and the "Net Period Loss" from Discontinued Operations are considered together; it is seen that the "Net Period Loss" of the Parent Company Shares is TL 38,140 thousand;
• after the "Previous Year's Losses" of TL 437,186 thousand (calculated in accordance with the CMB's "Profit Distribution Guidance" published in the CMB's Weekly Bulletin, dated 27.01.2014, numbered 2014/2) is deducted from this amount (TL 38,140 thousand), it is seen that there is a "Net Period Profit" in the legal records;
• as per the provision of the 519th Article of the Turkish Commercial Code (TCC), after the "General Legal Reserve Fund" of TL 13,407 thousand is set aside and the donation amount of TL 788 thousand is added on, it is seen that there is a TL 487,945 thousand of "Net Period Loss including Donation Amount".
2. that there is a "Net Period Profit" of TL 334,529,824.73 for the accounting period of 01.01.2013-12.31.2013, at our legal records kept within the scope of the Turkish Commercial Code (TCC) and Tax Procedure Law (VUK);
3. to set off the "Previous Years' Losses" of TL 66,386,973.06 against the "Net Period Profit" of TL 334,529,824.73,
4. in line with the provision of the 519th Article of the Turkish Commercial Code (TCC), to set aside a "General Legal Reserve Fund" of TL 13,407,142.58 from the remaining (after set off transaction) "Net Period Profit" of TL 268,142,851.67, and
5. to set aside the remaining "Net Period Profit" of TL 254,735,709.09 as "Extraordinary Reserves".

Y. BEGÜMHAN DOĞAN FARALYALI CHAIRWOMAN	*HANZADE V. DOĞAN BOYNER* VICE CHAIRWOMAN	*ARZUHAN YALÇINDAĞ* MEMBER
VUSLAT SABANCI MEMBER	*YAHYA ÜZDİYEN* EXECUTIVE MEMBER	*İMRE BARMANBEK* MEMBER
ERTUĞRUL FEYZİ TUNCER MEMBER	*TAYFUN BAYAZIT* MEMBER	*ALİ AYDIN PANDIR* MEMBER

Dividend Distribution Statement

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş. 2013 DIVIDEND DISTRIBUTION TABLE (TL thousand)

1 Issued Capital	**2,450,000**	
2 General Legal Reserve Funds(Acc.to Legal Records)	**124,163**	
If there is a dividend distribution privilege pursuant to the Articles of Association, the information about this privilege	None	
	According to CMB	**According to Legal Records**
3 Period Profit / Loss (+/-) (1)	**-74,202**	**398,295**
4 Taxes (+/-) (2)	**-91,846**	**-63,765**
Non-controlling Interests (minority interests) (-)	**-127,908**	**0**
5 Net Period Profit/Loss (+/-)	**-38,140**	**334,530**
6 Losses from the Previous Years (-) (3)	**-437,186**	**-66,387**
7 General Legal Reserve Funds (-)	**-13,407**	**13,407**
8 NET DISTRIBUTABLE PERIOD PROFIT/LOSS (+/-)	**-488,733**	**254,736**
9 Donations throughout the Year (+)	**788**	
10 Net Distributable Period Profit/Loss including Donations (+/-) (4)	**-487,945**	
11 First Dividend to Shareholders	**0**	
Cash	0	
Bonus	0	
Total	0	
12 Dividend Distributed to Privileged Shareholders	**0**	
13 Other Distributed Dividend	**0**	
Dividend to the members of the Board of Directors	0	
Dividend to the employees	0	
Dividend to the persons who are not shareholders	0	
14 Dividend to the holders of dividend-right certificates	**0**	
15 Second Dividend to Shareholders	**0**	
16 General Legal Reserve Fund	**0**	**0**
17 Statutory Reserves	**0**	**0**
18 Special Reserves	**0**	**0**
19 EXTRAORDINARY RESERVES	**0**	**0**
20 Other Distributable Resources	**0**	**0**
Profit from the Previous Year	0	0
Extraordinary Reserves	0	0
Other Distributable Reserves Pursuant to the Turkish Commercial Code and the Articles of Association	0	0

(1) Is composed of the sum of the "Continuing and Discontinued Operations Period Profit Before Tax".
(2) Is composed of the sum of the Continuing Operations "Period Tax Expense" and "Deferred Tax Income".
(3) The portion of the Previous Years Losses exceeding the amounts of "Discounts for Shares" and "General Legal Reserve Funds".
(4) There is no distributable period profit.

DIVIDEND RATIO TABLE

	GROUP	TOTAL DIVIDEND AMOUNT DISTRIBUTED		TOTAL DIVIDEND DISTRIBUTED / NET DISTRIBUTABLE PERIOD PROFIT	DIVIDEND FOR SHARE WITH 1 TL NOMINAL VALUE	
		Cash (TL)	Bonus (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

The Opinion Letter of the Independent Audit Company on the Annual Report

Deloitte.

DRT Bağımsız Denetim
ve Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Sun Plaza
Bilim Sok. No:5
Maslak, Şişli 34398
İstanbul, Türkiye

Tel: (212) 366 6000
Faks: (212) 366 6010
www.deloitte.com.tr

THE OPINION LETTER OF THE INDEPENDENT AUDIT COMPANY ON THE ANNUAL REPORT

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

1. We have assessed, within the scope of our independent audit, whether the financial data and the Board of Directors' reviews and explanations stated in the Doğan Şirketler Grubu Holding A.Ş.'s ("Company") Annual Report prepared as of 31st of December 2013, are consistent or not with the independently audited consolidated financial statements issued on the same date.

2. It is the Company management's responsibility to prepare the Annual Report, assessed in our report, in conformity with the "Regulation on the "Determination of the Minimum Content of the Companies' Annual Reports".

3. Our responsibility as an independent audit company is to state our opinions on the consistency of the financial data in the Annual Report in comparison to the independently audited consolidated financial statements assessed in the independent audit report issued on the date of March 07, 2014.

   Our assessment was made in conformity with the procedures and principles promulgated as per the Turkish Commercial Code n.6102, regarding the preparation and issuing of the annual report. These regulations stipulate that the audit shall be planned and carried out for the purpose of providing a reasonable assurance on the issue of whether or not there is a significant mistake concerning the consistency of the financial data in the Annual Report in comparison to the independently audited consolidated financial statements and to the data the independent auditor obtained during the audit.

We believe that our assessments form a reasonable and sufficient basis for our opinions.

4. According to our opinion as a result of our reviews; the financial data and the assessments and explanations of the Board of Directors stated in the attached annual report, are in consistent with the independently audited consolidated financial statements of Doğan Şirketler Grubu Holding A.Ş., dated December 31, 2013.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Saim Üstündağ
PARTNER, CPA (Certified Public Accountant)

İstanbul, 7 March 2014

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONVENIENCE TRANSLATION OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY-31 DECEMBER 2013 INTO ENGLISH TOGETHER WITH 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.

1. We have audited the accompanying consolidated balance sheet of Doğan Şirketler Grubu Holding A.Ş. (the "Company"), its subsidiaries (together the "Group") as at 31 December 2013 and the related consolidated statement of profit or loss, the related consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year ended 31 December 2013, and a summary of significant accounting policies and other explanatory notes.

Group Managements' Responsibility for the Financial Statements

2. Group management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Turkish Accounting Standards ("TAS") published by Public Oversight Accounting and Auditing Standards Authority ("POA"), 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

3. 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. 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 Group management'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 Group 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

4. 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 2013, and of their financial performance and their cash flows for the year then ended in accordance with TAS (refer to Note 2).

. Reports on Other Legal and Regulatory Requirements

5. In accordance with Article 402 of Turkish Commercial Code No. 6102 ("TCC"), the Board of Directors provided us all the required information and documentation in terms of audit; and nothing has come to our attention that may cause us to believe that the Group's set of accounts prepared for the period 1 January-31 December 2013 does not comply with the code and the provisions of the Group's articles of association in relation to financial reporting.

6. In accordance with Article 378 of Turkish Commercial Code No. 6102, in publicly traded companies, the board of directors is obliged to establish a committee consisting of specialized experts, to run and to develop the necessary system for the purposes of early identification of any risks that may compromise the existence, development and continuation of the company; applying the necessary measures and remedies in this regard and managing such risks. According to paragraph 4 of Article 398 of the same code, the auditor is required to prepare a separate report explaining whether the Board of Directors has established the system and authorized committee stipulated under Article 378 to identify risks that threaten or may threaten the company and to provide risk management, and, if such a system exists, the report, the principles of which shall be announced by POA, shall describe the structure of the system and the practices of the committee. This report shall be submitted to the Board of Directors along with the auditor's report. Our audit does not include the evaluation of the operational efficiency and adequacy of the operations carried out by the management of the Group in order to manage these risks. As of the balance sheet date, POA has not announced the principles of this report, yet. Therefore, no separate report has been drawn up regarding this matter. On the other hand, the Company established the mentioned committee on 15 August 2012, and the committee is comprised of 7 members. Since the date of its establishment, the committee has held 9 meetings for the purposes of early identification of any risks that may compromise the existence and development of the Company, applying the necessary measures and remedies in this regard and managing such risks, and has submitted the relevant reports to the Board of Directors.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of DELOITTE TOUCHE TOHMATSU LIMITED

Saim Üstündağ
Partner

Istanbul, 7 March 2014

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2013

CONTENTS **PAGE**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CONSOLIDATED BALANCE SHEETS
AT 31 DECEMBER 2013, 2012 AND 2011

(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 2013	*Audited* Current Period 31 December 2013	*Restated Audited* Prior Period 31 December 2012	*Restated Audited* Prior Period 31 December 2011
Current Assets		**1.863.759**	**3.977.821**	**4.120.376**	**4.928.750**
Cash and cash equivalents	6	1.038.449	2.216.361	2.160.698	3.448.740
Financial investments	7	63.939	136.465	177.043	191.672
Trade Receivables					
- Due from related parties	34	6.548	13.976	18.960	8.685
- Other trade receivables	9	369.368	788.342	703.880	649.443
Other Receivables					
-Due from related parties	34	2.710	5.785	71.249	3.702
-Other receivables	10	51.410	109.724	420.781	46.350
Derivative instruments	21	393	839	882	-
Inventories	11	128.294	273.817	231.558	249.416
Prepaid expenses	20	27.792	59.316	43.039	38.491
Biological assets	12	103	219	208	74
Other current assets	19	140.151	299.126	292.078	211.490
Sub-total		**1.829.157**	**3.903.970**	**4.120.376**	**4.848.063**
Non-current assets held for sale	13, 30	34.602	73.851	-	80.687
Non-current assets		**1.691.492**	**3.610.152**	**3.664.451**	**3.099.036**
Trade Receivables	9	1.276	2.724	2.217	274
Other Receivables	10	10.630	22.687	106.240	417.005
Stocks		-	-	-	18.096
Financial Investments	7	1.426	3.043	2.216	5.730
Investments accounted by the equity method	4	159.601	340.637	365.218	256.994
Investment property	13	105.966	226.164	229.376	180.242
Property, plant and equipment	14	422.286	901.284	926.912	668.999
Intangible assets					
- Goodwill	15	243.642	520.005	518.914	539.951
- Other intangible assets	15	494.703	1.055.844	1.006.040	661.291
Prepaid expenses	20	17.882	38.165	30.369	45.571
Deferred tax assets	32	62.270	132.903	109.098	75.884
Other non-current assets	19	171.810	366.696	367.851	228.999
Total assets		**3.555.251**	**7.587.973**	**7.784.827**	**8.027.786**

The consolidated financial statements for the period ended 31 December 2013 have been approved by the Board of Directors on 7 March 2014.

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CONSOLIDATED BALANCE SHEETS
AT 31 DECEMBER 2013, 2012 AND 2011

(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 2013	*Audited* Current Period 31 December 2013	*Restated* *Audited* Prior Period 31 December 2012	*Restated* *Audited* Prior Period 31 December 2011
Current Liabilities		**948.457**	**2.024.293**	**2.138.350**	**1.914.528**
Short-term borrowings	8	286.993 s	612.530	853.651	455.741
Short-term portion of long-term borrowings	8	199.793	426.418	323.287	400.544
Other financial liabilities	8	93.410	199.365	379.458	69.328
Trade payables					
- Due to related parties	34	18.051	38.527	17.849	24.887
- Other trade payables	9	233.403	498.152	371.360	426.034
Payables related to employee benefits	22	12.369	26.399	26.585	30.027
Derivative financial instrunments	21	1.143	2.440	1.683	4.930
Deferred income	20	31.133	66.447	35.956	49.712
Other payables	10	25.260	53.912	51.891	57.236
Current income tax liabilities	32	8.276	17.663	9.829	38.770
Short-term provisions					
- Short-term provisions for employment benefits	22	19.385	41.373	36.624	31.904
- Other short-term provisions	17	14.797	31.581	30.170	44.048
Other current liabilities		97	208	7	281.367
Sub-total		**944.110**	**2.015.015**	**2.138.350**	**1.914.528**
Liabilities related to asset groups held for sale	30	4.347	9.278	-	-
Non-Current Liabilities		**732.439**	**1.563.245**	**1.561.994**	**2.227.562**
Long-term borrowings	8	496.387	1.059.439	956.322	925.794
Other financial liabilities	8	85.828	183.182	289.164	650.097
Other payables	10	6.705	14.310	13.307	14.242
Deferred income	20	1.669	3.563	12.364	47.222
Long-term provisions					
- Long-term provisions for employment benefits	22	48.503	103.521	94.375	46.975
- Other long-term provisions		-	-	-	507
Deferred tax liability	32	93.307	199.145	196.324	137.742
Other non-current liabilities		40	85	138	404.983
EQUITY		**1.874.355**	**4.000.435**	**4.084.483**	**3.885.696**
Equity attributable to equity holders of the parent company	**23**	**1.522.836**	**3.250.187**	**3.180.918**	**3.069.813**
Share capital	23	1.147.917	2.450.000	2.450.000	2.450.000
Adjustments to share capital	23	67.247	143.526	143.526	143.526
Share premiums/discounts	23	295	630	630	630
Other comprehensive income or expenses that will not be reclassified subsequently to profit or loss					
- Gain on revaluation of investment property	23	469	1.002	1.002	-
- Actuarial gains on defined retirement benefit plans	23	(13.858)	(29.577)	(25.381)	-
Other comprehensive income or expenses that may be reclassified subsequently to profit or loss					
- Currency translation differences		67.102	143.215	53.600	67.484
- Gain/(loss) on revaluation and reclassification	23	(539)	(1.153)	2.092	(4.056)
Restricted reserves	23	535.381	1.142.663	1.204.043	1.181.749
Accumulated losses	23	(263.308)	(561.979)	(804.264)	(15.785)
Net (loss)/income for the period		(17.870)	(38.140)	155.670	(753.735)
Non-controlling interests		**351.519**	**750.248**	**903.565**	**815.883**
Total liabilities		**3.555.251**	**7.587.973**	**7.784.827**	**8.027.786**
Commitments	18				

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2013

(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 2013	*Audited* 1 January 31 December 2013	*Restated Audited* 1 January- 31 December 2012
Continued Operations				
Revenue	24	1.546.796	3.301.327	3.066.640
Cost of Sales (-)	24	(1.149.880)	(2.454.189)	(2.173.787)
Gross profit/(loss) from oprerating activities	24	396.916	847.138	892.853
Marketing, selling, and distribution expenses (-)	25	(216.052)	(461.120)	(389.840)
General administrative expenses (-)	25	(174.247)	(371.896)	(379.460)
Other income from operating activities	27	279.650	596.858	348.079
Other expenses from operating activities (-)	27	(95.740)	(204.338)	(250.377)
Share of gain on investments accounted for by the equity method	4	(49.728)	(106.135)	23.147
Operating profit		140.799	300.507	244.402
Income from investment activities	28	103.967	221.897	353.985
Expenses from investment activities (-)	28	(54.833)	(117.031)	(149.290)
Operating profit before finance expense		189.933	405.373	449.097
Finance income	29	8.844	18.876	66.574
Finance expenses (-)	29	(222.025)	(473.867)	(197.979)
Profit/(loss) before taxation		(23.248)	(49.618)	317.692
Tax income/ (expense) from continued operations	32	(43.033)	(91.846)	(57.215)
Current income tax expense		(53.126)	(113.387)	(81.101)
Deferred tax income		10.093	21.541	23.886
Profit/ (loss) for the period from continued operations		(66.281)	(141.464)	260.477
Discontinued operations				
Discontinued operations period loss after tax	30	(11.519)	(24.584)	(3.719)
Profit/ (loss) for the period		(77.800)	(166.048)	256.758
Profit/ (loss) for the period attributable to:				
Non-controlling interests		(59.930)	(127.908)	101.088
Owners of the parent		(17.870)	(38.140)	155.670
Earning/ (loss) per share attributable to equity holders of the Parent Company	33	(0,0075)	(0,016)	0,064
Earning/ (loss) per share attributable to equity holders of the Parent Company from continued operations (TL)	33	(0,0052)	(0,011)	0,064
Earning/ (loss) per share attributable to equity holders of the Parent Company from discontinued operations (TL)	33	(0,0023)	(0,005)	(0,001)

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

				Restated
		USD(*)	*Audited*	*Audited*
		1 January	1 January	1 January-
	Notes	31 December 2013	31 December 2013	31 December 2012
Profit/(Loss) for The Period		(77.800)	(166.048)	256.758
OTHER COMPREHENSIVE INCOME				
Accumulated other comprehensive income and loss that will not be reclassified as profit or loss				
Actuarial losses on defined benefit plans		(2.457)	(5.245)	(45.917)
Deferred tax effect of				
Actuarial gains on defined retirement benefit plan	491	1.049	8.099	
Effect of the increase in the fair value of investment properties	-	-	1.429	
Accumulated other comprehensive income and loss that will be reclassified in profit or loss				
Change in financial assets fair value reserve		(1.520)	(3.245)	6.148
Change in currency translation reserve		46.844	99.979	(16.563)
OTHER COMPREHENSIVE (EXPENSE)/INCOME	43.358	92.538	(46.804)	
TOTAL COMPREHENSIVE (EXPENSE)/INCOME	(34.442)	(73.510)	209.954	
Allocation of Total Comprehensive (Expense)/ Income for the Period				
Attributable to non-controlling interests		(55.074)	(117.544)	86.365
Attributable to equity holders of the Parent Company		20.632	44.034	123.589

(*) As explained in the Note 2.1.8 to the consolidated financial statements, USD amounts shown 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 at 31 December 2013.

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 1 JANUARY- 31 DECEMBER 2013 AND 2012

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

				Accumulated other comprehensive income or loss that will not be reclassified as profit or loss			Accumulated other comprehensive income or loss that will not be reclassified as profit or loss			Accumulated income/losses				
	Notes	Share Capital	Adjustments to share capital	Gains on revaluation of investment property	Actuarial gains on defined retirement benefit plans	Share premium / discounts	Gain/(loss) on revaluation and reclassification of financial assets available for sale	Currency translation reserves	Restricted reserves	Retained earnings (losses)	Net income/ (loss) for the period	Equity Attributable to holders of the company	Non-controlling interest	Total shareholder's equity
Balances at 1 January 2012 (reported previously)	23	2.450.000	143.526	-	-	630	(4.056)	67.538	1.181.749	(15.785)	(753.735)	3.069.867	822.005	3.891.872
Effect of changes in accounting policy		-	-	-	-	-	-	(54)	-	-	-	(54)	(6.122)	(6.176)
Balances at 1 January 2012	23	2.450.000	143.526	-	-	630	(4.056)	67.484	1.181.749	(15.785)	(753.735)	3.069.813	815.883	3.885.696
Transfers from retained earnings		-	-	-	-	-	-	-	22.294	(776.029)	753.735	-		-
Option adjustment for non-controlling interest		-	-	-	-	-	-	-	-	21.374	-	21.374	25.762	47.136
Non-group capital increase of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	1.973	1.973
Acquisition of subsidiary share		-	-	-	-	-	-	-	-	(32.565)	-	(32.565)	(17.390)	(49.955)
Acquisition of subsidiary share from non-controlling interests		-	-	-	-	-	-	-	-	(882)	-	(882)	-	(882)
Acquisition of shares from joint ventures		-	-	-	-	-	-	-	-	(377)	-	(377)	(247)	(624)
Other[(1)]		-	-	-	-	-	-	-	-	-	-	-	745	745
Dividend payment of subsidiaries to non group companies		-	-	-	-	-	-	-	-	-	-	-	(10.628)	(10.628)
Total comprehensive income/ (expense)		-	-	1.002	(25.381)	-	6.148	(13.884)	-	-	155.670	123.555	87.467	211.022
- Currency translation differences		-	-	-	-	-	-	(13.884)	-	-	-	(13.884)	(1.611)	(15.495)
-Investment proporties revaluation fund		-	-	1.002	-	-	-	-	-	-	-	1.002	427	1.429
- Actuarial loss on defined retirement benefit plan	22	-	-	-	(25.381)	-	-	-	-	-	-	(25.381)	(12.437)	(37.818)
- Change in the financial asset fair value reserve net		-	-	-	-	-	6.148	-	-	-	-	6.148	-	6.148
- Net profit/ (loss) for the period		-	-	-	-	-	-	-	-	-	155.670	155.670	101.088	256.758
Balances at 31 December 2012	23	2.450.000	143.526	1.002	(25.381)	630	2.092	53.600	1.204.043	(804.264)	155.670	3.180.918	903.565	4.084.483

(1) Represents fair value changes of call option liabilities and acquisition and disposal of shares from non-controlling shareholders and disposal of subsidiary.

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 1 JANUARY- 31 DECEMBER 2013 AND 2012

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

				Accumulated other comprehensive income or loss that will not be reclassified as profit or loss			Accumulated other comprehensive income or loss that will not be reclassified as profit or loss			Accumulated income/losses				
	Notes	Share Capital	Adjustment to share capital	Gains on revaluation of investment property	Actuarial gains on defined retirement benefit plans	Share premium / discounts	Gain/(loss) on revaluation and reclassification of financial assets available for sale	Currency translation reserves	Restricted reserves	Retained earnings (losses)	Net income/ (loss) for the period	Equity Attributable to holders of the company	Non-controlling interest	Total shareholder's equity
Balances at 1 January 2013 (reported previously)	23	2.450.000	143.526	1.002	-	630	2.092	53.688	1.204.043	(829.645)	155.670	3.181.006	907.120	4.088.126
Effect of changes in accounting policy		-	-	-	(25.381)	-	-	(88)	-	25.381	-	(88)	(3.555)	(3.643)
Balances at 1 January 2013	23	2.450.000	143.526	1.002	(25.381)	630	2.092	53.600	1.204.043	(804.264)	155.670	3.180.918	903.565	4.084.483
Transfers from retained earnings		-	-	-	-	-	-	-	(61.380)	217.050	(155.670)	-	-	-
Effect of joint venture mergers		-	-	-	-	-	-	-	-	(7.640)	-	(7.640)	(1.099)	(8.739)
Dividend paid ton on-controlling interests		-	-	-	-	-	-	-	-	-	-	-	(10.080)	(10.080)
Acquisition of subsidiary share		-	-	-	-	-	-	-	-	32.155	-	32.155	(32.155)	-
Acquisition of shares from non-controlling interests		-	-	-	-	-	-	-	-	720	-	720	(989)	(269)
Change in subsidiary effective ownership interest		-	-	-	-	-	-	-	-	-	-	-	2.580	2.580
Paricipation of non-controlling parties to subsidiary capital increase		-	-	-	-	-	-	-	-	-	-	-	6.564	6.564
Other [1]		-	-	-	-	-	-	-	-	-	-	-	(594)	(594)
Total comprehensive income/ (expense)		-	-	-	(4.196)	-	(3.245)	89.615	-	-	(38.140)	44.034	(117.544)	(73.510)
-Currency translation differences		-	-	-	-	-	-	*89.615*	-	-	-	*89.615*	*10.364*	*99.979*
- Actuarial loss on defined retirement benefit plans	22	-	-	-	*(4.196)*	-	-	-	-	-	-	*(4.196)*	-	*(4.196)*
- Change in the financial asset fair value reserve net		-	-	-	-	-	*(3.245)*	-	-	-	-	*(3.245)*	-	*(3.245)*
- Net profit/(loss) for the period		-	-	-	-	-	-	-	-	-	*(38.140)*	*(38.140)*	*(127.908)*	*(166.048)*
Balances at 31 December 2013	23	2.450.000	143.526	1.002	(29.577)	630	(1.153)	143.215	1.142.663	(561.979)	(38.140)	3.250.187	750.248	4.000.435

(1) Represents fair value changes of call option liabilities and acquisition and disposal of shares from non-controlling shareholders and disposal of subsidiary.

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED 1 JANUARY- 31 DECEMBER 2013 AND 2012

(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 2013	*Audited Current period* 1 January- 31 December 2013	*Restated Audited Prior period* 1 January- 31 December 2012
A. Net cash provided by/(used in) operating activities		312.972	667.977	(887.240)
Profit/(loss) before taxation		(23.248)	(49.618)	317.692
Adjustments regarding profit/loss for the period		**363.086**	**774.935**	**(136.063)**
Adjustments regarding depreciation and amortization	14,15,26	120.974	258.194	207.737
- Adjustments regarding reversal/impairment		286	610	21.278
Adjustments regarding provisions		33.939	72.437	82.736
Finance expense for tax liability in dispute and tax base increase regarding 6111 law		-	-	20.115
Adjustments regarding interest income and expenses		43.949	93.800	(68.933)
Unearned finance expense due to purchases with maturity	27	11.669	24.906	17.378
Adjustments regarding unrealized changes in currency translation differences		(19.089)	(40.742)	(4.390)
Adjustments regarding gains/losses in fair value		(25.953)	(55.392)	7.418
Adjustments regarding gain/losses on disposal of property, plant and equipment and intangible assets	28	1.129	2.410	(167.349)
Share of gain on associates accounted by using the equity method	4	49.728	106.135	(23.147)
Unearned finance expense due to sales with maturity	27	(34.238)	(73.074)	(57.300)
Unrealized foreign exchange expense/(income) due to financial borrowings		179.508	383.124	(148.513)
Annulment indemnity of put option agreement of Turner		-	-	(45.767)
Loss from withdrawal from 2. and 3. section of Milpark Project		-	-	25.110
Loss /(gain) on sale of share of subsidiaries	28	1.184	2.527	(2.436)
Change in working capital		**26.764**	**57.121**	**(959.851)**
(Increase)/decrease in other current and non-current assets and prepaid expenses		10.402	22.201	38.567
Decrease in liability provisions		676	1.443	-
Increase in other short term and long term liabilities and deferred revenue		9.236	19.713	(446.674)
Increase in other liabilities		7.032	15.009	325.132
Tax liability in dispute paid regarding 6111 law		-	-	(22.182)
Tax base increase paid regarding 6111 law		-	-	(623.785)
Decrease/(increase) in inventories		(17.806)	(38.003)	5.986
Increase in trade receivables		(58.842)	(125.586)	(124.482)
Increase/ (decrease) in payables regarding employee benefits		(87)	(186)	1.278
Decrease in other receivables regarding operations		29.884	63.781	(131.213)
Increase/ (decrease) in trade payables		44.851	95.725	(22.900)
Increase/ (decrease) in other payables regarding operations		1.418	3.024	40.422
Net cash provided by operating activities		**366.602**	**782.438**	**(778.222)**
Employment termination benefits paid	22	(6.719)	(14.340)	(12.852)
Tax paid		(48.927)	(104.425)	(110.742)
Collections from doubtful receivables	9	8.321	17.760	14.576
Unused vacation provision paid		(3.904)	(8.332)	-
Lawsuit provisions paid		(2.401)	(5.124)	-

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED 1 JANUARY- 31 DECEMBER 2013 AND 2012

(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 2013	*Audited* *Current period* 1 January- 31 December 2013	*Restated* *Audited* *Prior period* 1 January- 31 December 2012
B. Net cash (used in)/provided from investing activities		(9.630)	(20.553)	(702.332)
Proceeds from sale of property, plant and equipment and intangible assets		13.531	28.880	337.102
Increase in financial investments		17.188	36.684	16.725
Increase in blocked deposits		(4.907)	(10.472)	(238.295)
Acquisition of property, plant and equipment and intangible assets	13,14,15	(134.897)	(287.910)	(330.895)
Changes on long term investments		(6.117)	(13.056)	(104.710)
Payments on financial borrowings related with the options		(68.675)	(146.573)	-
Change on share of non-controlling interest		(978)	(2.088)	(10.464)
Dividends paid to non-controlling interest		(4.723)	(10.080)	(10.628)
Decrease in derivative liabilities		1.733	3.698	(4.129)
Cash provided from sale of subsidiary		187.070	399.263	-
Acquisition of subsidiary share, net		(8.855)	(18.899)	(357.038)
C. Net cash used in financing activities		(266.730)	(569.282)	282.157
(Decrease)/increase in financial borrowings, (net)		(166.389)	(355.123)	272.821
Decrease on financial borrowings related with options		(101.163)	(215.912)	-
Interest received		97.571	208.245	148.167
Interest paid		(96.749)	(206.492)	(138.831)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF CURRENCY TRANSLATION RESERVES (A+B+C)		36.612	78.142	(1.307.415)
D. THE EFFECT OF CURRENCY TRANSLATION RESERVES ON CASH AND CASH EQUIVALENTS, NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)				
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	998.391	2.130.865	3.438.280
F. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	6	1.035.003	2.209.007	2.130.865

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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 as a corporation to coordinate the activities of and liaise between companies operating in different fields including media, energy, telecommunications, tourism, manufacturing and marketing and is registered in Turkey. Doğan Holding also provides financial and managerial advisory and internal audit services to its subsidiaries and joint ventures operating in these fields.

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; according to the records of Central Registry Agency, the 32,36% shares of Doğan Holding are to be considered in circulation (31 December 2012: 31,97%). As of 31 December 2013, 34,29% shares of Doğan Holding are offered to the public (31 December 2012: 34,29% (Note 23).

The address of Holding's registered office is as follows:

Burhaniye Mahallesi Kısıklı Caddesi No: 65
Üsküdar 34696 İstanbul

Doğan Holding's principal activities are in Turkey and its activities are presented under four segments for reporting purposes as of 31 December 2013:

- Media
- Retail
- Energy
- Other

As a result of Doğan Holding's purchase of Doğan Yayın Holding A.Ş.'s subsidiary Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. shares as of 16 January 2012, it has been decided that operation results of Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. and its subsidiary Hür Servis Sosyal Hizmetler ve Ticaret A.Ş will be specified as a different reporting unit and these subsidiaries' operation results have been represented as "retail" segment since the date of share purchase.

"Other" operations are mainly comprised of subsidiaries operating in trade, tourism, agriculture and manufacturing sectors.

As of 31 December 2013, the Group has 8.512 employees in domestic and 11.999 employees including the personnel of foreign subcontractors (31 December 2012: 9.520 in domestic, including foreign 13.756). The Company has 210 employees (31 December 2012: 276 employees).

NOTE 1-ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Doğan Holding has the following subsidiaries (the "Subsidiaries"). The natures of the business of the subsidiaries are as follows:

Subsidiaries	Country	Nature of business	Segment
Doğan Yayın Holding A.Ş. ("Doğan Yayın Holding or DYH")	Turkey	Holding	Media
Hürriyet Gazetecilik ve Matbaacılık A.Ş. ("Hürriyet")	Turkey	Newspaper publishing	Media
Hürriyet Medya Basım Hizmetleri ve Ticaret A.Ş. ("Hürriyet Medya Basım")	Turkey	Printing and administrative services	Media
Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. ("Doğan Ofset")	Turkey	Magazine and book printing	Media
Doğan Gazetecilik A.Ş. ("Doğan Gazetecilik")	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 Mümessillik A.Ş. ("Doğan Dış Ticaret")	Turkey	Import and export	Media
Doğan Haber Ajansı A.Ş. ("Doğan Haber")	Turkey	News agency	Media
Doğan Gazetecilik İnternet Hizmetleri ve Ticaret A.Ş. ("Doğan Gazetecilik Internet")	Turkey	Internet services	Media
Yenibiriş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. ("Yenibir")	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
Fairworld International Limited ("Fairworld")	England	Foreign Trade	Media
Falcon Purchasing Services Ltd. ("Falcon")	England	Foreign Trade	Media
Trader Media East Ltd. ("TME")	Jersey	Investment	Media
Oglasnik d.o.o.	Crotia	Newspaper and internet publishing	Media
TCM Adria d.o.o.	Crotia	Investment	Media
Expressz Magyarorszag Media Kft.	Hungary	Newspaper and internet publishing	Media
Mirabridge International B.V.	Netherland	Investment	Media
Publishing International Holding B.V.	Netherland	Investment	Media
Pronto Invest B.V.	Netherland	Investment	Media
Bolji Posao d.o.o. Serbia	Serbia	Internet publishing	Media
Bolji Posao d.o.o. Bosnia	Bosnia-Herzegovina	Internet publishing	Media
OOO RUKOM	Russia	Internet publishing	Media
OOO Pronto Aktobe	Kazakhstan	Newspaper and internet publishing	Media
OOO Delta-M	Russia	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 Ivanovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Kaliningrad	Russia	Newspaper and internet publishing	Media
OOO Pronto Kazan	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnodar	Russia	Newspaper and internet publishing	Media
OOO Pronto Nizhny Novgorod	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 UlanUde	Russia	Newspaper and internet publishing	Media
OOO Pronto Vladivostok	Russia	Newspaper and internet publishing	Media
OOO Pronto Moscow	Russia	Newspaper and internet publishing	Media
OOO Pronto Neva	Russia	Newspaper and internet publishing	Media
OOO Tambukan	Russia	Newspaper and internet publishing	Media
OOO Utro Peterburga	Russia	Newspaper and internet publishing	Media
OOO Pronto Kemerovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Smolensk	Russia	Newspaper and internet publishing	Media
OOO Pronto Tula	Russia	Newspaper and internet publishing	Media
OOO Pronto Voronezh	Russia	Newspaper and internet publishing	Media
OOO Tambov-Info	Russia	Newspaper and internet publishing	Media
OOO Pronto Obninsk	Russia	Newspaper and internet publishing	Media

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

(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 (Continued)

Subsidiaries	Country	Nature of business	Segment
OOO SP Belpronto	Belarus	Newspaper and internet publishing	Media
OOO Pronto Rostov	Russia	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
SP Pronto Kiev	Ukraine	Newspaper and internet publishing	Media
OOO Partner-Soft	Russia	Internet publishing	Media
Pronto Soft	Belarus	Internet publishing	Media
TOV E-Prostir	Ukraine	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
Nartek Bilişim Turizm ve Pazarlama Hizmetleri Ticaret A.Ş. ("Nartek")	Turkey	Internet publishing	Media
Doğan İnternet Yayıncılığı ve Yatırım A.Ş. ("Doğan İnternet 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
Kanal D Yapımcılık Reklamcılık ve Dağıtım A.Ş. ("Kanal D Yapımcılık")	Turkey	Tv publishing	Media
Alkım İletişim Hizmetleri A.Ş. ("Alkım İletişim")	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
Alp Görsel İletişim Hizmetleri A.Ş. ("Alp Görsel")	Turkey	Tv publishing	Media
Fun Televizyon Yapımcılık Sanayi ve Ticaret A.Ş. ("Fun TV")	Turkey	Tv publishing	Media
Tempo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Tempo TV")	Turkey	Tv publishing	Media
Kanalspor Televizyon ve Radyo Yayıncılık A.Ş. ("Kanalspor")	Turkey	Tv publishing	Media
Milenyum Televizyon Yayıncılık ve Yapımcılık A.Ş. ("Milenyum TV")	Turkey	Tv publishing	Media
TV 2000 Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("TV 2000")	Turkey	Tv publishing	Media
Popüler Televizyon ve Radyo Yayıncılık A.Ş. ("Popüler TV")	Turkey	Tv publishing	Media
D Yapım Reklamcılık ve Dağıtım A.Ş. ("D Yapım Reklamcılık")	Turkey	Tv publishing	Media
Bravo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Bravo TV")	Turkey	Tv publishing	Media
Doğa Televizyon ve Radyo Yayıncılık A.Ş. ("Doğa TV")	Turkey	Tv publishing	Media
Altın Kanal Televizyon ve Radyo Yayıncılık A.Ş. ("Altın Kanal")	Turkey	Tv publishing	Media
Stil Televizyon ve Radyo Yayıncılık A.Ş. ("Stil TV")	Turkey	Tv publishing	Media
Selenit Televizyon ve Radyo Yayıncılık A.Ş. ("Selenit TV")	Turkey	Tv publishing	Media
Trend Televizyon ve Radyo Yayıncılık A.Ş. ("Trend TV" or "D Çocuk")	Turkey	Tv publishing	Media
Ekinoks Televizyon ve Radyo Yayıncılık A.Ş. ("Ekinoks TV")	Turkey	Tv publishing	Media
Fleks Televizyon ve Radyo Yayıncılık A.Ş. ("Fleks TV")	Turkey	Tv publishing	Media
Kutup Televizyon ve Radyo Yayıncılık A.Ş. ("Kutup TV")	Turkey	Tv publishing	Media
Galaksi Radyo ve Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Galaksi TV")	Turkey	Tv publishing	Media
Koloni Televizyon ve Radyo Yayıncılık A.Ş. ("Koloni TV")	Turkey	Tv publishing	Media
Atılgan Televizyon ve Radyo Yayıncılık A.Ş. ("Atılgan TV")	Turkey	Tv publishing	Media
Yörünge Televizyon ve Radyo Yayıncılık A.Ş. ("Yörünge TV")	Turkey	Tv publishing	Media
Tematik Televizyon ve Radyo Yayıncılık A.Ş. ("Tematik TV")	Turkey	Tv publishing	Media
Süper Kanal Televizyon ve Radyo Yayıncılık A.Ş. ("Süperkanal")	Turkey	Tv publishing	Media
Uydu İletişim Basın Yayın A.Ş. ("Uydu")	Turkey	Tv publishing	Media
Eko TV Televizyon ve Radyo Yayıncılık A.Ş. ("Eko TV") (1)	Turkey	Tv publishing	Media
NetD Dijital Yayıncılık Ticaret A.Ş. ("NetD Dijital Yayıncılık")	Turkey	Tv publishing	Media
Doğan Uydu Haberleşme Hizmetleri ve Telekomünikasyon Ticaret A.Ş. ("Doğan Uydu Haberleşme")	Turkey	Tv publishing	Media

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

(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 (Continued)

Subsidiaries	Country	Nature of business	Segment
Doğan Teleshopping Pazarlama ve Ticaret A.Ş. ("Doğan Teleshopping" or "Her Eve Lazım")	Turkey	Tv publishing	Media
Rapsodi Radyo ve Televizyon Yayıncılık A.Ş. ("Rapsodi Radyo")	Turkey	Radio publishing	Media
Doğan Müzik Yapım ve Ticaret A.Ş. ("DMC")	Turkey	Music and entertainment	Media
İnteraktif Medya Hizmetleri Geliştirme Pazarlama ve Ticaret A.Ş. ("İnteraktif Medya")	Turkey	Interactive services	Media
Primeturk GmbH ("Prime Turk")	Germany	Marketing	Media
Osmose Media S.A ("Osmose Media")	Luxembourg	Marketing	Media
Doğan Media International S.A. ("Kanal D Romanya")	Romania	Tv publishing	Media
Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. ("DMK")	Turkey	Retail	Retail
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. ("Hürservis")	Turkey	Retail	Retail
Doğan Faktoring A.Ş. ("Doğan Faktoring")	Turkey	Factoring	Media
Doğan Platform Yatırımları A.Ş. ("Doğan Platform")	Turkey	Investment	Media
Milpa Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş. ("Milpa")	Turkey	Trade	Other
Enteralle Handels GmbH ("Enteralle Handels")	Germany	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
Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. ("Doğan Enerji")	Turkey	Energy	Energy
Nakkaştepe Elektrik Üretim ve Yatırımları Sanayi ve Ticaret A.Ş. ("Nakkaştepe Elektrik")	Turkey	Energy	Energy
Galata Wind Enerji A.Ş.("Galata Wind")	Turkey	Energy	Energy
Akdeniz Elektrik Üretim A.Ş. ("Akdeniz Elektrik")	Turkey	Energy	Energy
SC D-Yapı Real Estate, Investment and Construction S.A. ("D Yapı Romanya")	Romania	Real estate	Other
D Stroy Limited ("D Stroy")	Russia	Real estate	Other
DHI Investment B.V. ("DHI Investment")	Netherland	Investment	Other
D-Tes Elektrik Enerjisi Toptan Satış A.Ş. ("D-Tes")	Turkey	Energy	Energy

(1) As of 25 September 2013, the related subsidiary has changed its trade name.

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.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial Reporting Standards

Public Oversight, Accounting and Auditing Standards Authority ("POA"), published the "Financial Statement Samples and User Guide", to be prepared in the scope of TAS/TFRS in accordance with the "Turkey Accounting/Financial Reporting Standards" in the Official Gazette No. 28652 dated 20 May 2013 for the companies that are obliged to apply Turkish Accounting Standarts ("TAS") and Turkish Financial Reporting Standarts ("TFRS") except for the financial instutions such as banks, insurance companies, capital market institutions operating under the scope of Banking Act 5411, the Capital Market Law No. 6362, No. 5684, No. 4683 of the Insurance Law, Private Pension Savings and Investment. The consolidated financial statements of the Group as of 31 December 2013 have been prepared in accordance with the standards described above.

In accordance with the Capital Markets Board ("CMB")'s No. II-14.1 "Principles of Financial Reporting in Capital Markets" ("Communiqué No. II-1.14"), capital market institutions except for the partnerships whose issued capital market instruments are traded on a stock exchange and investment funds, housing finance and asset finance funds, financial statements, should prepare its financial statements in accordance with TAS/TFRS.

Upon the CMB's resolution dated 7 June 2013 and 20/670, for capital market institutions, except for the corporations whose capital market instruments are traded on a stock exchange and investment funds, housing finance and asset finance funds within the scope of Communique No: II-14.1, formats are declared in the weekly bulleting numbered 2013/19 starting from the interim periods 31 March 2013 at 7 June 2013.

Upon the CMB's resolution made on 17 March 2005, companies operating in Turkey and preparing their financial statements in accordance with the CMB's Financial Reporting Standards are not required to apply inflation accounting beginning from 1 January 2005. Accordingly, No: 29 "Financial Reporting in Hyperinflationary Economies" ("TAS 29") is not applied in accompanying consolidated financial statements for the accounting periods starting 1 January 2005.

Doğan Holding and its subsidiaries, joint ventures and associates registered in Turkey maintain their books of account and prepare their statutory financial statements ("Statutory Financial Statements") in TL in accordance with the Turkish Commercial Code (the "TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries prepare their statutory financial statements in accordance with the laws and regulations in force in the countries in which they are registered.

These consolidated financial statements 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 POA Financial Reporting Standards

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (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 companies' functional currency is different from its presentation currency, the functional currency is translated into the presentation currency as follows:

- Assets and liabilites 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 comprehensive income (currency translation differences).
- Inflation accounting adjustments have been made for the indirect subsidiaries of the Group operating in Belarus in accordance with TAS 29.

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, its Associates 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 Financial Reporting Standards set out by the CMB 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/common control of operations are transferred to the Group and excluded from the consolidation when the control/common 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.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.3 Consolidation principles

Accounting policies used in the preparation of these consolidated financial statements are summarized as below:

(a) Subsidiaries

Subsidiaries are companies in which Doğan Holding has power to control the financial and operating policies for the benefit of Doğan Holding either (a) through the power to exercise more than 50% of voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself or (b) although not having the power to exercise more than 50% of the voting rights, through the exercise of actual dominant influence over the financial and operating policies. 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 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 and 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. Finance costs and the dividends arising from shares held by Doğan Holding in its subsidiaries are eliminated from equity and income for the period, respectively. 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 Company. 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.

(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)

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

The table below sets out the proportion of voting power held by Doğan Holding and its subsidiaries and effective ownership interests at 31 December 2013 and 31 December 2012:

	Proportion of voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
Subsidiaries	31 December 2013	31 December 2012	31 December 2013	31 December 2012	31 Decemer 2013	31 December 2012	31 December 2013	31 December 2012
Hürriyet	77,65	77,65	-	-	77,65	77,65	64,35	61,40
Doğan Gazetecilik	92,76	70,76	0,52	0,52	93,28	71,28	74,23	53,49
Milliyet Verlags (1)	-	99,88	-	0,12	-	100,00	-	74,31
DMI	100,00	100,00	-	-	100,00	100,00	73,37	69,57
Hürriyet Medya Basım	100,00	100,00	-	-	100,00	100,00	64,35	61,40
Doğan Ofset	99,93	99,93	-	-	99,93	99,93	64,30	61,36
Mozaik	100,00	99,87	-	0,11	100,00	99,98	66,63	60,54
Posta Haber (2)	-	100,00	-	-	-	100,00	-	55,19
Doğan Haber	99,94	99,94	-	-	99,94	99,94	71,66	68,02
Doğan Dağıtım	100,00	100,00	-	-	100,00	100,00	80,02	75,55
Doğan Dış Ticaret	98,80	100,00	-	-	98,80	100,00	78,80	75,34
Doğan Gazetecilik Internet	100,00	100,00	-	-	100,00	100,00	74,23	53,72
Yenibir	100,00	100,00	-	-	100,00	100,00	64,35	61,40
Hürriyet Zweigniederlassung	100,00	100,00	-	-	100,00	100,00	64,35	61,40
Hürriyet Invest	100,00	100,00	-	-	100,00	100,00	64,35	61,40
TME	74,29	67,30	-	-	74,29	67,30	47,80	45,61
Mirabridge International B.V.	100,00	100,00	-	-	100,00	100,00	47,80	45,61
Publishing International Holding B.V.	100,00	100,00	-	-	100,00	100,00	47,80	45,61
Job.ru LLC	100,00	100,00	-	-	100,00	100,00	47,80	45,61
Pronto Invest B.V.	100,00	100,00	-	-	100,00	100,00	47,80	45,61
TCM Adria d.o.o. (3)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Rektcentr	100,00	100,00	-	-	100,00	100,00	47,80	45,61
Publishing House Pennsylvania Inc.	100,00	100,00	-	-	100,00	100,00	47,80	45,61
Doğan Platform	100,00	100,00	-	-	100,00	100,00	80,02	75,59
Doğan Yayın Holding	80,02	75,59	1,90	2,40	81,92	77,99	80,02	75,59
Fairworld	100,00	100,00	-	-	100,00	100,00	78,80	75,34
Falcon	100,00	100,00	-	-	100,00	100,00	78,80	75,34
Oglasnik d.o.o. (3)(4)	70,00	100,00	-	-	100,00	100,00	47,80	45,61
Expressz Magyarorszag Media Kft(3)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO SP Belpronto	60,00	60,00	-	-	60,00	60,00	28,68	27,37
OOO Pronto Rostov (5)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Aktobe	80,00	80,00	-	-	80,00	80,00	30,59	29,19
OOO Novoprint (6)	-	100,00	-	-	-	100,00	-	45,61
OOO Delta-M	55,00	55,00	-	-	55,00	55,00	26,29	25,08
OOO Pronto Baikal	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto DV	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Ivanovo	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Kaliningrad	95,00	95,00	-	-	95,00	95,00	45,41	43,33
OOO Pronto Kazan	72,00	72,00	-	-	72,00	72,00	34,42	32,84
OOO Pronto Krasnodar	80,00	80,00	-	-	80,00	80,00	38,24	36,49

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

	Proportion of voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
Subsidiaries	31 December 2013	31 December 2012	31 December 2013	31 December 2012	31 Decemer 2013	31 December 2012	31 December 2013	31 December 2012
OOO Pronto Krasnoyarsk (7)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Nizhny Novgorod	90,00	90,00	-	-	90,00	90,00	43,02	41,05
OOO Pronto Novosibirsk	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Oka (8)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Samara	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Stavropol (9)		100,00	-	-	-	100,00	-	45,61
OOO Pronto UlanUde	90,00	90,00	-	-	90,00	90,00	43,02	41,05
OOO Pronto Vladivostok	90,00	90,00	-	-	90,00	90,00	43,02	41,05
OOO Pronto Moscow	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Neva (32)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Tambukan	85,00	85,00	-	-	85,00	85,00	40,63	38,77
OOO Utro Peterburga (8)	55,00	55,00	-	-	55,00	55,00	26,29	25,08
OOO Pronto Kemerovo (10)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Smolensk	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Tula (10)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Voronezh (10)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Tambov-Info	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Obninsk(11)	10,00	100,00	-	-	100,00	100,00	4,78	45,61
OOO Pronto Pskov (12)	-	100,00	-	-	-	100,00	-	41,05
TOO Pronto Akmola	100,00	100,00	-	-	100,00	100,00	47,80	45,61
OOO Pronto Atyrau	100,00	100,00	-	-	100,00	100,00	38,24	36,49
OOO Pronto Aktau	100,00	100,00	-	-	100,00	100,00	38,24	36,49
ZAO Pronto Akzhol	80,00	80,00	-	-	80,00	80,00	38,24	36,49
SP Pronto Kiev	50,00	50,00	-	-	50,00	50,00	23,90	22,80
Moje Delo spletni Marketing d.o.o. (13)	-	100,00	-	-	-	100,00	-	45,61
Bolji Posao d.o.o. Serbia(3)	100,00	100,00	-	-	100,00	100,00	47,80	25,08
Bolji Posao d.o.o. Bosnia(3)	100,00	100,00	-	-	100,00	100,00	47,80	25,08
OOO RUKOM (14)	100,00	100,00	-	-	100,00	100,00	47,80	45,61
Sklad Dela Prekmurje NGO(13)	-	100,00	-	-	-	100,00	-	25,08
OOO Partner-Soft (15)	90,00	90,00	-	-	90,00	90,00	43,02	41,05
Pronto Soft	90,00	90,00	-	-	90,00	90,00	43,02	41,05
TOV E-Prostir	50,00	50,00	-	-	50,00	50,00	23,90	22,80
Prime Turk	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Osmose Media	100,00	100,00	-	-	100,00	100,00	66,48	60,44
OOO Rosprint Samara (16)	-	100,00	-	-	-	100,00	-	45,61
Impress Media Marketing LLC	97,00	100,00	-	-	97,00	100,00	46,37	45,61
Pronto Ust Kamenogorsk	100,00	100,00	-	-	100,00	100,00	38,24	36,49
Doğan TV Holding (17)	82,45	79,96	0,14	0,14	82,59	80,10	66,48	60,44
Kanal D	94,88	94,85	5,12	5,14	100,00	99,99	63,07	57,33
Kanal D Yapımcılık	100,00	100,00	-	-	100,00	100,00	63,07	57,33
Alkım İletişim(18)	100,00	-	-	-	100,00	-	66,48	-
Alp Görsel	100,00	100,00	-	-	100,00	100,00	66,48	60,44
Fun TV	100,00	96,41	-	2,14	100,00	98,55	66,63	58,37
Tempo TV	100,00	99,27	-	0,42	100,00	99,69	66,48	60,10
Kanalspor	100,00	100,00	-	-	100,00	100,00	66,63	60,54

(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)

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

	Proportion of voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
Subsidiaries	31 December 2013	31 December 2012	31 December 2013	31 December 2012	31 Decemer 2013	31 December 2012	31 December 2013	31 December 2012
Milenyum TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
TV 2000	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Popüler TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
D Yapım Reklamcılık	100,00	100,00	-	-	100,00	100,00	66,48	60,44
Bravo TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Doğa TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Altın Kanal	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Stil TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Selenit TV	100,00	99,88	-	0,06	100,00	99,94	66,63	60,46
D Çocuk	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Ekinoks TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Fleks TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Doğan TV Dijital	100,00	100,00	-	-	100,00	100,00	66,63	63,08
Kutup TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Galaksi TV	100,00	100,00	-	-	100,00	100,00	66,63	60,54
Koloni TV	100,00	90,00	-	3,33	100,00	93,33	66,48	54,40
Atılgan TV	100,00	90,00	-	3,33	100,00	93,33	66,48	54,40
Yörünge TV	100,00	99,19	-	0,40	100,00	99,59	66,63	60,05
Doruk Televizyon	100,00	99,92	-	0,05	100,00	99,97	66,48	60,40
Tematik TV	100,00	86,67	-	6,67	100,00	93,34	66,48	52,39
Süper Kanal	100,00	99,91	-	0,03	100,00	99,94	66,48	60,39
Uydu	100,00	64,67	-	32,00	100,00	96,67	66,63	39,14
Eko TV	95,03	95,01	-	0,02	95,03	95,03	63,17	57,43
Kanal D Romanya	100,00	100,00	-	-	100,00	100,00	73,37	69,57
Denizatı[19]	-	100,00	-	-	-	100,00	-	60,44
Tasfiye Halinde Protema Yapım [20]	-	99,99	-	-	-	99,99	-	60,44
NetD Dijital Yayıncılık	100,00	100,00	-	-	100,00	100,00	66,48	60,44
Doğan Uydu Haberleşme	100,00	100,00	-	-	100,00	100,00	66,48	60,44
Doğan Teleshopping	100,00	100,00	-	-	100,00	100,00	66,48	60,44
ZAO NPK [21]	-	100,00	-	-	-	100,00	-	45,61
Rapsodi Radyo	100,00	99,25	-	0,34	100,00	99,59	66,48	59,99
DMC	100,00	100,00	-	-	100,00	100,00	66,48	60,44
İnteraktif Medya	100,00	99,99	-	0,01	100,00	100,00	66,48	60,44
Ekin Radyo[22]	-	-	-	-	-	-	-	-
DMK	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Hürservis	100,00	100,00	-	-	100,00	100,00	100,00	95,60
EBİ[23]	-	-	-	-	-	-	-	-
Doğan Faktoring	100,00	100,00	-	-	100,00	100,00	79,42	75,11
Nartek	60,00	60,00	-	-	60,00	60,00	38,61	36,84
Doğan İnternet Yayıncılığı[24]	100,00	-	-	-	100,00	-	80,02	-
Milpa	86,27	86,27	0,16	0,22	86,43	86,49	86,27	86,27
Doğan Oto [25]	-	99,80	-	0,20	-	100,00	-	99,80
Enteralle Handels[26]	100,00	100,00	-	-	100,00	100,00	86,27	86,27
Orta Anadolu Otomotiv	85,00	85,00	-	-	85,00	85,00	85,00	84,83

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013
(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)

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

	Proportion of voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31 December	31 December	31 December	31 December	31 Decemer	31 December	31 December	31 December
Subsidiaries	2013	2012	2013	2012	2013	2012	2013	2012
Çelik Halat	78,69	78,69	-	-	78,69	78,69	78,69	78,69
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	98,57
Zigana [27]	-	85,01	-	-	-	85,01	-	85,01
Doğan Enerji	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Nakkaştepe Elektrik[28]	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
Akdeniz Elektrik [29]	100,00	99,98	-	-	100,00	99,98	100,00	99,97
D-Yapı Romanya	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D Stroy[30]	100,00	100,00	-	-	100,00	100,00	100,00	100,00
DHI Investment	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D-Tes [31]	100,00	-	-	-	100,00	-	100,00	-

(1) The related subsidiary has completed its liquidation process as of 11 June 2013.
(2) The related subsidiary has merged with Doğan Gazetecilik Internet as of 27 September 2013.
(3) The related subsidiaries are classified as non-current assets held for sale.
(4) Related ratios include call-options of non-controlling interests described in note 17.
(5) The related subsidiary is in liquidation process in 2013.
(6) The related subsidiary has completed its liquidation process as of December 2013.
(7) The related subsidiary has completed its liquidation process in 2013.
(8) The related subsidiary stopped its operations before 2010.
(9) The related subsidiary has merged with OOO Pronto Rostov as of April 2013.
(10) The related subsidiary is in liquidation process in 2013.
(11) 90% shares of the subsidiary was sold in December 2013 and remaining 10% was sold 24 January 2014.
(12) The related subsidiary was sold as of 26 April 2013.
(13) The related subsidiary was sold as of 23 April 2013.
(14) The related subsidiary stopped its operations in 2012.
(15) The related subsidiary started liquation process as of 2012.
(16) Merging process of the related subsidiary with Pronto Samara has been completed in September 2013.
(17) According to the statutory records of Group, proportion of effective ownership interest of Doğan TV Holding is 66,48%. Nevertheless, in consequence of the option explained in Note 17, by considering the additional share proportion in accordance with TAS 32 "Financial Instruments: Disclosure and Presentation" the rate is calculated as 71,90%.
(18) The related subsidiary was established as of 15 November 2013.
(19) The related subsidiary merged with Interaktif Medya on 24 December 2013.
(20) The related subsidiary has completed its liquidation process as of 26 December 2013.
(21) The related subsidiary has completed its liquidation process as of November 2013.
(22) The related subsidiary merged with Eko TV as of 4 September 2013.
(23) The related subsidiary merged with Doğan Müzik Kitap ve Mağazacılık A.Ş as of 1 October 2013.
(24) The related subsidiary was acquired as of 21 June 2013.
(25) The related subsidiary merged with Milta Turizm İşletmeleri A.Ş as of 31 July 2013.
(26) The related subsidiary is in liquidation process, which started on 31 December 2011.
(27) As a result of the request made according to Turkish Trade Law 7th article, registration file of Elektrik Dağıtım Sanayi ve Ticaret A.Ş. has been deleted from trade register as of 21 June 2013.
(28) The related subsidiary merged with D-Tes as of 27 January 2014.
(29) The related subsidiary merged with Galata Wind as of 27 January 2014.
(30) The related subsidiary has been decided to be sold to Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş as of 10 February 2014 and registration process is ongonig.
(31) D-Tes has been included to consolidation as subsidiary, which was accounted as joint venture as of 31 December 2012. The Group completed the purchase of the shares of D-Tes, which represents 75% of its equity as of 24 July 2013.
(32) The related subsidiary has completed its liquidation process as of 21 February 2014.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.3 Consolidation principles (Continued)

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. Joint ventures were consolidated using the proportional consolidation method until 31 December, 2012.

In accordance with the amendments to TFRS 11 effective from 1 January 2013, entities under common control are recognized under the equity method 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. Investments in joint ventures are accounted for using the equity method of accounting. Such entities are companies in which Doğan Holding and its subsidiaries have 20%-50% of the voting rights of the Group's overall voting power, where the Group has significant influence without any controlling power over the operations. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in its joint ventures; unrealized losses are also eliminated if there is no indication of the assets transferred. Increases or decreases in the net assets of associates are increased or decreased proportionally as the Group's share in the consolidated financial statements and presented under the "Share of loss on investments accounted for by using the equity method" account in the statement of profit or loss.

Where the investment's share of losses exceeds the Group's share (including any long-term investments that, in substance, form part of the Group's net investment in the associate), the exceeding portion of losses are not recognized.

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. As long as the Group does not undertake any liability related to associates, when book value of the associates is zero equity method is no longer applied

(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).

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.1.4 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 comperatively its consolidated balance sheet as of 31 December 2013 with 31 December 2011 and 31 December 2012. Statement of profit or loss, other comprehensive income, cash flow and change in equity as of 31 December 2013, are presented comperatively with the financial statements of the period 1 January-31 December 2012. 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.

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 adoptation of a new IAS/IFRS are applied retrospectively or prospectively in accordance with the respective IASs/IFRSs 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.

In the current period, the Group has reclassified its prior period financial statements in order to comply with the formats declared at 7 June 2013 by CMB. The effect of reclassifications is summarized on the table below.

As explained in Note 2.1.7, amendments to TFRS 11 should be applied retrospectively. Entities under common control recognized under TAS 31 are considered as joint ventures and have been accounted for by using the equity method rather than the proportionate consolidation method in accordance with TFRS 11 and prior financial statements are restated accordingly. The effect of these changes to the financial statements is summarized in the following table:

As a result of the evaluations made by the Group; subsidiaries TOV E-Prostir and SP Pronto Kiev, which were consolidated in the financial statements on 31 December 2012 and 31 December 2011, were included to the consolidated financial statement by equity method as of 1 January 2012. Also, the Group classified its subsidiaries operating in Hungary and Croatia as non-current assets held for sale and discontinued operations. Doing so, assets and liabilities of the company are classified as non-current assets held for sale and presented separately on the balance sheet.In order to comply with current period financial statements, aforementioned assets are classified as discontinued operations on prior year statement of profit or loss and other compherensive income statement.

With the decision taken as a result of the assessment made by the Group management as of 31 December 2012, the Group management decided to present their investment properties from fair values which were previously carried at cost. In accordance with "TAS 8-Accounting Policies, Changes in Accounting Estimates and Errors" ("TAS 8"), the Group has reflected the impacts of this adoption starting from

1 January 2010 and restated its consolidated financial statements accordingly. The effect of this amendment to the shareholders' equity and net loss for the period of the Group is 31.696 TL and 3.281 TL respectively as of 1 January 2011.

(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)

2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors and Restatement of Previously Reported Financial Statements (Continued)

31 DECEMBER 2012	Previously reported	Adjustments regarding to joint ventures (TFRS 11)	Adjustments related to consolidation method change	CMB Communique reclassifications	Restated
ASSETS					
Cash and cash equivalents	2.242.262	(76.284)	(5.280)	-	2.160.698
Financial investments	173.674	3.369	-	-	177.043
Trade receivables					
- Due from related parties	13.974	4.986	-	-	18.960
- Other trade receivables	727.320	(29.487)	(634)	6.681	703.880
Other receivables					
- Other receivables from related parties	3.482	67.767	-	-	71.249
- Other receivables	420.781	-	-	-	420.781
Derivative instruments	1.102	(220)	-	-	882
Inventories	235.829	(3.925)	(346)	-	231.558
Prepaid expenses	-	-	(1.406)	44.445	43.039
Biological Assets	208	-	-	-	208
Other current assets	374.640	(31.357)	(79)	(51.126)	292.078
Trade receivables	166.977	(164.760)	-	-	2.217
Other receivables	131.327	(25.087)	-	-	106.240
Financial investments	2.216	-	-	-	2.216
Investments accounted for by using the equity method	-	361.571	3.647	-	365.218
Investment properties	336.225	(106.849)	-	-	229.376
Property, plant and equipment	1.648.983	(722.071)	-	-	926.912
Intangible assets					
- Goodwill	518.957	-	(43)	-	518.914
- Other intangible assets	1.078.567	(72.527)	-	-	1.006.040
Prepaid expenses	-	-	-	30.369	30.369
Deferred tax asset	116.468	(7.370)	-	-	109.098
Other non-current assets	475.654	(77.434)	-	(30.369)	367.851

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(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)

2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors and Restatement of Previously Reported Financial Statements (Continued)

31 DECEMBER 2012	Previously reported	Adjustments regarding to joint ventures (TFRS 11)	Adjustments related to consolidation method change	CMB Communique reclassifications	Restated
LIABILITIES					
Short-term borrowings	1.567.766	(174.638)	-	(539.477)	853.651
Short-term portion of long-term borrowings	-	-	-	323.287	323.287
Other financial liabilities	200.318	(37.050)	-	216.190	379.458
Trade payables					
- Due to related parties	35.392	(17.543)	-	-	17.849
- Other trade payables	377.518	(23.261)	(207)	17.310	371.360
Payables regarding employee benefits	-	-	-	26.585	26.585
Derivative instruments	2.730	(1.047)	-	-	1.683
Deferred incomes	-	-	-	35.956	35.956
Other payables	102.216	(15.855)	(291)	(34.179)	51.891
Income tax payable	9.837	(8)	-	-	9.829
Short term provisions					
- Short-term provisions regarding employee benefits	-	-	-	36.624	36.624
- Other short term provisions	30.886	(716)		-	30.170
Other short term liabilities	88.661	(6.358)	-	(82.296)	7
Long term borrowings	1.448.466	(492.144)	-	-	956.322
Other financial liabilities	314.924	(25.760)	-	-	289.164
Other payables	55.722	(42.415)	-	-	13.307
Deferred incomes	-	-	-	12.364	12.364
Long term provisions					
- Long-term provisions regarding employee benefits	98.377	(4.002)	-	-	94.375
- Other long term provisions	-	-	-	-	-
Deferred tax liabilities	196.289	35	-	-	196.324
Other long term liabilities	12.503	(1)	-	(12.364)	138
EQUITY	4.090.422	(2.296)	(3.643)	-	4.084.483

(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)

2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors and Restatement of Previously Reported Financial Statements (Continued)

31 DECEMBER 2011	Previously reported	Adjustments regarding to joint ventures (TFRS 11)	Adjustments related to consolidation method change and discontinued operations	CMB Communique reclassifications	Restated
ASSETS					
Cash and cash equivalents	3.468.486	(14.053)	(5.693)	-	3.448.740
Financial investments	191.672	-		-	191.672
Trade receivables					
- Due from related parties	4.511	4.174	-	-	8.685
- Other trade receivables	679.652	(32.806)	(689)	3.286	649.443
Other receivables					
- Other receivables from related parties	3.702	-	-	-	3.702
- Other receivables	34.858	11.492	-	-	46.350
Derivative instruments	4.640	(4.640)	-	-	-
Inventories	253.104	(3.267)	(421)	-	249.416
Prepaid expenses	-	-	(1.173)	39.664	38.491
Biological assets	74	-	-	-	74
Other current assets	268.410	(13.690)	(280)	(42.950)	211.490
Assets held for sale	80.687	-	-	-	80.687
Trade receivables	133.527	(133.253)	-	-	274
Other receivables	417.005	-	-	-	417.005
Inventories	18.096	-	-	-	18.096
Financial investments	5.730	-	-	-	5.730
Investments accounted for by using the equity method	-	253.069	3.925	-	256.994
Investment properties	191.038	(10.796)	-	-	180.242
Property, plant and equipment	1.202.061	(533.062)	-	-	668.999
Intangible assets					
- Goodwill	539.951	-	-	-	539.951
- Other intangible assets	727.226	(65.935)	-	-	661.291
Prepaid expenses	-	-	-	45.571	45.571
Deferred tax asset	90.124	(14.240)	-	-	75.884
Other non-current assets	373.929	(99.359)	-	(45.571)	228.999

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors and Restatement of Previously Reported Financial Statements (Continued)

31 DECEMBER 2011	Previously reported	Adjustments regarding to joint ventures (TFRS 11)	Adjustments related to consolidation method change and discontinued operations	CMB Communique reclassifications	Restated
LIABILITIES					
Short term borrowings	934.850	(78.565)	-	(400.544)	455.741
Short-term portion of long-term					
Borrowings	-	-	-	400.544	400.544
Other financial liabilities	71.561	(3.637)	-	1.404	69.328
Trade payables					
- due to related parties	246	24.641	-	-	24.887
- other trade payables	444.997	(36.825)	(206)	18.068	426.034
Payables regarding employee benefits	-	-	-	30.027	30.027
Derivative instruments	6.610	(1.680)	-	-	4.930
Deferred incomes	-	-	-	49.712	49.712
Other payables	89.907	(2.400)	(244)	(30.027)	57.236
Income tax payable	38.858	(88)	-	-	38.770
Short term provisions					
- Short-term provisions regarding employee benefits	-	-	-	31.904	31.904
- Other short term provisions	44.093	(45)	-	-	44.048
Payables related to the current taxes	-	-	-	-	-
Other short term liabilities	396.167	(13.712)	-	(101.088)	281.367
Long term borrowings	1.623.232	(482.303)	-	(215.135)	925.794
Other financial liabilities	456.520	(21.558)	-	215.135	650.097
Other payables	96.452	(34.669)	-	(47.541)	14.242
Deferred incomes	-	-	-	47.222	47.222
Long term provisions					
- Long-term provisions regarding employee benefits	49.311	(2.336)	-	-	46.975
- Other long term provisions	265	242	-	-	507
Deferred tax liabilities	137.959	(217)	-	-	137.742
Other long term liabilities	405.583	(919)	-	319	404.983
EQUITY	**3.891.872**	**(2.295)**	**(3.881)**	**-**	**3.885.696**

(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)

2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors and Restatement of Previously Reported Financial Statements (Continued)

31 DECEMBER 2012	Previously reported	Adjustments regarding to joint ventures (TFRS 11)	Adjustments related to consolidation method change and discontinued operations	CMB Communique reclassifications	Restated
Revenue	3.156.524	(67.159)	(22.725)	-	3.066.640
Cost of sales (-)	(2.211.509)	26.981	10.741	-	(2.173.787)
Gross profit	**945.015**	**(40.178)**	**(11.984)**	**-**	**892.853**
General administrative expenses (-)	(409.553)	21.154	8.939	-	(379.460)
Marketing, sales and distribution expenses (-)	(411.229)	18.507	2.882	-	(389.840)
Other income from operating activities	341.560	(4.497)	2.211	8.805	348.079
Other expenses from operating activities (-)	(155.168)	13.561	-	(108.770)	(250.377)
Share of loss on associates accounted by using the equity method	-	22.306	841	-	23.147
Operating profit/ (loss)	**310.625**	**30.853**	**2.889**	**(99.965)**	**244.402**
Income from investing activities	-	-		353.985	353.985
Expense from investing activities	-	-		(149.290)	(149.290)
Operating profit/ (loss) before finance expenses	**310.625**	**30.853**	**2.889**	**104.730**	**449.097**
Finance income	463.928	(59.180)	-	(338.174)	66.574
Finance expenses (-)	(450.584)	19.161	-	233.444	(197.979)
Profit/ (loss) from continued operations before tax	**323.969**	**(9.166)**	**2.889**	**-**	**317.692**
Current tax expense	(84.205)	3.104	-	-	(81.101)
Deferred tax income/(expense)	17.825	6.061	-	-	23.886
Net profit/ (loss) from continued operations	**257.589**	**(1)**	**2.889**	**-**	**260.477**
Profit/ (loss) from discontinued operations for the period	**-**	**-**	**(3.719)**	**-**	**(3.719)**
Profit/(Loss) for the period	**257.589**	**(1)**	**(830)**	**-**	**256.758**
Allocation of profit /loss for the period:					
Non-controlling interests	101.918	-	(830)	-	101.088
Attributable to equity holders of the Parent Company	**155.671**	**(1)**	**-**	**-**	**155.670**

The preparation of consolidated financial statements require the use of estimations and assumptions that may have an effect over the assets and liabilities reported at the balance sheet date, contingent assets and liabilities disclosures and income and expenses reported during the accounting period. The estimates and assumptions are based on the best available information on the current circumstances and operations; however, they may differ from the actual results. If changes in accounting estimates only relate to one period, the change is reflected in the current period in which the change is made, if they relate to future periods, the change is both reflected in the current period in which the change is made and prospectively for future periods.

Except for the amendments mentioned above, accounting policies and accounting estimates applied in the current period are consistent with accounting policies and accounting estimates applied in the preparation of consolidated financial statements for the period ended as of 31 December 2012.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.1.7 New and Revised Turkish Financial Reporting Standards

The following new and revised standards and interpretations below are applied by the Group and have affected the reported amounts and disclosures in the consolidated financial statements. However, the details of standards and interpretations effective in the current period but have no effect on the financial statements and standards and interpretations not yet effective and have not been early adopted by the Group are set out below.

(a) Standards effective from 1 January 2013 and have effect on the financial statements of the Group

TAS 1 (Amendments) Presentation of Items of Other Comprehensive Income

The amendments to TAS 1 "Presentation of Items of Other Comprehensive Income" are effective for the annual periods beginning on or after 1 July 2012. The amendments introduce new terminology for the statement of comprehensive income and statement of profit or loss. Under the amendments to TAS 1, the "statement of comprehensive income" is renamed as the "statement of profit or loss and other comprehensive income" and the "statement of income" is renamed as the "statement of profit or loss". The amendments to TAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to TAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively. Other than the above mentioned presentation changes, the application of the amendments to TAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

TFRS 10 Consolidated Financial Statements and TFRS 11 Joint Agreements

In May 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including TFRS 10 "Consolidated Financial Statements", TFRS 11 "Joint Agreements", TFRS 12 "Disclosure of Interest in Other Entities", TAS 27 "Separate Financial Statements"(as revised in 2011) and TAS 28 "Investments in Associates and Joint Ventures" (as revised in 2011).

Key requirements of these five standards are described below:

TFRS 10 replaces the parts of TAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements. SIC-12 Consolidation-Special Purpose Entities will be withdrawn upon the effective date of TFRS 10. Under TFRS 10, there is only one basis for consolidation, that is control. In addition, TFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's return. Extensive guidance has been added in TFRS 10 to deal with complex scenarios.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.7 New and Revised Turkish Financial Reporting Standards (continued)

(a) Standards effective from 1 January 2013 and have effect on the financial statements of the Group (continued)

TFRS 11 replaces TAS 31 Interests in Joint Ventures. TFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. SIC-13 Jointly Controlled Entities-Non-monetary Contributions by Venturers will be withdrawn upon the effective date of TFRS 11. Under TFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under TAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under TFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under TAS 31 can be accounted for using the equity method of accounting or proportional consolidation.

TFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in TFRS 12 are more extensive than those in the current standards.

In June 2012, the amendments to TFRS 10, TFRS 11 and TFRS 12 were issued to clarify certain transitional guidance on the application of these TFRSs for the first time.

These five standards together with the amendments regarding the transition guidance are effective for annual periods beginning on or after 1 January 2013. The application of these five standards, except for the amendments to TFRS 11, does not have a significant impact on amounts reported in the consolidated financial statements. These amendments should be applied retrospectively. Entities under common control recognized under TAS 31 are considered as joint ventures and have been accounted for by using the equity method rather than the proportionate consolidation method in accordance with TFRS 11 and prior period financial statements are restated accordingly as explained in detail in Note 2.1.6.

TAS 19 Employee Benefits

The amendments to TAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of TAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. In 2012, the Group has decided to early adopt the amendments to TAS 19 which is applicable as of 1 January 2013. As of 31 December 2012, all actuarial gains and losses are recognized in other comprehensive income.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.1.7 New and Revised Turkish Financial Reporting Standards

(a) Standards effective from 1 January 2013 and have no effect on the financial statements of the Group

TFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities
TFRS 16(Amendments)	Tangible Assets
TAS 32 (Amendments)	Financial Instruments: Disclosures
TAS 34 (Amendments)	Interim Period Financial Reporting
TAS 12 (Amendments)	Deferred Tax – Recovery of Underlying Assets
TFRS 10, TFRS 11 and TFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guide
TFRS 13	Fair Value Measurement
TAS 27	Separate Financial Statements
TAS 28	Investments in Associates and Joint Ventures
Amendments to TFRSs	Annual Improvements to TFRSs 2009-2011 Cycle except for the amendment to TAS 1
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

(b) New and Revised Standards and Interpretations not yet effective and have not been early adopted by the Group

The Group has not applied the following new and revised standards that have been issued but are not yet effective:

TFRS 9	Financial Instruments
TFRS 9 ve TFRS 7 (Amendments)	Mandatory Effective Date of TFRS 9 and Transition Disclosures
TAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities
TFRS 10, 11, TAS 27 (Amendments)	Investment Companies
TAS 36 (Amendments)	Recoverable Value Disclosures for Non-Financial Assets
TAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting
TFRS Interpretation 21	Fees and Taxes

The above standards will be applicable in 2014 and onwards, the Group has not determined the potential impact of the application of these standards over its financial statements. The applications of these standards are expected not to have a significant impact on the financial statements.

2.1.8 US Dollar convenience translation

US Dollar ("USD") amounts shown 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 2,1343 = USD 1,00 on 31 December 2013. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with 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.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies

Related parties

For the purpose of these consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding 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 affiliates, 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 34).

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 recognized 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, accured for the period according to internal discount rate method and recognized by the adding to the cost of reverse repos. Funds provided in return for financial assets reverse repurchase are recognized 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).

Provision is allocated for receivables when the Group has an objective indication over the collectability of the receivables. 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. Group management considers to book provision for doubtful receivables for the receivables that are in the administrative and/or legal action, without guarantee and collection period that extend over the normal trade operating cycle of the Group.

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 income following the write-down of the total provision amount (Note 27).

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.2 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 (Note 19). 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 broadcasting right, industry dynamics and sales forecasts are taken into consideration when determining impairment on programme stocks.

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.

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 recognized in "financial income/expenses". Dividends received, are recognized 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)

"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 2013 and 31 December 2012.

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 recognized in profit or loss when the Group's right to receive payment is established.

Financial assets classified by Doğan Yayın 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.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

Derivative financial instruments

Derivative forward instruments, predominantly foreign currency and interest swap agreements and foreign currency forward agreements are initially recognised at their historical 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 derivatives 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 property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, at the end of each year when there is an indication of impairment, 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. As of 31 December 2012, the Group decided to adopt fair value method for their investment properties which were previously accounted under the cost method and restated its financial statements according to TAS 8 as explained in Note 2.1.6 "Significant Accounting Policies and Changes in Accounting Estimates and Errors and Restatement of Previously Reported Financial Statements"

An investment property is derecognized 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 derecognized.

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 recognized as revaluation fund in other comprehensive income.

(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)

2.2 Summary of Significant Accounting Policies (Continued)

Property, plant and equipment and related depreciation

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	15-50
Buildings	25-50
Machinery and equipment	2-28
Motor vehicles	2-20
Furniture and fixtures	2-50
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 related income and expense accounts, 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.

Construction in progress is made for the production of electrical energy is classifed under tangible fixed assets. Below the followings are cost elements of it:

- After the deduction of discounts, including import duties and non-refundable purchase taxes, purchase prices.
- Enhancing the asset capable of operating in the manner intended by management, and any costs will be placed on the ground.
- Costs related to employee benefits who works directly related with obtaining or constructing tangible assets
- Cost related to the preparation of the ground.
- Cost associated with the first delivery.
- Installation and assembly costs.
- Professional fee.
- General administrative expenses related to acquisition or construction of tangible fixed asset.
- Finance costs that can be added to the cost of the tangible assets under IAS 23 "Borrowing Costs"

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. Principal lease payments are treated as liabilities and reduced with their payments. 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 recognized as an expense on a straight line basis over the lease term under the consolidated statement of profit or loss.

Goodwill

Goodwill and negative goodwill amount, which represent the difference between the purchase price and the fair value of the acquiree's net assets, arising from business combinations effected prior to 30 June 2004 in the consolidated financial statements is capitalized and amortized over the useful life by using the straight-line method prior to 31 December 2004. Goodwill arising from business combinations effected subsequent to 31 March 2004 is not amortized and instead reviewed for any impairment losses in accordance with TFRS 3 Business Combinations (Note 15).

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired as of the balance sheet dates. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, 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 on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

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 beginning from 1 January 2012 and capitalized amounts are recognized under intangible assets account. Weighted average term for subscription acquisition costs is 2 years.

(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)

2.3 Summary of Significant Accounting Policies (Continued)

Intangible assets and related amortization (continued)

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

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 recoverable amount of an intangible asset is the higher of its fair value less costs to sell and its value in use. Provision for impairment is recognized under the statement of profit or loss in the related period.

Milta Turizm a subsidiary of the Group, amortizes the right to use the marina over 49 years (Note 15) which is obtained from Privatization Administration based on the transfer agreement signed on November 13, 1997.

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 program rights

Television program 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 program 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 program 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 program rights.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

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.

Taxation on income

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 recognized 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 32).

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 7). 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 (Note 14).

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

Financial liabilities subject to non-controlling put options

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).

The Group has decided to early adopt the amendment in TAS 19 (Note 2.1.7) in 2012 which will be effective starting from 1 January 2013, and calculated employment benefit in accordance with the report prepared by the actuarial firm and recognized all actuarial loss and gains in the other comprehensive statement of profit or loss as of 31 December 2012.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

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 on 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.

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.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

Revenue recognition

Revenue includes the invoiced amount of goods and service sales.It is recognized 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 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 is initially recognized 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 income/expense represents income/expense incurred from forward purchases and sales. These forms of incomes/expenses are accepted as finance incomes/expenses obtained from forward purchases and sales during the period and included to financial income/expense (Note 27).

a) Media and Retail segment

Revenue from television, newspapers, magazines and other 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.

Revenue from newspaper and 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.

Returns on magazine sales and provisions:

Provision for returns on magazine sales are the provisions provided to reflect the sales income based on matching principle by using statistical data for the previous period, field sales data, etc. when return invoices are not issued although returns are taken off from the market or the issue of magazine period is not expired.

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.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.2 Summary of Significant Accounting Policies (Continued)

Revenue recognition (continued)

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.

c) Other segment

Sales revenue is recognized 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.

Housing construction projects related to the customer

The revenue generated from the housing construction projects organized by Milpa, subsidiary of the Group is recognized 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

Housing construction projects related to the landowner

The Group has entered in to a Landownership agreement ("LOA") in the Milpark project. In accordance with the agreement, the Group commits to develop real estate projects on lands that are owned by the landowner and in return for the land transfer the ownership of the pre-agreed ratio of the constructed assets to the landowner. For landownership agreements, the value of land transferred to Milpa is carried at fair value at the date of agreement and when Milpa meets all of its contractual liabilities and all risks and rewards of the ownership of the assets are transferred to the landowner following the approval of the delivery notice by the landowner, revenue is recognised as the sale profit obtained from the landowner. Landowner's share of the termination of the contract was transferred on 16 May 2012.

Vehicle Sale

The risk and reward is assumed to be transferred to the buyer when the Special Consumption Tax is paid and the licence is issued and with the measurement of the revenue reliably, revenue is recognised.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

Revenue recognition (continued)

Other revenue

Interest income is recognised on a time proportion basis and income accual is ascertained by taking effective interest rate and remaining maturity into account.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established

Rent income and other income are recognised on an accrual basis.

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 19). Barter agreements are recognised on an accrual basis.

Business combinations

Business combinations are accounted in accordance with TFRS 3. Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. If the purchase amount is less than the fair value of provisions, contingent assets and liabilities, the subjected difference is identified with comprehensive statement of profit or loss. Goodwill recognised in a business combination is not amortized, instead it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. If the acquisition cost is lower than the fair value of the identifiable assets, liabilities and contingent liabilities acquired, the difference is accounted for as income in the related period (Note 3).

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

Business combinations(continued)

Gains or losses resulted from 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 recognize goodwill for these types of transactions. Difference between cash consideration paid as a result of business combination and net asset of the entity is recognized 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.

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 recognized 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 2013 and 31 December 2012 are summarized below:

(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)

2.2 Summary of Significant Accounting Policies (Continued)

Foreign currency transactions (Continued)

Foreign Group companies

Country	Currency Unit	31 December 2013	31 December 2012
Eurozone	Euro	2,9365	2,3517
Russia	Ruble	0,0652	0,0587
Hungary	Forint	0,0099	0,0081
Croatia	Kuna	0,3846	0,3113
Ukraine	Grivna	0,2670	0,2230
Romania	New Lei	0,6549	0,5319
Kazakhstan	Tenge	0,0139	0,0118
Belarus	Belarusian Ruble	0,0002	0,0002

Segment Reporting

In accordance with IFRS 8 "Operating Segments" standard, the Group arranged industrial segments' reporting as parallel with the reporting made to Group's decision-making authorities. 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 four main segments; "Media", "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.

Operations were presented as three segments "media", "retail" and "other" in consolidated financial statements until 31 December 2013. After the Group's consideration, energy companies (Note 1) were decided to be presented as a seperate segment, which was presented under "other" operations segment before. Accordingly, previous period financal informations in related note was revised in line 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.

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 33).

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. Accordingly, weighted average number of shares used in earnings per share computations is derived by considering the retrospective effects of the issuances of the shares.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.2 Summary of Significant Accounting Policies (continued)

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.

Non-current assets held for sale

To the results of operations of assets held for sale and 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.

The Group has received the investment incentive certificate regarding the modernization of its property that is used in its media operations and it is exempt from the Customs Duty and VAT.

Subsequent events

In the case that events requiring a correction to be made occur subsequent to the balance sheet date, the Group makes the necessary corrections to the financial statements.

In the case that events not requiring a correction to be made occur subsequent to the balance sheet date, those events are disclosed in the notes of consolidated financial statements.

(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)

2.2 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 media and other sales operations.

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 and Assumptions

2.3.1. Critical accounting estimates and assumptions

a) Estimated impairment of goodwill

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 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 and discount rates used for the cash flows after five-year period are listed below:

	EBITDA margin% (1)	Discount rate% (2)
Broadcasting	27%	13%
Publishing		
Russia and Commonwealth of Independent States	40%	13%
Turkey	11%	15%

(1) Budgeted weighted average of EBITDA margin regarding projection period.
(2) Weigted average cost of capital rate.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(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)

2.3 Critical Accounting Estimates and Assumptions (Continued)

2.3.1. Critical accounting estimates and assumptions (Continued)

a) Estimated impairment of goodwill(Countinued)

Hürriyet, one of the subsidiaries of the Group, hasn't booked any provision for impairment on goodwill in the consolidated financial statements for the year ended 31 December 2013 (31 December 2012: TL 18.106 provision for impairment is booked) (Note 15).

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 related with TME amounting to TL 25.962 (31 December 2012: TL 51.648 for the goodwill related with TME and intangible assets) would be recognized in the financial statements and profit before tax and non-controlling interests would decrease by TL 25.962 (31 December 2012: TL 51.648) in return.

If the EBITDA rate applied to cash flow projections for the cash-generating units is 5% less than the estimates of the Group management, additional impairment for the goodwill amounting to TL 24.142 would be recognized in the financial statements and profit before tax and non-controlling interests would increase by TL 24.142 in return.

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 recognized in the statutory accounts of Doğan TV Holding, D Yapım, Doğan Prodüksiyon ve Alp Görsel 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 recognized 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 recognize 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 practible, input VAT that can be offset against the recourse VAT in the related taxation periods can be recognized in the statement of income in the respective periods (Note 27). Deductible VAT amount is TL 449.602 in statutory accounts as of 31 December 2013.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Critical Accounting Estimates and Assumptions (Continued)

2.3.1. Critical accounting estimates and assumptions (Continued)

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 Springers are described in detail in Note 17.

c) 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 14.283 (31 December 2012: TL 13.468) and profit before tax and non-controlling interests would decrease by TL 14.283 (31 December 2012: TL 13.468).

Amortization is recognized 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 2.007 and profit before tax and non-controlling interests would increase by TL 2.007 (31 December 2012: TL 1.224); or

- if useful lives were 10% lower, amortization would increase by TL 2.454 and profit before tax and non-controlling interests would decrease by TL 2.454 (31 December 2012: TL 1.496).

2.3.2 Critical accounting judgments

Prepaid phone card (prepaid minutes) sales related with mobile telecommunication services and newspaper and magazine 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 and magazines from suppliers and sells them to its dealers through its distribution network. The Group returns unsold newspapers and magazines from dealers to the original supplier. General inventory risk is about approximately a week for newspaper and magazine sales,

- The Group has the collection risk associated with the transaction.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 3-BUSINESS COMBINATIONS

Current period business combinations

i. *Acquisition of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş.*

Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş.'s ("EBİ") which is the subsidary of the Group, DMK has completed acquisation and finished conveyancing of the shares representing the entire share capital. The selling price of the shares representing the entire share capital specified by mutual "negotiated procedure" and buy and taken over by the Group's subsidary DMK from Canan Çelebioğlu, Mehmet Budak, İdil Eser, Cahit Can Tokgöz ve Mehmet Kaya with the "Share Purchase and Sale Agreement" on April 16, 2013.

The closure conditions determined by "Share Purchase and Sale Agreement" are performed by the closure date 10 May 2013 After paying TL 8.369 which is 75% of the revised sale price, 25% of sale and conveyance price was revised as TL 10.039 by independently audited conclusive financial statements. The rest of the selling price which is TL 1.670, was paid on 24 July 2013. Acquisation and conveyance operation has been finalised.

In accordance with IFRS 3 Business Combinations ("IFRS 3"), the purchase method accounting is necessary to do work to determine the fair value of the identifiable assets and liabilities as a result of the purchase price of this work of tangible and intangible assets to be distributed work ("Purchase allocating the cost of work ") as of the date the report concluded, and TL 13.967 recorded as internet domain name, and TL 4.168 recorded as customer relations (Note 15). Due to there is no difference between fair value of acquired net assets and purchase price of EBİ, positive or negative goodwill have not been recognized to the records. EBİ was merged with DMK on 2 October 2013.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 3-BUSINESS COMBINATIONS (Continued)

Current period business combinations (Continued)

The acquired assets and liabilities of EBİ as of 10 May 2013, the fair value adjustments which is context of the purchase price allocation study are as follows:

	EBİ			
	Net Book Value	IFRS Adjustment	Fair Value Adjustment	Fair Value
Current Assets				
Cash and cash equivalents	505	-	-	505
Trade and other receivables	810	-	-	810
Inventories	3.362	-	-	3.362
Other current assets	623	-	-	623
			-	
Non current assets				
Property, plant and equipment	945	-	-	945
Intangible assets	1.821	-	-	1.821
Internet domain name (İdefix)	-	-	*11.108*	*11.108*
Internet domain name (Prefix)	-	-	*2.859*	*2.859*
Client list (İdefix)	-	-	*3.597*	*3.597*
Client list (Prefix)	-	-	*571*	*571*
Deferred tax assets	-	921	-	921
Short term liabilities				
Financial payables	(3.147)	-	-	(3.147)
Trade payables	(8.755)	-	-	(8.755)
Other short term liabilities	(1.123)	-	-	(1.123)
Long term liabilities				
Long term financial payables	(283)	-	-	(283)
Other long term liabilities	(148)	-	-	(148)
Deferred tax liabilities	-		(3.627)	(3.627)
	(5.390)	921	14.508	10.039

	TL
Cash paid	10.039
Cash and cash equivalents of purchased firms (-)	(505)
Net cash outflow	9.534
Transfered amount	10.039
Book value of net assets of acquired companies	10.039
Goodwill	-

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 3-BUSINESS COMBINATIONS (Continued)

Current period business combinations (Continued)

ii. Acquisition of D-Tes shares

75 % share acquisation process of D-Tes, which had been recognized as a joint venture as of 31 December 2012, has been concluded by 24 July 2013 with value TL 40 and accordingly the Company has been included to the consolidation as a subsidiary in the current period. Also TL 233 negative goodwill has been recorded as other operating income.

iii. Acquistion of Doğan İnternet Yayıncılığı ve Yatırım A..Ş

In the current period, Group has acquired Doğan İnternet Yayıncılığı ve Yatırım A.Ş., an entity under common control, in consideration of TL 10.928. Difference amounting to TL 7.640 between the cash consideration paid and net assets was recognized under equity.

Prior period business combinations

Details of business combinations for the period ended 31 December 2012 are as follows:

Doğan TV Holding-Eko TV
Doğan TV Holding has terminated Eko TV joint venture agreement signed with Turner as of 14 June 2012 without any compensation. Following the termination, Eko TV has been accounted as a subsidiary and ceased to be a joint venture of the Group as at 1 July 2013 without any compensation transfer. IFRS 3 requires acquirers to remeasure its previously held equity interest at fair value and recognize the resulting gain or loss, if any, in profit or loss. The Group has completed the remeasurement procedures of Eko TV shares as of reporting date. The details of the remeasurement are summarized below:

	30 June 2012
Cash and cash equivalents	110
Current assets	16.668
Non-current assets	365
Current liabilities	(3.222)
Group's share in net assets before acquisition	**13.921**
Goodwill recognized before acquisition	33.881
Total carrying amount before remeasurement	47.802
Total fair value of net assets of Eko TV	59.475
Group's ownership rate	75,04%
Fair value of net assets attributed to the Group	44.630
Decrease in carrying amount after remeasurement recognised as expense	3.172

Also, the Group has completed the purchase of 19,98% shares of Eko TV as of 6 September 2012 for a consideration of TL 4.331. After these transactions, the share and voting rights of the Group in Eko TV increased to 63,17%. TL 624 loss as a result of this transaction is journalized in equity since there is no change in controlling party in accordance with TAS 27 (revised).

NOTE 4 – INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD

Joint ventures of Doğan Holding, registered countries, nature of their businesses and business and geographic segments are summarized as follows:

Joint venture	Country	Nature of business	Entrepreneural partner
Boyabat Elektrik Üretim ve Ticaret A.Ş. ("Boyabat Elektrik")	Turkey	Energy	Unit Investment N.V. Doğuş Holding A.Ş.
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	Turkey	Magazine publishing	Burda GmbH
DD Konut Finansman A.Ş. ("DD Konut Finansman")	Turkey	Housing finance	Deutsche Bank AG
Dergi Pazarlama Planlama ve Ticaret A.Ş. ("DPP")	Turkey	Planning	Burda GmbH
Gas Plus Erbil Ltd. ("Gas Plus Erbil")	Jersey	Energy	Newage Alzarooni Limited
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.
Katalog Yayın ve Tanıtım Hizmetleri A.Ş. ("Katalog")	Turkey	Guide publishing	Seat Pagine Gialle SPA
Aslancık Elektrik Üretim A.Ş. ("Aslancık Elektrik")	Turkey	Energy	Doğuş Holding A.Ş. ve Anadolu Endüstri Holding A.Ş.
Tasfiye halinde İsedaş İstanbul Elektrik Dağıtım Sanayi ve Ticaret A.Ş. ("İsedaş")	Turkey	Energy	Tekser İnşaat Sanayi ve Ticaret A.Ş. ve Çukurova Holding A.Ş.
Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. ("Nakkaştepe Gayrimenkul")	Turkey	Real estate	Rönesans Gayrimenkul Yatırım A.Ş.
Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş.	Turkey	Real estate	Rönesans Gayrimenkul Yatırım A.Ş.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 4 – INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

The table below sets out the Joint Ventures, the proportion of voting power held by Doğan Holding, its subsidiaries and Doğan family and effective ownership interests at 31 December 2013 and 31 December 2012:

	Proportion of voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of voting power (%)	
Company name	31 December 2013	31 December 2012	31 December 2013	31 December 2012	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Boyabat Elektrik	33,00	33,00	-	-	33,00	33,00	33,00	33,00
Doğan Burda	44,89	44,89	0,27	0,49	45,16	45,38	35,92	33,93
DD Konut Finansman	47,00	47,00	4,00	4,00	51,00	51,00	47,00	47,00
DPP	46,00	46,00	10,00	10,00	56,00	56,00	36,81	34,76
Gas Plus Erbil	50,00	50,00	-	-	50,00	50,00	50,00	50,00
DB Popüler (1)	-	44,87	-	0,01	-	44,88	-	33,92
ASPM Holding B.V.	37,88	37,88	-	-	37,88	37,88	24,38	23,26
OOO Autoscout24 (2)	-	37,88	-	-	-	37,88	-	23,26
Doğan Egmont	50,00	50,00	-	-	50,00	50,00	40,01	37,80
Ultra Kablolu (3)	50,00	50,00	-	-	50,00	50,00	40,01	37,80
Birey İK (4)	-	50,00	-	50,00	-	100,00	-	26,74
Katalog (5)	50,00	50,00	-	-	50,00	50,00	40,01	37,80
Tipeez Internet Hizmetleri A.Ş. (6)	-	30,00	-	-	-	30,00	-	18,42
Aslancık Elektrik	33,33	33,33	-	-	33,33	33,33	33,33	33,33
D Tes (7)	-	25,00	-	-	-	25,00	-	25,00
İsedaş (8)	45,00	45,00	-	-	45,00	45,00	45,00	45,00
Nakkaştepe Gayrimenkul	50,00	50,00	-	-	50,00	50,00	50,00	50,00
Kandilli Gayrimenkul	50,00	50,00	-	-	50,00	50,00	50,00	50,00

(1) DB Popüler Dergiler Yayıncılık A.Ş. has completed its liquidation process as of 3 December 2013.
(2) The related joint venture has completed its liquidation process as of 6 December 2013
(3) Operations have been terminated as of October, 2006.
(4) The related joint venture was merged with Doğan Gazetecilik İnternet on September 27, 2013
(5) Operations have been terminated as of September,2009.
(6) The related joint venture was sold on June 25,2013.
(7) 75% share purchase process of D-Tes which had been recognized as a joint venture as of 31 December 2012,has been concluded by 24 July 2013 and accordingly the Company has been included to the consolidation as a subsidiary in the current period.
(8) The related joint venture is in liquidation process in August 19,2011.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 4-INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

Currents assets, non-current assets, current and non-current liabilities,sales,gross profit,net profit for period and equity attributable to Doğan Holding of the joint ventures consolidated by using the equity method in the condensed consolidated financial statements, are as follows:

	31 December 2013	31 December 2012
Current assets	719.751	331.804
Non-current assets	3.155.125	3.203.498
Total assets	**3.874.876**	**3.535.302**
Short-term liabilities	806.135	896.956
Long-term liabilities	2.299.122	1.721.909
Total liabilities	**3.105.257**	**2.618.865**
Net assets	**769.619**	**916.437**
Group's share in net assets of investment accounted for by the equity method	**340.637**	**365.218**

Statements of Profit or Loss	1 January- 31 December 2013	1 January- 31 December 2012
Revenue	439.363	157.058
Cost of sales (-)	(282.608)	(97.028)
Gross profit	**156.755**	**60.030**
General administration expenses (-)	(38.969)	(61.908)
Marketing, sales and distribution expenses (-)	(58.274)	(9.067)
Other operating (expenses)/income, net	12.801	(9.095)
Financial (expenses)/income, net	(517.425)	120.850
Profit/ (loss) before income taxes	**(445.112)**	**100.810**
Current income tax expense	(1.147)	(1.572)
Deferred tax income/ (expense)	65.625	(1.061)
Profit/ (loss) for the period from continued operations	**(380.634)**	**98.177**
Net profit/ (loss) for the period	**(380.634)**	**98.177**
Group's share in net profit of the investments	**(106.135)**	**23.147**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 4-INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

Financial Liabilities

	31 December 2013	31 December 2012
Boyabat Elektrik	1.994.812	1.334.678
Aslancık Elektrik	343.529	244.781
DD Konut Finansman	313.154	297.909
Other	4.944	9.473
Total	2.656.439	1.886.841

Financial borrowings

Boyabat Elektrik

Group's joint venture Boyabat Elektrik's construction of 513MW installed capacity dam-type hydroelectric power plant project at the township Boyabat in the province Sinop is after obtaining the necessary regulatory approvals became operational in 5 December 2012. Boyabat Elektrik's investment has been financed with the combination of debt and equity. According to preliminary protocol signed on 25 July 2008 and 31 August 2009 and credit contract signed on 15 January 2010, USD 750.000 credit is provided to Boyabat Elektrik by Turkish commerce banks' consortium. Bank loan has been fully paid by Boyabat, as of 28 June 2013. Boyabat paid early closure fee amounting to TL 26.759 due to the early payment. The entity obtained bank loand amounting to USD 540.000 and EUR 276.392 with interest rates of 3 months Libor+ 4% as of 28 June 2013 and by the balance sheet date entire amount of USD 540.000 and EUR 276.392 bank loans had been used.

Under the loan agreement signed entire shares of Boyabat Elektrik were pledged on behalf of lender banks.

Aslancık Elektrik

Group's joint venture Aslancık Elektrik's construction of 120 MWm /93 MWe installed capacity hydro energy production facility in Giresun, Doğankent began in 2010 Based on the loan agreement signed on 24 January 2011, in total USD 160.000 of loan was planned to be provided to Aslancık Elektrik. In this context, Aslancık Elektrik used USD 160.000 amounted bank loan until 31 December 2013.

Under the loan agreement was signed on 24 January 2011, the same date that the contract in addition to the share pledge agreement and an additional share pledge agreements signed with various dates on all of the shares in accordance with the Aslancık Elektrik pledged in favor of financial institutions.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 4-INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

Fixed Assets

	31 December 2013	31 December 2012
Boyabat Elektrik	1.943.746	1.914.617
Aslancık Elektrik	391.689	274.942
DD Konut Finansman	1.486	1.801
Other	1.835	6.139
Total	2.338.756	2.197.499

Total amount of depreciation and amortization in investments accounted for by the equity method with Group's effective share is TL 17.244 (31 December 2012: TL 952).

NOTE 5-SEGMENT REPORTING

a) External revenue

	1 January- 31 December 2013	1 January- 31 December 2012
Media	2.489.271	2.433.742
Retail	407.102	342.213
Energy	156.711	39.155
Other	248.243	251.530
	3.301.327	3.066.640

b) Profit /(loss) before income taxes

	1 January- 31 December 2013	1 January- 31 December 2012
Media	(208.422)	322.628
Retail	12.286	6.867
Energy	(88.921)	(11.324)
Other	235.439	(479)
	(49.618)	317.692

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 5-SEGMENT REPORTING (Continued)

c) **Segmental analysis for the period ended 31 December 2013**

	Media	Retail	Energy	Other	Inter segment elemination	Total
External revenue	2.489.271	407.102	156.711	248.243	-	3.301.327
Internal revenue	1.390.082	6.820	6.942	14.016	-	1.417.860
Inter segment revenue	34.302	2.865	16.717	40.155	-	94.039
Total revenue	**3.913.655**	**416.787**	**180.370**	**302.414**	**-**	**4.813.226**
Total cost of sales	**(2.909.787)**	**(260.022)**	**(140.854)**	**(221.073)**	**-**	**(3.531.736)**
Revenue	2.523.573	409.967	173.428	288.398	(94.039)	3.301.327
Cost of sales	(1.870.605)	(253.202)	(141.559)	(224.498)	35.675	(2.454.189)
Gross profit	**652.968**	**156.765**	**31.869**	**63.900**	**(58.364)**	**847.138**
General administrative expenses	(322.215)	(13.307)	(5.297)	(90.709)	59.632	(371.896)
Marketing selling and distribution expenses	(317.106)	(133.986)	(462)	(10.979)	1.413	(461.120)
Share of gain/ (loss) on investments accounted for by using equity method	2.193	-	-	(108.328)	-	(106.135)
Other income/(expenses), net	71.402	4.632	2.772	358.743	(45.029)	392.520
Income/ (Expense) from investment properties	49.902	185	(20.137)	69.452	5.464	104.866
Financial income	6.790	1.465	6.393	20.075	(15.847)	18.876
Financia expenses	(352.356)	(3.468)	(104.059)	(66.715)	52.731	(473.867)
(Loss)/ Profit before income taxes	**(208.422)**	**12.286**	**(88.921)**	**235.439**	**-**	**(49.618)**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 5-SEGMENT REPORTING (Continued)

c) Segmental analysis for the period ended 31 December 2013;

	Media (1)	Retail	Energy	Other	Inter segment elemination	Total
External revenue	2.433.742	342.213	39.155	251.530	-	3.066.640
Internal revenue	80.975	3.035	1.892	6.013	-	91.915
Inter segment revenue	26.581	2.621	3.135	33.024	-	65.361
Total revenue	**2.541.298**	**347.869**	**44.182**	**290.567**	**-**	**3.223.916**
Total cost of sales	**(2.872.883)**	**(219.845)**	**(24.321)**	**(243.225)**	**-**	**(3.360.274)**
Revenue	2.460.323	344.834	42.290	284.554	(65.361)	3.066.640
Cost of sales	(1.735.594)	(216.810)	(22.429)	(223.365)	24.411	(2.173.787)
Gross profit	**724.729**	**128.024**	**19.861**	**61.189**	**(40.950)**	**892.853**
General administrative expenses	(310.375)	(9.612)	(6.647)	(94.031)	41.205	(379.460)
Marketing selling and distribution expenses	(268.532)	(109.786)	(100)	(12.464)	1.042	(389.840)
Share of gain/ (loss) on investments accounted for by using equity method	706	-	-	22.441	-	23.147
Other income/(expenses), net	84.156	(233)	(6.033)	28.613	(8.801)	97.702
Income/ (Expense) from investment properties	191.204	55	1.926	22.256	(10.746)	204.695
Financial income	53.869	4.460	2.907	5.350	(12)	66.574
Financial expenses	(153.129)	(6.041)	(23.238)	(33.833)	18.262	(197.979)
(Loss)/ Profit before income taxes	**322.628**	**6.867**	**(11.324)**	**(479)**	**-**	**317.692**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 5-SEGMENT REPORTING (Continued)

d) Segment assets

	31 December 2013	31 December 2012
Total assets		
Media	3.787.930	3.918.002
Retail	217.682	155.177
Energy	1.108.106	1.071.298
Other	5.637.478	5.540.036
	10.751.196	**10.684.513**
Less: segment elimination[(1)]	(3.163.221)	(2.899.686)
Total assets per consolidated financial statements	**7.587.975**	**7.784.827**
Shareholder's equity		
Media	1.492.720	1.416.816
Retail	61.228	51.335
Energy	536.002	601.662
Other	3.842.369	4.803.620
Total	**5.932.319**	**6.873.433**
Less: segment elimination[(2)]	(1.931.884)	(2.788.950)
Total shareholders' equity per consolidated financial statements	**4.000.435**	**4.084.483**
Non-controlling interests	(750.248)	(903.565)
Total shareholder's equity	**3.250.187**	**3.180.918**

(1) Segment elimination amount consists of elimination of Group's subsidiary amount to Doğan Yayın Holding and reciprocal debit and credit balances between Media and Other segments.

(2) Segment elimination amount represents reciprocal elimination of Doğan Yayın Holding's adjusted capital amount within Media segment's total equity and Group's subsidiary amount to Doğan Yayın Holding.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

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 2013	1 January- 31 December 2012
Purchases		
Media	236.599	277.977
Retail	29.001	14.604
Energy	3.709	34.111
Other	38.557	40.146
Total	**307.866**	**366.838**
Amortisation and depreciation		
Media	206.731	178.263
Retail	7.289	7.211
Energy	23.065	6.589
Other	21.315	15.980
Total	**258.400**	**208.043**

f) Non-cash expenses (net):

Non-cash expenses according to the segments are as follows:

	2013				
	Media	Retail	Energy	Other	Total
Provision for employment termination benefits (Note 22)	14.827	756	62	2.596	18.241
Interest expense accruals	58.194	-	-	1.251	59.445
Provision for lawsuits (Note 17)	6.504	-	-	1.097	7.601
Provision for impairment on inventories (Note 11)	1.348	6	-	30	1.384
Provision for unused vacation liabilities (Note 22)	11.361	34	30	1.335	12.760
Provision for impairment on on intangible assets (Note 15)	610	-	-	-	610
Provision for trade and other doubtful receivables (Note 9)	33.496	15	-	1.910	35.421
Change in fair value of derivative instruments	799	-	-	-	799
	127.139	**811**	**92**	**8.219**	**136.261**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 5-SEGMENT REPORTING (Continued)

f) <u>Non-cash expenses (net) (continued):</u>

	2012				
	Media	Retail	Energy	Other	Total
Provision for trade and other doubtful receivables (Note 9)	37.986	92	-	1.960	40.038
Provision for employment termination benefits (Note 22)	12.540	2	95	1.698	14.335
Interest expense accruals	14.288	-	-	1.251	15.539
Provision for lawsuits (Note 17)	9.759	-	-	334	10.093
Provision for impairment on inventories (Note 11)	595	38	-	(196)	437
Provision for unused vacation liabilities (Note 22)	8.365	52	32	2.630	11.079
Provision for impairment on goodwill (Note 15)	21.278	-	-	-	21.278
Provision for impairment on intangible assets (Note 15)	1.868	-	-	-	1.868
	106.679	184	127	7.677	114.667

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 6 – CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents at 31 December 2013 and 31 December 2012 are as follows:

	31 December 2013	31 December 2012
Cash	2.318	2.401
Banks		
- demand deposits	221.924	61.846
- time deposits [1]	1.772.662	1.902.241
Other current assets	219.457	194.210
	2.216.361	**2.160.698**

[1] On 31 January 2013, in respect to exercise to put option by Commerz-Film GmbH, described detailed in note 17, Commerz-Film GmbH's share in the capital of Doğan TV Holding, which corresponds to 2,48844 % of Doğan TV Holding A.Ş.'s paid in capital, 33.843.238 registered class B shares with a nominal value of TL 1 have been purchased for EUR 61.572,and payment has been made from the time deposit accounts.

The time deposits of the Group are mainly composed of USD, EUR and TL and the effective interest rates of USD, EUR and TL denominated time deposits are between 0,35% and 6,00% (31 December 2012: 0,1% and 6%), 0,2% and 6,75% (31 December 2012: 0,25% and 6,75%) and 5,98% and 10,16% (31 December 2012: 3% and 12,3%), respectively and its maturity is shorter than 3 months.

As of 31 December 2013, other current assets consist of credit card slip receivables amounting to TL 72.152 (31 December 2012: 49.068) and blocked deposits amounting to TL 147.305 (31 December 2012: TL 145.142)

Cash and cash equivalents disclosed in the consolidated statements of cash flows for the periods ended 31 December 2013, 31 December 2012 and 2011 are as follows:

	31 December 2013	31 December 2012	31 December 2011
Cash and cash equivalents	2.216.361	2.160.698	3.448.740
Accrued interest (-)	(7.354)	(29.833)	(10.460)
Cash and cash equivalents	**2.209.007**	**2.130.865**	**3.438.280**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 7-FINANCIAL INVESTMENTS

a) Short-term financial investments

	31 December 2013	31 December 2012
Government bonds and treasury bills	136.465	177.043
	136.465	177.043

Government bonds and treasury bills dominated in TL, USD and Euro, and interest rates are 9,58%, 6,46% and 5,64%.(31 December 2012: TL 9,48%, USD 5,17%).

b) Long-term available for sale financial assets

	31 December 2013		31 December 2012	
	TL	%	TL	%
Aks Televizyon Reklamcılık ve Filmcilik Sanayi ve Ticaret A.Ş. ("Aks TV")	2.923	9	2.923	9
POAŞ [(1)]	803	<1	897	<1
Anten Teknik Hizmetler ve Verici Tesis İşletme A.Ş	800	<1	787	<1
Marbleton Property Fund L.P ("Marbleton")[(2)]	-	-	8.809	9
Other	1.440	<1	532	<1
Less: provision for impairment[(3)]	(2.923)		(11.732)	
	3.043		2.216	

(1) After the removal of restriction on shares, "Restricted shares" which correspond to 0,03% of POAŞ's capital (calculated as 192.500 (exact) shares as of the current situation) are decided to be transferred to OMV Enerji Holding A.Ş in a total cash consideration of EUR 600.000. Since the related share transfer has not been realized as of 31 December 2013, 192.500 shares that Group shares are recognized at fair value, which is calculated by using the market price of shares

(2) The investment portfolio of Marbleton was sold and converted into cash as of 31 December 2012 and USD 1.968 for TL 3.345 cash was obtained. Mentioned investment has completed its liquidation process on 8 November 2013.

(3) As of 31 December 2013 long term financial invesment except POAŞ are carried at the cost value. There is TL 2.923 impairment on Aks TV. (31 December 2012: Marbleton and Akst TV TL 8.809 and TL 2.923 respectively).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 8 – SHORT AND LONG TERM FINANCIAL BORROWINGS

a) Financial borrowing

The details of financial borrowings at 31 December 2013 and 31 December 2012 are as follows

Short-term financial borrowings:	31 December 2013	31 December 2012
Short term bank borrowings	595.843	811.263
Interest bearing payables to suppliers	6.436	34.193
Finance lease borrowings	10.251	8.195
Total	612.530	853.651

Short-term portion of long-term financial borrowings:	31 December 2013	31 December 2012
Short-term portion of long-term bank borrowings:	426.418	323.287
Total	426.418	323.287

Long-term financial borrowings:	31 December 2013	31 December 2012
Long term bank borrowings	1.046.356	934.905
Interest bearing payables to suppliers	4.693	6.929
Finance lease borrowings	8.390	14.488
Total	1.059.439	956.322

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 8-SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

Details of the bank borrowings as of 31 December 2013 and 31 December 2012 are as follows:

	31 December 2013			31 December 2012		
	Interest rate per annum (%)	Original foreign currency	TL	Interest Rate per annum (%)	Original foreign currency	TL
Short-term bank borrowings						
TL denominated bank borrowings	0-10,30	131.454	131.454	0-12	181.322	181.322
USD denominated bank borrowings	3,25-5,45	160.724	343.033	3,5-6,4	295.676	527.072
EUR denominated bank borrowings	3,50 – 5,08	41.327	121.356	4,5-5,78	43.742	102.869
Sub-total			595.843			811.263
Short-term portion of long-term bank borrowings:						
TL denominated bank borrowings	11,20	2.890	2.890	4-13,125	1.106	1.106
USD denominated bank borrowings	3-6,45	186.575	398.207	2,65-5,85	160.916	286.849
EUR denominated bank borrowings	3,25-5,71	8.623	25.321	1,3-6,5	15.024	35.332
Sub-total			426.418			323.287
Total short-term bank borrowings			1.022.261			1.134.550
Long-term bank borrowings:						
TL denominated bank borrowings	9,75-11,20	104.124		104.124	-	-
USD denominated bank borrowings	3,25-6,25	242.138	516.795	4,13-6,12	367.542	655.180
EUR denominated bank borrowings	3,25-5,71	144.879	425.437	1,8-5,11	118.946	279.725
Total long-term bank borrowings			1.046.356			934.905

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 8-SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

The redemption schedule of long-term bank borrowings as of 31 December 2013 and 31 December 2012 is as follows:

	31 December 2013	31 December 2012
2014	26.426	-
2015	312.675	495.626
2016	500.022	439.279
2017 and after	207.234	-
	1.046.357	**934.905**

As of 31 December 2013, the floating rate bank borrowings of the Group denominated in USD have interest rates fluctuating between Libor + 0,85% and Libor + 5,00% (31 December 2012: Libor +0,95 and + 6,89%) and the Euro denominated floating rate of Euribor + 0,95% of loans with interest rates of Euribor + 5,0% (31 December 2012: Euribor + 0,95% and Euribor + 6,19%), respectively.

Carrying value of the financial liabilities is considered to approximate their fair value since discount effect is not material. Group borrows loans on fixed and floating interest rates.

Commitments and financial terms about borrowings

Media

OOO Pronto Moscow, one of the indirect subsidiaries of the Group, has restructured its bank loan classified under the short-term portion of long-term financial liabilities as of 31 December 2013 and 31 December 2012 amounting to USD 70.000 with a maturity date of April 2014. The maturity of the related loan has been extended in December 2013 to 20 April 2015 using the one year extension option in the contract. Also, interest rate applied has decreased to 6,25% from 6,40% as of 31 December 2012. Deposit amounting to USD 70.000 has been blocked as collateral in accordance with the loan agreement of Doğan Holding.

Other

Akdeniz and Galata Wind

Subsidiaries of the Group in respect of the loans used by Akdeniz Elektrik and Galata Wind certain financial covenants that must be met are available. Defined in the credit agreement "Debt Service Coverage Ratio" (DSCR) should be minimum 1,05. Borrowers and guarantors, committed DSCR to be at this level until the debt has been paid back completely. The minimum rate of DSCR, determined by loan agreement remained below two times in a row and then deemed in a default state when not decrease to the minimum level of DSCR through a capital increase. DSCR calculations will be made every six months.

NOTE 8-SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

Share Pledges

As of the 31 December 2013, 15% shares of Doğan Yayın Holding (300.000.000 (exact) shares), 20,87% shares of Kanal D (10.747.548 (exact) shares) were given as pledges to financial institutions in respect of the long-term financial borrowings of the Group. Deutsche Bank AG has used its "call" option right as of 19 February 2013 and sold 22% shares of Doğan Gazetecilik to Doğan Yayın Holding in consideration of USD 122.323 and as a result of this transaction, 11,3% shares of Doğan Yayın Holding (226.354.060 (exact) shares) and 13,3% shares of Hürriyet (73.200.000 (exact) shares) have been repurchased and share pledges on these shares was removed. In addition, 67,3% shares of TME (33.649.091 (exact) shares) have been repurchased as a result of full payment of participation loan borrowed as at 4 January 2013 in relation to the acquisition of TME.

Financial liabilities related with options

Doğan Gazetecilik's, one of the subsidiaries of the Group, 22.000.000 (exact) shares each having par value of TL 1, which correspond to 22% of Doğan Gazetecilik's issued capital amounting to TL 78.000, are sold to Deutsche Bank AG during the capital raise to TL 100.000 on 19 November 2007 in the ISE Wholesale Market in consideration of USD 4 (exact) per share (initial price) (TL 4,73 (exact), by putting a restriction over the existing shareholders' share purchase rights.

There were put and call option agreements between Doğan Yayın Holding, one of the subsidiaries of the Group, and Deutsche Bank AG upon the shares of Doğan Gazetecilik. According to the call option agreement, Doğan Yayın Holding has the call option from Deutsche Bank AG for 21.945.000 (exact) shares of Doğan Gazetecilik, and according to the put option agreement, Deutsche Bank AG has the put option to Doğan Yayın Holding for 23.100.000 (exact) shares of Doğan Gazetecilik. Since Doğan Yayın Holding has a liability of giving another entity cash or another financial asset (in the case the put option is exercised by Deutsche Bank AG) as a result of the put option agreement mentioned above, USD 88.000 is presented as a financial liability in the consolidated financial statements as of 31 December 2012. As per the put option agreement, the put option exercise price is calculated by considering the initial price and the interest rate of 6,46%.

Maturities of both agreements metioned above are 5 years 3 months and ended at 19 February 2013. As of 20 February 2013, Deutsche Bank AG has used its "call" option right and sold 22% shares of Doğan Gazetecilik to Doğan Yayın Holding in consideration of USD 122.323. In this context, Doğan Yayın Holding, one of the subsidiaries of the Gorup, has no obligation as of 31 December 2013 (31 December 2012: TL 216.190).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 8-SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

Finance lease liabilities:

The Group acquired property, plant and equipment through finance leases. As of 31 December 2013, total lease payment commitments of the Group relating to such short and long term lease agreements amount to TL 18.641 (31 December 2012: TL 22.683).

The redemption schedules of long-term leasing payables at 31 December 2013 and 31 December 2012 are summarized below.

	31 December 2013	31 December 2012
2014	-	8.130
2015 and after	8.390	6.358
	8.390	**14.488**

Allocation of financial borrowings with fixed and floating interest rates of the Group as of 31 December 2013 and 31 December 2012 are as follows:

	31 December 2013	31 December 2012
Loans with fixed interest rates (Note 35)	988.748	462.767
Loans with floating interest rates (Note 35)	1.098.510	1.629.371
Total	**2.087.258**	**2.092.138**

Interest bearing payables to suppliers

Interest bearing payables to suppliers are related to the machinery and equipment purchases of Hürriyet, one of the subsidiaries of Doğan Yayın Holding. Interest rates of these short and long-term payables in EUR 1,60% (31 December 2012: EUR 1,22%).

The maturity analysis of long-term interest bearing payables to suppliers at 31 December 2013 and 31 December 2012 as follows:

	31 December 2013	31 December 2012
2014	-	5.146
2015 and after	4.693	1.783
Total	**4.693**	**6.929**

As of 31 December 2013, the Group's short-term financial liabilities to suppliers issued at variable interest rates are amounting to TL 6.436 (31 December 2012: TL 34.193) and long-term financial liabilities TL 2.226 (31 December 2012: TL 6.929). Long term fixed rate bank loans are amounting to TL 2.467 (31 December 2012: None) (Note 35).

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 8-SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

Interest bearing payables to suppliers (Continued)

Interest bearing payables to suppliers have floating interest rates. 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 2013	31 December 2012
6 months and less	8.662	41.122
Between 1-5 year	2.467	-
Total	11.129	41.122

The fair values of short-term and long-term financial borrowings to suppliers are considered to approximate their carrying values as the effect of discount is not material.

Other financial liabilities

As of 31 December 2013 and 31 December 2012 details of other financial liabilities are presented below.

Other short term financial liabilities:	31 December 2013	31 December 2012
Financial liabilities due to call and put options (Note 17)	199.365	162.849
Financial loan regarding to options (Dipnot 8,a)	-	216.190
Factoring payables	-	419
	199.365	379.458

Other long term financial liabilities:	31 December 2013	31 December 2012
Financial liabilities due to call and put options (Note 17)	183.182	289.164
	183.182	289.164

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 9-TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables	31 December 2013	31 December 2012
Trade receivables	987.793	869.378
Notes and cheques receivable	33.323	35.110
Income accruals	5.981	6.681
Total	**1.027.097**	**911.169**
Less: unearned financial income due to sales with maturity	(6.595)	(5.445)
Less: provision for doubtful receivables	(232.160)	(201.844)
Total	**788.342**	**703.880**

In the media segment of the Group, the average maturity of not overdue trade receivables, followed by Doğan Faktoring, is between 67 and 101 days as of the balance sheet date (31 December 2012: 70-98 days).

In the media segment of the Group, the average maturity of not overdue trade receivables is 45 days as of the balance sheet date (31 December 2012: 45 days).

In the other segment of the Group, the average maturity of not overdue trade receivables is between 30 and 90 days as of the balance sheet date (31 December 2012: 40-90 days). Average discount rate calculated as annual compound of trade receivables is 12,01% (31 December 2012: 10,03%).

Long-term trade receivables	31 December 2013	31 December 2012
Notes and cheques receivable [1]	3.507	2.800
Unearned financial income due to sales with maturity	(783)	(583)
	2.724	**2.217**

[1] Notes receivables consist of sales with maturity of Milpa's Automall Project a subsidiary of the group in 2012.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 9-TRADE RECEIVABLES AND PAYABLES (Continued)

The movements of long term and short term provisions for doubtful receivables for the current period is as follows:

	2013	2012
1 January	(201.844)	(176.210)
Provision booked in the current period (Note 27)	(35.421)	(40.038)
Collections and cancelled provisions	17.760	14.576
Currency translation differences	1.272	84
Consolidation rate change	-	(306)
Business combination effect	(15.566)	-
Acquisition of subsidiary	(2.776)	-
Disposal of subsidiary	4.415	50
31 December	(232.160)	(201.844)

Guarantees for trade receivables

As of 31 December 2013, trade receivables of amounting to TL 181.720. (31 December 2012:TL 145.464), were past due but not impaired. The Group does not foresee any collection risk for these overdue receivables due to sector dynamics and circumstances.

As of 31 December 2013, the Group has letters of guarantee, guarantee notes, guarantee cheques,bails, receivable insurance and mortgages amounting to TL 47.596 (31 December 2012: TL 64.939) related to trade receivables amounting to TL 791.066 (31 December 2012: TL 706.731). The guarantees received for the total trade receivables of the Group consist of bank guarantee letter amounting to TL 5.233 (31 December 2012: TL 20.922), bails and mortgages amounting to TL 32.739 (31 December 2012: TL 37.196), checks and notes amounting to TL 9.624 (31 December 2012: TL 6.821). In these guarantees, bank guarantee letter amounting to TL 1.344, bails and mortgages amounting to TL 19.552, cheques and notes amounting to TL 7.487, receivable insurance amounting to TL 4.356 was received overdue but not impaired receivables. (31 December 2012: bank guarantee letter amounting to TL 3.620, bails and mortgages amounting to TL 18.544, cheques and notes amounting to TL 4.330 (Note 35).

Short-term trade payables

	31 December 2013	31 December 2012
Trade payables	435.289	349.123
Provision for liabilities and expenses	57.828	16.234
Provision for broadcasted programmes	2.237	1.076
Notes payables	3.965	6.637
Other	51	288
Less: deferred financial expense due to purchase with maturity	(1.218)	(1.998)
Total	498.152	371.360

The average maturity of not over due trade payables is between 30 and 90 days as of 31 December 2013 (31 December 2012: 30-80 days).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 10 – OTHER RECEIVABLES AND PAYABLES

	31 December 2013	31 December 2012
Other short-term receivables		
Notes receivables [(1) (2) (3)]	105.020	417.212
Deposits and guarantees given	3.498	1.583
Other miscellaneous receivables	1.206	1.986
	109.724	**420.781**

	31 December 2013	31 December 2012
Other long-term receivables		
Notes receivable [(1) (2) (3) (4)]	11.456	95.557
TEIAS power transmision line receivables [(5)]	8.000	8.383
Deposits and guarantees given	3.226	2.300
Other miscellaneous receivables	5	-
	22.687	**106.240**

(1) TL 31.443 (31 December 2012: TL 26.681) of short-term notes receivables and TL 10.243 (31 December 2012: TL 32.318) of long-term notes receivables are composed from the sales of shares of Bağımsız Gazeteciler and all Milliyet brand, royalties and internet domain names to DK Gazetecilik ve Yayıncılık A.Ş at 2 May 2011. Notes receivables are shown at discounted amounts. The discount amount as of 31 December 2013 is TL 543 (31 December 2012: TL 734).

(2) TL 313.738 (USD 176 million) of short term notes receivables as of 31 December 2012 consists of the receivables from Doğuş Yayın Grubu regarding the sale of shares of Işıl Televizyonculuk Yayıncılık A.Ş (Star TV) as of 3 November, 2011. The maturity of the receivable is 2 November 2013. Doğuş Holding A.Ş. has become the guarantor for the related receivable. Receivable with maturity date of 2 November 2013 resulting from the transfer of shares of Işıl Televizyon Yayıncılık A.Ş. (Star TV) to Doğuş Yayın Grubu companies has been collected as of 4 November 2013.

(3) Hürriyet, a subsidiary of the Group, sold the properties that consist of 58.609,45 m2 land and buildings, including the building that has been used as company headquarters for 28 years (Hürriyet Media Towers) in Bağcılar, Istanbul in 2012 to Nurol Gayrimenkul Yatırım Ortaklığı in consideration of USD 127.500 (TL 225.994), excluding late interest. USD 17.500 of the consideration was paid in cash and the remaining portion which amounts to USD 110.000 is payable in 32 equal installments as of 6 March 2012 by applying 3,5% interest rate for the remaining installment portions. As of 31 December 2013, USD 34.375 (TL 73.367) of the related consideration is recognized as short-term notes receivables and cheques. (31 December 2012: USD 34.375 (TL 61.277)). Interest amount that is collectible in relation to principal amount is USD 6.396, and USD 2.014 (TL 3.570) of the related amount, excluding VAT, has been collected and is recognized as other income from operating activities in the accompanying financial statements in the current period. Interest accrual calculated by using the effective interest rate in the current period amounts to USD 99 (TL 210) and is recognized as short-term notes receivables and cheques and finance income in the accompanying financial statements.

(4) Long-term notes receivable amounting to TL 1.213 (31 December 2012: TL 1.962) consist of the notes receivables of other subsidiaries.

(5) The amount consists of the receivables of Akdeniz Elektrik and Galata Wind from the power transmission line of TEİAŞ.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 10 – OTHER RECEIVABLES AND PAYABLES (Continued)

Other Short Term Payables	31 December 2013	31 December 2012
Taxes and funds payable	51.083	51.042
Deposits and guarantees received	482	702
Other short term payables	2.347	147
	53.912	51.891

Other Long Term Payables	31 December 2013	31 December 2012
Deposits and guarantees received	13.658	13.032
Other long term payables	652	275
	14.310	13.307

NOTE 11-INVENTORIES

Short term inventory	31 December 2013	31 December 2012
Finished goods and merchandise (1)	173.772	136.732
Raw materials and supplies	84.856	78.426
Semi-finished goods	9.822	11.212
Promotion stocks	5.037	9.907
Other inventories	8.386	2.828
	281.873	239.105
Provision for impairment of inventory	(8.056)	(7.547)
	273.817	231.558

(1) As of 31 December 2013 TL 26.701 (31 December 2012:TL 32.341) of finished goods consists of the inventories related to housing projects run by subsidiary Milpa.

As of 31 December 2013, TL 206 (31 December 2012: TL 387) depreciation and amortization expense have been reflected to the inventories.

The promotion stocks comprise books, cd, dvd and electronic training materials sold together with newspapers. 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 management by taking the purchase date into consideration.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 11 – Inventories (Continued)

Movements of the provision for impairment of inventories are as follows:

	2013	2012
1 January	(7.547)	(6.386)
Provision booked in the current period (Note 27)	(1.917)	(4.537)
Reversal of provision	1.408	3.376
31 December	(8.056)	(7.547)

NOTE 12-BIOLOGICAL ASSETS

Biological assets of Doğan Organik, a Group's subsidiary, amounted to TL 219 as of 31 December 2013 (31 December 2012: TL 208).

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 13-INVESTMENT PROPERTY

The movements in investment property during the periods ended 31 December 2013 and 2012 are as follows.

	1 January 2013	Additions	Disposals	Transfers[1]	Gain/(Loss) resulted from fair value change	Currency translation differences	31 December 2013
Land	146.113	851	-	-	13.931	9.788	170.683
Building	83.263	19.315	(25.546)	(60.115)	38.564	-	55.481
Net book value	**229.376**						**226.164**

	1 January 2012	Additions	Disposals	Transfers [2]	Gain/(Loss) resulted from fair value change	Consolidation change effect	31 December 2012
Land	112.913	17.824	-	6.236	9.140	-	146.113
Building	67.328	33.664	(23.230)	3.250	3.643	(1.392)	83.263
Net book value	**180.241**						**229.376**

(1) TL 59.888 of transfers is resulted from the classificiation of "Superficies Right" of Milta Turizm, one of the Group subsidiaries, ton on-currenct assets held for sale (Note 37).

(2) 19 stores belonging Veneris Project of Milpa with 6.067 m2 size, which were accounted under "inventories" until 31 December 2012, were rented for 10 years according to signed agreement and classified as "investment properties" with fair value of TL 6.236.

Investment properties which are carried at cost less any accumulated loss and impairment, if any in the prior consolidated financial statements are recognized at fair value in accordance with the Group management's decision (Note 2.1.6) based on the evaluation done in 2012 year. In this context, investment properties of the Group at 31 December 2012, 31 December 2011 and 31 December 2010, are valued under the Capital Markets Law.

The group has rent income amounting to TL 5.986 from investment (31 December 2012: TL 3.660). Direct operating costs in the current period resulting from investment property is TL 1.270 (31 December 2012: TL 1.277). There is no collateral or mortgage on investment properties of the Group as of 31 December 2013.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 14-PROPERTY, PLANT AND EQUIPMENT

Movement of the property, plant and equipment for the periods ended 31 December 2013 and 2012 are as follows:

	1 January 2013	Additions	Disposals	Transfers	Classified as asset held for sale(1)	Acquisiton of subsidiary	Disposal of subsidiary [2]	Currency Translation differences	31 December 2013
Cost:									
Land and land improvements	115.756	275	(39)	281	(4.998)	-	-	3.470	114.745
Buildings	137.542	108	(170)	(459)	(280)	-	-	2.612	139.353
Machine and equipments	1.108.171	20.338	(7.955)	41.205	-	330	-	12.533	1.174.622
Motor vehicles	104.479	15.937	(8.233)	-	-	-	-	761	112.944
Furniture and fixtures	370.937	80.288	(24.542)	850	(3.225)	3.879	(172)	266	428.281
Leasehold improvements	125.724	10.542	(193)	480	(411)	285	-	493	136.920
Other non-current assets	9.548	-	(2)	-	-	-	-	-	9.546
Construction in progress	43.954	28.157	(19.142)	(42.357)	(1.220)	547	-	(804)	9.135
	2.016.111	**155.645**	**(60.276)**	**-**	**(10.134)**	**5.041**	**(172)**	**19.331**	**2.125.546**
Accumulated depreciation:									
Land and land improvements	5.094	389	(16)	-	-	-	-	-	5.467
Buildings	71.813	5.321	(1)	-	(82)	-	-	2.517	79.568
Machine and equipments	704.224	67.709	(5.746)	-	-	179	-	11.539	777.905
Motor vehicles	51.666	10.194	(3.842)	-	-	-	-	11	58.029
Furniture and fixtures	185.004	46.519	(10.297)	-	(2.828)	2.663	(156)	827	221.732
Leasehold improvements	70.677	9.799	(70)	-	(97)	-	-	420	80.729
Other non-current assets	721	111	-	-	-	-	-	-	832
	1.089.199	**140.042**	**(19.972)**	**-**	**(3.007)**	**2.842**	**(156)**	**15.314**	**1.224.262**
Net book value	**926.912**								**901.284**

As of 31 December 2013 there is TL 19.087 mortgage on non-current tangible assets. (31 December 2012: TL 15.286).As of 31 December 2013, net book value of non-current tangible assets obtained by leasing is TL 45.540 (31 December 2012: TL 46.800) and accumulated amortisation is TL 34.359. (31 December 2012: TL 27.878).

[1] The Group comprised on an aggrement in order to sell its 17.725,69 m2 sized surface located in Esenyurt, Istanbul for USD 9.000. Aforementioned surface is classified as "non-current assets held for sale" with respect to this aggrement. Also, the Group classified it subsidiaries operating in Hungary and Croatia as non-current assets held for sale.
[2] The Group disposed its subsidiary shares, Moje Delo Spletni Marketing d.o.o in 2013.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 14-PROPERTY, PLANT AND EQUIPMENT (Continued)

	1 January 2012	Additions	Disposals	Subsidiary	Disposal of Transfers	Currency translation differences	Acquisition of Subsidiary	Consolidation ratio change[1]	Consolidation change effect	Impairment	31 December 2012
Cost											
Land and land improvements	133.158	1.770	(20.901)	-	2.135	(552)	142	-	4	-	115.756
Buildings	148.046	1.116	(4.624)	-	(9.206)	(874)	3.063	21	-	-	137.542
Machine and equipments	1.020.693	37.506	(158.576)	(320)	12.775	(2.677)	240.531	160	(172)	(41.749)	1.108.171
Motor vehicles	114.218	9.524	(10.125)	-	7	(132)	80	-	(9.093)	-	104.479
Furniture and fixtures	379.568	88.624	(98.062)	110	1.244	(325)	304	-	(416)	-	370.937
Leasehold improvements	97.580	29.668	(3.110)	(7)	-	427	-	-	1.166	-	125.724
Other non-current assets	9.929	-	(382)	-	-	-	1	-	(689)	-	9.548
Construction in progress	3.881	64.246	(7.256)	(-)	(16.364)	(149)	285	-	(9.200)	-	43.954
	1.907.073	**232.454**	**(303.036)**	**(327)**	**9.409**	**(4.282)**	**244.406**	**181**	**-**	**(41.749)**	**2.016.111**
Accumulated depreciation:											
Land and land improvements	4.728	327	-	-	52	-	-	-	(13)	-	5.094
Buildings	70.539	5.726	(540)	-	(3.627)	(285)	-	-	-	-	71.813
Machine and equipments	800.577	48.526	(143.392)	(32)	-	(1.388)	-	150	(217)	-	704.224
Motor vehicles	70.016	10.137	(4.586)	-	-	(140)	-	-	(23.761)	-	51.666
Furniture and fixtures	226.031	46.935	(86.739)	(178)	-	(536)	-	7	(516)	-	185.004
Leasehold improvements	65.196	8.311	(1.638)	(8)	-	(65)	-	-	(1.119)	-	70.677
Other non-current assets	981	1	(261)	-	-	-	-	-	-	-	721
	1.238.068	**119.963**	**(237.156)**	**(218)**	**(3.575)**	**(2.414)**	**-**	**157**	**(25.627)**	**-**	**1.089.199**
Net book value	669.005										926.912

[1] The change is related to Eko TV to be consolidated as subsidiary since it was consolidated as joint venture before. (Note 3).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 15 – INTANGIBLE ASSETS

	1 January 2013	Additions	Disposals	Classified as assets held for sale	Currency translation differences	Disposal of subsidiary [1]	Consolidation change effect	31 December 2013
Cost:								
Customer list	310.305	-	-	(31.039)	62.085	-	-	341.351
Trade names and licenses(Media)	295.435	-	-	(13.316)	36.569	-	-	318.688
Electricity production license	355.044	-	-	-	-	-	-	355.044
Other	401.354	72.654	(3.970)	(23.179)	9.585	-	5.104	461.548
	1.362.138	**72.654**	**(3.970)**	**(67.534)**	**108.239**	**-**	**5.104**	**1.476.631**
Accumulated amortization:								
Customer list	108.192	19.273	-	(23.279)	39.388	-	632	144.206
Trade names and licenses(Media)	19.200	1.491	-	-	1.072	-	-	21.763
Electricity production license	4.611	7.647	-	-	-	-	1.489	13.747
Other	281.083	47.910	(3.250)	(19.488)	8.894	-	2.393	317.542
	413.086	**76.321**	**(3.250)**	**(42.767)**	**49.354**	**4.514**	**497.258**	
Television program rights (3)	56.988						76.471	
Net book value	**1.006.040**						**1.055.844**	

Movement of Television program rights for 2013 is as follows:

	1 January 2013	Additions	Discontinued operations	Depreciation	Currency translation changes	Provision for impairment of program rights and inventory	31 December 2013
Television program rights	56.988	59.401	-	(42.037)	2.729	(610)	76.471

(1) Mentioned disposal of subsidiary refers to, Moje Delo, spletni marketing,d.o.o. which was disposed in 2013.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 15 – INTANGIBLE ASSETS (Continued)

	1 January 2012	Additions	Disposals	Disposal of Subsidiary	Transfers	Currency translation differences	Acquisition of subsidiary	Consolidation ratio change(1)	Consolidation change effect	31 December 2012
Cost:										
Customer list	309.421	-	-	-	-	884	-	-	-	310.305
Trade names and licenses(Media)	297.085	-	-	-	-	(1.650)	-	-	-	295.435
Electricity production license	-	-	-	-	-	-	355.044	-	355.044	
Other	351.502	53.376	(4.623)	(33)	1.537	(1.143)	64	-	674	401.354
	958.008	**53.376**	**(4.623)**	**(33)**	**1.537**	**(1.909)**	**355.108**	**-**	**674**	**1.362.138**
Accumulated amortization:										
Customer list	88.939	18.564	-	-	-	689	-	-	-	108.192
Trade names and licenses(Media)	17.732	1.439	-	-	-	29	-	-	-	19.200
Electricity production license	-	-	-	-	-	-	4.611	-	-	4.611
Other	254.342	33.128	(4.689)	(25)	-	(905)	25	(48)	(745)	281.083
	361.013	**53.131**	**(4.689)**	**(25)**	**-**	**(188)**	**4.636**	**(48)**	**(745)**	**413.086**
Television program rights (3)	64.296									56.988
Net book value	**661.291**									**1.006.040**

(1) The Group has completed the share purchase transaction for the 19,98% shares of Eko TV, which was journalized as joint venture as of 31 December 2011, as of 6 September 2012 and the Company has been included as subsidiary in the accompanying financial statements as of this date

Movement of Television program rights for 2012 is as follows:

	1 January 2012	Additions	Discontinued operations	Depreciation(1)	Currency translation differences	Program rights and inventories provision for impairment	31 December 2012
Television program rights	64.296	29.520	-	(34.949)	(11)	(1.868)	56.988

(1) Depreciation and amortisation of TL 6.893 related to sale of Star TV on 3 November 2011, is classified in financial tables under discontinued operations fort he period ended 31 December 2011.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 15 – INTANGIBLE ASSETS (Continued)

Intangible assets with indefinite useful lives

As of 31 December 2013, the Group has determined that brand names with carrying value of TL 291.484 have indefinite useful lives (31 December 2012: TL 269.360) (Note 2). The utilization period of brand names 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 as of 31 December 2013 and 2012 is as follows:

	2013	2012
1 January	518.914	539.951
Currency translation difference	11.092	(576)
Goodwill impairment (1)	-	(21.278)
Disposal of subsidiary (2)	(6.458)	-
Discontinued operations	-	(43)
Other (3)	(3.543)	860
31 December	**520.005**	**518.914**

(1) There isn't any provision booked for goodwill impairment as of 31 December 2013 as explained in detail in the context in Note 2. (31 December 2012: TL 18.106 of the total impairment is related with the purchasing of subsidiaries operating in Russia by Hurriyet, one of the subsidiaries of the Group and TL 3.172 of the total impairment is related with the goodwill measurement difference regarding the purchases of shares of Eko TV which was previously accounted as joint venture).

(2) The Group has disposed its shares in Moje Delo, spletni marketing d.o.o. subsidiary in accordance with legal regulations of Slovenia in 2013.

(3) Other relates to the changes in fair value of put options.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 16-GOVERNMENT GRANTS

- Hürriyet, a subsidiary of the Group, obtained six investment incentives certificate for the imported equipments amounting to USD 13.805 and domestic equipments amounting to TL 1.502 for the modernization of its printing plants in Istanbul, Ankara, Izmir, Adana, Antalya and Trabzon on 28 October, 2, 4 November and 30 December 2011. The agreements are valid for two years and equipment imported within the scope of the certificate is exempt from Customs Duty and VAT. The investments amounting to USD 13.595 for imported equipments and TL 1.502 for domestic equipments are realized within these certificates as of 31 December 2013 (31 December 2012:Imported equipments USD 13.450 and domestic equipments TL 1.280).

- Ditaş, a subsidiary of the Group, benefits from the tax and insurance premium incentive under the scope of law 5746 Investment and Employment Promotion and Amending some laws. In this context, the incentive of the insurance premium amounting to TL 811 (31 December 2012: TL 792) is reflected in the financial statements as income from other operations.

- Ditaş obtained incentive certificate at 27 January 2011 from Turkish Treasury of Incentive Executive General Directorate for making the investment amounting TL 9.589 for the modernization of machinery racecourse to increase production capacity. Within the context of incentive certificate 60% tax deduction, 20% investment contribution rate and VAT exemption, custom tax exemption and interest support will be provided for 3 years with insurance Premium employer share support. The date of completion is 21 December 2013. TL 1.358 of Investments have been done to equipments by Ditaş are in incentive scope. (31 December 2012: TL 791)

NOTE 17-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions	31 December 2013	31 December 2012
Provision for lawsuits	31.189	28.712
Other	392	1.458
	31.581	**30.170**

Movement of lawsuit provisions fort he period 31 December 2013 ve 2012 is as follows:

	2013	2012
1 January	28.712	21.957
Aqucition of subsidiary	-	325
Additions (Note 27)	8.997	12.414
Payments	(5.124)	(3.663)
Reverse provision	(1.396)	(2.321)
31 December	**31.189**	**28.712**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 17-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(a) Law Cases

The amount of lawsuits against the Group is TL 80.623 as of 31 December 2013 (31 December 2012: TL 85.082).

	31 December 2013	31 December 2012
Legal cases	65.797	62.574
Commercial cases	5.552	14.650
Business cases	7.664	6.309
Other	1.610	1.549
Total	**80.623**	**85.082**

A provision for lawsuits filed against the Group whose details are given above amounting to TL 31.189 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 2012: TL 28.712). Legal cases mainly consist of pecuniary and non-pecuniary damages and lawsuits filed against Doğan Yayın Holding and its subsidiaries and lawsuits initiated by the Radio and Television Supreme Council.

(b) Tax penalty and law suits:

The Group's decision on the requirements set out in relation to "Tax Base Increase" in Law No: 6111 "Restructuring of some receivables and Social Security and General Health Insurance Law and Other Law Amending Certain Laws and Decrees"

The Group management plans to make use of the requirements set out in relation to "Undue and on Trial Tax Liabilities" and "Tax Base Increase" in Law No: 6111 "Restructuring of some receivables and Social Security and General Health Insurance Law and Other Law Amending Certain Laws and Decrees" ("Law No: 6111"), which has become effective upon the issuance in the Official Gazette No: 27857 (I.Bis) on 25 February 2011. After the amount calculated on the basis of Law No: 6111 is paid in advance, the remaining portion which will be paid in 18 equal installments in 36 months, including the 9th installment is paid as of 28 September 2012. In this regard, the Group has no outstanding liability under the requirements of Law No: 6111. The amount of payment and expenses of the Group within the scope of Law No: 6111 are summarized below:

Undue and on trial tax liabilities in dispute

Under the requirements of Law No. 6111, TL 37.430 portion of the related amount is paid in cash until 30 June 2011. In this scope, TL 423.588 portion of TL 886.772 of principal including interest is paid in 8 installments, and the remaining portion (TL 463.184) is paid including the 9th installments. TL 58.013 (31 December 2011: TL 38.595, 31 December 2012: TL 19.418) of total interest payment is made regarding "undue and on trial tax liabilities in dispute" paid in installments. The Group has made a total payment of TL 924.202 including interest regarding its "undue and on trial tax liabilities in dispute" in accordance with Law No: 6111 and the Group has no outstanding liability in this regard.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 17-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(b) Tax penalty and law suits (Continued)

Tax base increase

Under the requirements of law no: 6111, TL 66.040 portion is paid in cash until 30 June 2011. In this scope, TL 15.063 portion of TL 31.534 which will be paid in 18 installments in 36 months is paid in 8 installments, and the remaining portion (TL 16.471) is paid including the 9th month installments. TL 2.069 (31 December 2012: TL 1.372, 31 December 2012: TL 697) of total interest payment is made regarding tax base increase paid in installments. The Group has made a total payment of TL 97.574 including interest regarding its "tax base increase" in accordance with Law No: 6111 and the Group has no outstanding liability in this regard.

(c) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH (Continued)

Doğan Yayın Holding sold 90.854.185 shares ("Axel shares"), 25% of the share capital of Doğan TV Holding, to Commerz-Film GmbH (formerly registered as Dreiundvierzigste Media Vermögengsverwaltungsgesellschaft mbH), a 100% subsidiary of Axel Springer AG, for EUR 375.000 (TL 694.312, this amount is defined as "initial sales price") on 2 January 2007. In accordance with the Share Sale Agreement ("Agreement") that the initial sales price will be revised based on whether the "initial public offering" ("IPO") of the shares of Doğan TV Holding or not.

Dates for the reassessment of the original selling price as set out in the agreement signed by Doğan Holding, Doğan Yayın Holding, Doğan TV Holding and Commerz-Film GmbH on 19 November 2009 have been postponed for a maximum period of 6 years without being subject to any condition. The related agreement dated 19 November 2009, was amended by a new agreement (Amendment agreement) signed with Doğan Holding, Doğan Yayın Holding, Doğan TV Holding, Commerz-Film GmbH and Hauptstadtsee 809. V V GmbH at 31 October 2011.

The amount of EUR 375.000 which is determined as the initial sale price above, can change depending on the terms details of which are explained below. According to the contract, "initial sale price" will be revised based on whether the "initial public offering" ("IPO") of the shares of Doğan TV Holding or not.

<u>Doğan Yayın Holding:</u>

In the event that "Axel shares" are offered to public by 30 June 2017 and if quarterly share value of "Axel Shares" in average subsequent to public offering is less than the amount of which will be calculated by adding interest over the original selling price (it will be remeasured using a 12 month Euro Libor rates on annual compound basis effective from 2 January 2007) to the original selling price, both the difference resulting from the quarterly share value of "Axel Shares" in average subsequent to public offering and the original selling price and the amount calculated by adding interest over the difference would be paid by Doğan Yayın Holding to the Axel Springer Group.

In the event that "Axel Shares" are offered to public by 30 June 2017 and if quarterly share value of "Axel Shares" in average subsequent to public offering is higher than the original selling price, both the difference resulting from the quarterly share value of "Axel Shares" in average subsequent to public offering and the amount of which will be calculated by adding interest over the original selling price (as measured by using an annual combined Euro Libor plus 100 base points as of 2 January 2007) to the original selling price would be equally shared between the Axel Springer Group and Doğan Yayın Holding.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 17-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(c) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH (Continued)

Doğan Yayın Holding (Continued) :

In the event that "Axel Shares" are not offered to public by 30 June 2017 and if the fair value of Doğan TV Holding , which will be calculated by using certain valuation techniques as at 31 December 2015, is less than the amount of which will be calculated by adding interest over the original selling price (as measured by using an annual combined Euro Libor plus 100 base points as of 2 January 2007) to the original selling price, both the fair value of Doğan TV Holding, which will be calculated by using certain valuation techniques as at 31 December 2015, and the difference of the original selling price and the amount calculated by adding interest over the difference would be paid by Doğan Yayın Holding to the Axel Springer Group. If Doğan TV Holding's shares are not listed by the end of 30 June 2017, the fair value based on the above-mentioned techniques would be reassessed, payments would be made to the Axel Springer Group in accordance with the related calculations, and Axel Springer Group's call option of its entire or some portion of "Axel shares" to Doğan Holding and Doğan Holding's put option for the related shares would continue to be in effect.

In the event that Axel Springer group shares are offered to the public between 30 June 2017 and 30 June 2020, any positive difference between the initial public offering value and the initial sales price remeasured as of 31 December 2015 (it will be remeasured using the annual Euro Libor rates on annual compound basis starting from 2 January 2007) including interest calculated from the difference (it will be calculated using the annual Euro Libor rates on annual compound basis effective from 1 July 2017) will be apportioned equally, whereas no transaction will take place for any negative difference.

As of the balance sheet date, the Group prepared 2014-2020 cash flow projections for Doğan Yayın Holding to determine whether Doğan Yayın Holding assumes any liabilities in regards to the "initial sale price" regarding the Agreement. The related cash flow statements are calculated based on different initial public offering scenarios in different terms covering 5 years and calculating the fair value of Doğan TV Holding.

Significant estimates and assumptions prepared based on TL cash flow projections for determining the fair value of Doğan TV Holding are presented as follows:

	2014-2020
5 year Average Revenue increase in the budgeted period (1)	14,04%

	2013	2014	2015	2016	2017	2018	2019	2020
EBITDA margin (2)	11%	11%	23%	30%	35%	38%	38%	37%

(1) Average of Compound annual growth rate (CAGR – compound annual growth rate)
(2) Earnings before interest, taxes, depreciation and amortization

Cash flow projections are discounted with 13,4% as the by rate of weighted average cost of capital (WACC). Growth rate is considered as 3 %.

NOTE 17-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(c) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH (Continued)

Doğan Yayın Holding (continued):

In accordance with the fair value calculated using the discount rates, case of offering to public and cash flow projections mentioned above, there are not any financial liabilities arising from the Axel share acquisition, which represents 12,43% of Doğan TV Holding's capital, by the Axel Springer Group.

Considering the above significant assumptions related to cash flow projections, initial public offering scenarios, fair values calculated by using the discount rates, Agreement terms and future uncertainties, as of the balance sheet date, no liability is recorded in the accompanying consolidated financial statements in relation to the sale of 12,43% "Axel Shares" in Doğan TV Holding capital to the Axel Springer Group by the Group management.

If the weighted average cost of capital (WACC – weighted average cost of capital) after tax used in the fair value calculation of Doğan TV Holding regarding the above-mentioned valuation details increases by 50 basis points, the Group's liability, which is calculated by considering the average fair value occurring at different IPO periods by the end of 2015, would increase by TL 113.488 and if the weighted average cost of capital after tax decreases by 50 basis points, no liability is recognized.

In addition, if cash flows considered in the determination of Doğan TV's fair value decrease by 10%, the Group's liability, which is calculated by considering the average fair value calculated at different IPO periods until the end of 2015, would increase by TL 64.477, and if the related cash flows increase by 10%, no liability is recognized.

In addition to the requirements above, if Doğan TV's public offering occurs in 2014 under the scope of revised agreement signed at 11 June 2013 by the Group and if the estimated initial public offering price is less than the "initial sales price"amount plus EUR 27.000 but by all means above the "initial sale price", positive difference as a reference account arising from the interest paid for the first and second part of DTV Put Option I of which Doğan TV is a party to the agreement in January 2013 and January 2014 and interest for the third part of DTV Put Option I in January 2015 shall be paid by the Axel Springer Group to Doğan Yayın Holding A.Ş..

Doğan Holding:

DTV Put Option I

Specified below conditions set out in the agreement signed on 19 November 2009 are applicable as of 19 February 2010 and they have been finalized with the amendment agreement on 31 October 2011.

- Axel Springer Group has a sale option and Doğan Holding has a committment to purchase 33.843.238 (exact) number of shares for a consideration of EUR 50.000 in each period at January 2013, January 2014 and January 2015 (DTV Put Option I). Axel Springer Group has an option to sell some or all of the related shares.

Payable amount will include interest calculated based on the 12 months compound Euro Libor plus 100 basis points starting from 2 January 2007.

NOTE 17-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(c) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH (Continued)

Doğan Holding (continued):

DTV Put Option I (continued):

As of 31 January 2013, Doğan Holding acquired 33.843.238 (exact) registered group B shares which equals to 2,48844% of paid in capital of Doğan TV Holding first tier for EUR 50.000 as stated above with TL 1 of nominal value in consideration of EUR 61.572 in total. After the related share purchase, Doğan Holding's direct share on Doğan TV Holding became 2,48844%.

The Group's purchase commitment in respect of IAS 32 "Financial Instruments: Disclosure and Presentation", a portion of the liability in the Group's own equity instead of cash, regardless of ability to pay the amount on the balance sheet at amortized over the estimated value of the financial be submitted as a liability. In this respect, as of 31 December 2013 "DTV Option I" covered liabilities in the accompanying consolidated balance sheet at amortized amount of TL 341.615 (31 December 2012: TL 433.806). The said amount is TL 183.210 (31 December 2012: TL 144.642) part of the "short-term financial liabilities", and TL 183.182 (31 December 2012: TL 289.164) amounting to a "long-term financial liabilities are presented as" (Note 8).

DTV Put Option II:

- According to the agreement dated 19 November 2009, Axel Springer Group has option to sell some or all of "Axel shares" with the higher of EUR 4,1275 (exact) per share or a fair value to be determined by specific valuation techniques to Doğan Holding and Doğan Holding has a commitment to purchase these shares ("DTV Put Option II"). Payables will include interests' payments of annual combined 12 months Euro Libor plus 100 base points as of 2 January 2007. In order to exercise this option, the following conditions must be met.

- Doğan TV Holding shares should not be offered to the public by 30 June 2017,
- There should be direct or indirect control change over Doğan Holding, Doğan Yayın Holding or Doğan TV Holding,
- There should be pledges or sequestration on the Doğan Yayın Holding's assets that have significant unfavorable effects on the operations of Doğan Yayın Holding in addition to the existing ones.

Whereas, with the amendment agreement dated 31 October 2011, EUR 4,1275 (exact) per share is updated as EUR 1,3725 (exact) because of the increase in the share capital of Doğan TV Holding.

As per the Amendment Agreement dated 31 October 2011, the Axel Springer Group has also requested two guarantee letters amounting to 50.000 EUR each in order to guarantee the liabilities of Doğan Holding under the "DTV Put Option I". Two guarantee letters amounting to EUR 50.000 were given by Doğan Holding as of 10 February 2012, and one of these guarantee letter was expired after the acquisition on January 2013. Also on same date 3rd guarantee letters amouning to EUR 50.000 was given for 34.183.593 (exact) share to be used from January 2015.

NOTE 17-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(d) Put Options:

OOO Pronto Moscow Option

OOO Pronto Moscow, a indirect subsidiary of the Group, has extended the maturity of 70.000 USD with April 2014 term to 20 April 2015 which was classified under short-term portion of long-term borrowings as of 31 December 2013 and 31 December 2012 by using 1 year delay option on contract. Also, interest rate applied has decreased to 6,25% from 6,40% as of 31 December 2012. Under the loan restructuring agreement, Doğan Holding's USD 70.000 of deposit amount has been blocked as a guarantee against the related loan (Note 19).

Oglasnik d.o.o. Option

Hürriyet, a subsidiary of the Group, has granted a put option, on the 30% shares outstanding during the acquisition of 70% interest of the shares in its subsidiary Oglasnik d.o.o in Croatia. Discussions concerning the use of this option as of the reporting date of these financial statements are still ongoing. As of 31 December 2013, the fair value of the option is calculated as TL 16.155 based on various valuation techniques and assumptions and classified in "Other short-term financial liabilities" (31 December 2012: TL 18.207) (Note 9). There is a dispute on the protocol between the contract parties and an arbitration process is in progress in the presence of Zagreb Court of Arbitration. A determination of the validity of the option contract lawsuit has been filed against the Group by the non-controlling interest shareholders regarding the fact that they could not exercise the put option. An alternative compensation as EUR 3.5 million plus overdue interest has been claimed with the lawsuit. The third trial was made on July 3, 2013 and the arbitration process is still ongoing as of the balance sheet date.

(e) Other

Milpa:

The Land of Ömerli

Under the revenue sharing and/or costruction for flat for land basis agreement signed with the landowners in relation to the Milpa's , one of the subsidiaries of the Group, 2.093.941 m2 of land which is classified as investment property in the consolidated financial statements, with the parcel no:1154 in Kurtdoğmuş village, in Pendik in İstanbul, there is an annotation about the construction agreement. The related land is situated at the Habitat Park Area and Recreation Area in the İstanbul Environmental Plan which was approved on 15 June 2009 with a scale of 1/100.000. The remaining parcel no: 1155, which is 144.266 m2, is situated at the Forest Land. In addition, the related parcels are situated at the soil classification section of Kurtdoğmuş, Emirli, Kurnaköy, Ballıca and Göçbeyli villages organized in İstanbul Metropolitan Area East Side pendik, İstanbul in accordance with the Soil Conservation and Land Use Law No: 5403. Parcel no: 1154 in full and small part of parcel no: 1155 are situated at the Marginal Agricultural Area eligible for non-agricultural use and significant part of parcel no:1155 is situated at the Military Area.

NOTE 17-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(e) Other (continued)

Milpa (continued):

144.266 m2 of the land was removed from forestry land with a court decision taken in 2005. 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 (removing from forestry land) are sent to the Pendik Court of First Instance for re-evaluation. The Court reiterated its initial decision on 8 October 2009. The Ministry of Forestry appealed the Court's decision and the related case file was re-sent to the Civil Department No: 20 of the Court of Appeal and re-transferred to the Pendik Court of First Instance Aforesaid Court follows the Supreme Court 20th Civil Chamber's reversal decision and has postponed the trial date to 5 June 2014 with the purpose of re-exploration and evaluation of Forestry Ministry's claims.

With the 1/100.000 scale environmental plan released on 17 July 2009, the related land was classified as a habitat and recreation area. Milpa appealed this plan with the İstanbul Metropolitan Municipality within the legal deadline and is waiting for related responses. In case of an adverse decision taken by the İstanbul Metropolitan Municipality against Milpa, legal proceedings will be taken contrary to decision.

Pendik, Kurtdoğmuş change in the zoning plan of the land in the village and on the objection to this change, as of the date of preparation of these financial statements have not yet responded on the property's fair value and the resulting uncertainty due to the appeal, the legal process will continue to be assessed according to the developments will occur in the subsequent periods.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 18-COMMITMENTS

Collaterals, pledges and mortgages (CPM) given by the Group

	31 December 2013					31 December 2012				
	TL Equivalent	TL	USD	EURO	Other	TL Equivalent	TL	USD	EURO	Other
A. CPM's given in the name of its own legal personality										
Guarantees [1]	500.475	97.284	37.119	110.325	-	489.551	71.739	29.124	155.229	2.709
Pledge	228.221	-	69.101	27.495	-	226.354	226.354	-	-	-
Mortgage [2]	19.087	-	-	6.500	-	15.286	-	-	6.500	-
B. CPM's given on behalf of the fully consolidated companies	-	-	-	-	-	-	-	-	-	-
Guarantees [1] [3]	1.682.172	36.149	530.070	175.275	-	3.417.325	175.080	1.429.350	288.031	8.710
Pledge	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
C. CPM's given on behalf of third parties for ordinary course of business										
Guarantees	-	-	-	-	-	-	-	-	-	-
Pledge	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
D. Total amount of other CPM's given	-	-	-	-	-	-	-	-	-	-
i) Total amount of CPM's given on behalf of the majority shareholder	-	-	-	-	-	-	-	-	-	-
ii) Total Amount of CPM's given on behalf of third parties	-	-	-	-	-	-	-	-	-	-
Which are not in scope of B and C	-	-	-	-	-	-	-	-	-	-
iii) Total Amount of CPM's given on behalf of third parties	-	-	-	-	-	-	-	-	-	-
Which are not in scope of C	-	-	-	-	-	-	-	-	-	-
Total	2.429.955					4.148.516				

(1) The guarantees of the Group consist of letter of guarantees, guarantee notes, bails and mortgages. The details of letter of guarantees, guarantee notes, bails and mortgages are explained below.

(2) There is a mortgage amounting to TL 19.087 over the tangible fixed assets of Group's subsidiary Hürriyet as of 31 December 2013 (31 December 2012: TL 15.286).

(3) Doğan Holding has bail amounting to USD 52.800 given to credit institutions within the scope of Aslancık Elektrik's hydroelectric power plant construction that is planned to be completed in 2013 (31 December 2012: USD 45.309).The entity gave bank guarantees amounting to USD 78.018 for Boyabat Elektriks long term Project financing bank loan.

(4) 33.33% Shares of Aslancık Elektrik (45.000.000 (exact) shares, 33% shares of Boyabat (6.996.000 (exact) shares), 100% of Akdeniz'in (20.000 (exact) shares), 100% of Galata Wind'in (68.700 (exact) shares) and 100% of Nakkaştepe Elektrik (141.500.000 (exact) shares) were given as pledges to financial instutions due to the Group's long term borrowings and are not included in the table above.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

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 2013 (31 December 2012: 0%). The details of letter of guarantees and guarantee notes given by the Group are as follows:

	31 December 2013		31 December 2012	
	Original currency	TL equivalent	Original currency	TL equivalent
Letters of guarantees-EUR	241.407	708.892	230.622	542.354
Letters of guarantees-TL	97.591	97.591	73.193	73.193
Letters of guarantees-USD	37.119	79.223	29.940	53.371
Letters of guarantees-Other	-	-	2.709	843
Guarantee notes – TL	25.634	25.634	25.750	25.750
Guarantee notes – EUR	7.043	20.682	782	1.839
Guarantee notes – USD	-	-	134.960	240.580
Total	932.022		937.930	

Doğan TV Holding, one of the subsidiaries of Doğan Yayın Holding, has given letters of guarantees amounting to EUR 55.000 to UEFA (Union Européenne de Football Association or Union of European Football Associations) in 2008 for broadcasting rights of UEFA Champions League, UEFA Super Cup and UEFA Cup games for the period 2012-2015.

Explanied as in Note 18, as per the amendment signed on 31 October 2011, the Axel Springer Group has also requested two guarantee letters amounting to EUR 50.000 each in order to secure the liabilities of Doğan Holding under the "DTV Put Option I". Two guarantee letters amounting to EUR 50.000 each were given by Doğan Holding as at 10 February 2012. In addition, Doğan Holding has also given a third guarantee letter amounting to EUR 50.000 in consideration of 34.183.593 shares in the same period to be used as of January 2015. One of the bank guarantee letters which was given related with the put option amounting EUR 50.000 in January 2013 was released and accordingly, the number of guarantee letters given to the bank decreased to 2.

(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 2013 and 31 December 2012 are as follows:

	31 December 2013		31 December 2012	
	Original Currency	TL equivalent	Original Currency	TL equivalent
Bails-EUR	37.150	109.091	211.856	498.223
Bails-USD	530.070	1.131.328	1.293.573	2.305.923
Bails-TL	9.989	9.989	147.875	147.875
Bails-CHF	-	-	8.634	16.925
Mortgages-EUR	6.500	19.087	6.500	15.286
Mortgages – TL	217	217	-	-
Total	1.269.712		2.984.232	

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 18-COMMITMENTS (Continued)

(c) Barter agreements

Doğan Holding and its subsidiaries, as a common practice in the media sector, enter into barter agreements, which involve the exchanging of goods or services without any cash collections or payments.

As of 31 December 2013, the Group has a commitment for the publication of advertisements amounting to TL 10.525 (31 December 2012: TL 11.710) in exchange for purchasing goods and services and has an option to purchase goods and services amounting to TL 32.496 (31 December 2012: TL 34.259) in exchange of the goods or services sold.

NOTE 19-OTHER ASSETS AND LIABILITIES

	31 December 2013	31 December 2012
Other current assets		
Blocked deposits [1]	227.116	214.809
Value Added Tax ("VAT") receivables	27.554	23.334
Prepaid taxes	21.668	18.858
Work advances	7.608	12.121
Personnel advances	5.886	9.655
Programme stocks	4.044	9.120
Other	7.204	6.009
	301.080	293.906
Provision for impairment on programme stocks	(1.081)	(1.081)
Provision for other doubtful receivables	(873)	(747)
	299.126	292.078

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 19-OTHER ASSETS AND LIABILITIES (Continued)

	31 December 2013	31 December 2012
Other non-current assets		
Blocked deposits [(1) (2)]	233.642	235.475
Value Added Tax ("VAT") receivables	132.484	132.017
Deposits and guarantees given	229	117
Other	341	242
	366.696	**367.851**

(1) As of 31 December 2013, Doğan Holding's time deposit amounting to USD 70.000 (TL: 149.401) (31 December 2012: USD 70.000 (TL 124.782), TME; EUR 14.000 (TL 41.111) (31 December 2012: TL 0) DMI; TL 11 (31 December 2012: TL 5) Akdeniz Elektrik; TL 1 (31 December 2012: TL 0) Galata Wind and additionally, Group's subsidiary Hürriyet's credit pledge of USD 17.144 (36.592 TL) were bloced and accounted under current assets (As of 31 December 2012 time deposits amounting USD 25.500 (TL 45.456) and USD 25.000 (TL 44.566) have been blocked for the loans used by Mozaik and Hürriyet respectively, and accounted under other current assets).

(2) As of 31 December 2013, Doğan Holding's time deposit amounting to USD 40.500 (TL 86.439) (31 December 2012: 0) Mozaik; TL 359 (31 December 2012: TL 288) Çelik Halat and within the scope of 28 February 2012 dated modification agreement signed between, the Company and Commerz-Film GmbH and Hauptstadtsee 809. V V GmbH, time deposit amounting to EUR 50.000 (TL 146.825) (31 December 2012: EUR 100.000 (TL 235.170) have been blocked and all of the amount is accounted under non-current asset; additionally TL 19 (31 December 2012: TL 17) for Hürriyet is blocked and accounted under blocked deposits with maturity more than one year.

NOTE 20- PREPAID EXPENSES AND DEFERRED INCOMES

Details of prepaid expenses and deferred incomes for the periods ended as of 31 December 2013 and 31 December 2012 are as follows:

Short term prepaid expenses	31 December 2013	31 December 2012
Prepaid expenses [(1)]	28.653	17.076
Advances given	30.663	25.963
	59.316	**43.039**

(1) Significant amount of prepaid expenses consists of prepaid rent expenses and insurance expenses.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 20- PREPAID EXPENSES AND DEFERRED INCOME (Continued)

Long term prepaid expenses	31 December 2013	31 December 2012
Advances given and prepayments [1] [2]	29.215	23.831
Prepaid expenses for the following years	8.555	6.538
Advances given for fixed asset purchases	395	-
	38.165	**30.369**

[1] Advances given and prepayments amounting TL 25.708 (31 December 2012: TL 20.439) 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 will be refunded to Doğan TV Holding in case of cancellation of the games.

[2] TL 3.180 (31 December 2012: 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 revenue 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.

Short term deferred income	31 December 2013	31 December 2012
Deferred income	50.198	28.362
Advances received	16.249	7.594
	66.447	**35.956**

Long term deferred income	31 December 2013	31 December 2012
Deferred income	3.563	12.364
	3.563	**12.364**

NOTE 21-DERIVATIVE INSTRUMENTS

	31 December 2013		31 December 2012	
	Asset	Liability	Asset	Liability
Derivative swap instruments				
Swap transactions in foreign exchange	-	2.440	573	-
Interest rate swap transactions	839		309	1.683
Total	**839**	**2.440**	**882**	**1.683**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 21-DERIVATIVE INSTRUMENTS (Continued)

(a) Derivative instruments against foreign exchange risk

The Group has made a Euro swap transaction amounting to USD 20.000 (31 December 2012: USD 25.222 related with bank borrowings. Fair value of financial liability resulted from open SWAP transactions as of 31 December 2013 is TL 2.440 TL (31 December 2012: TL 573 Financial asset).

The group has buy/sell conditioned transactions amounting to USD 1.000.000 every week on Mondays based on markets exchange rates by 13 January 2014.

(b) Interest rate swap transactions

Hürriyet, a subsidiary of the Group, had an interest rate swap agreement amounting to USD 10.000 with a maturity date of 2015 related with interest payments of USD floating interest rate (Libor) bank borrowings to convert to Euro (Euribor) floating interest rate. Finance expense amounting to TL 635 is recognised during the period regarding these agreements.

Doğan TV Holding, one of the subsidiaries of the Group, had an interest rate swap agreement amounting to USD 11.111 related with bank borrowings to convert floating interest rate to fixed interest rate for its loan. According to the agreement, interest expense of loan was fixed until 23 May 2014. Financial asset recognised as of 31 December 2013 regarding these agreements amounted to TL 839 (31 December 2012: TL 309 financial asset and TL 1.683 financial liability). No financial income is recognised during the period regarding these agreements (31 December 2012: None).

NOTE 22-PROVISION FOR EMPLOYMENT BENEFITS

a) Payables regarding benefits provided to employees

The details of payables regarding employee benefits at 31 December 2013 and 31 December 2012 are as follows:

	31 December 2013	31 December 2012
Social security payables	11.704	9.751
Payables to personnel	14.695	16.834
	26.399	**26.585**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

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 2013 and 31 December 2012 are as follows:

	31 December 2013	31 December 2012
Unused vacation provision	41.373	36.624
	41.373	36.624

The movements in the provision for employment termination benefits for the periods ended 31 December 2013 and 2012 are as follows:

	2013	2012
1 January	36.624	31.904
Additions	12.760	11.079
Acquisition of subsidiary	-	610
Payments related with provisions	(8.332)	(6.978)
Currency translation difference	321	9
31 December	41.373	36.624

c) Long term provision within employment benefits

Details of long term provision within employment benefits for the period of 31 December 2013 and 31 December 2012 are as follows:

	31 December 2013	31 December 2012
Provision for employment termination benefits	103.521	94.375
	103.521	94.375

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 or retires and achieves the retirement age. At 31 December 2013 the amount payable maximum equals to one month of salary and is limited to TL 3.254,44 (31 December 2012: TL 3.033,98) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 22-PROVISION FOR EMPLOYMENT BENEFITS (Continued)

d) Long term provision within employment benefits(Continued)

Provision for employment termination benefits is not subject to any legal funding. 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. In 2012, the Group has decided to early adopt the amendments to TAS 19 which is applicable as of 1 January 2013 and recognized all actuarial gains and losses in other comprehensive income.

Actuarial assumptions used in the calculation of the retirement pay provision are as following:

- discount rate is applied as 9,70% (31 December 2012: 7,69%), inflation rate applied as 6,40% (31 December 2012: 4,98%) and rate of increase in real wages applied as 6,40% (31 December 2012: 4,98%) in the calculation.
- the calculation is made based on the maximum salary rate of TL 3.254,44 effective as of 31 December 2013 (31 December 2012: TL 3.033,98).
- age of retirement is based on considering the Company's historical operating data and taken as the average age of retirement from the Group.

The movements in the provision for employment termination benefits are as follows:

	2013	2012
1 January	94.375	46.975
Current period service cost from continued operations	9.260	5.835
Current period interest cost from continued operations	6.125	4.666
Actuarial loss	5.245	45.917
Payments during the period from continued operations	(14.340)	(12.852)
Deficit related to payments/ decrease in benefits/lay off	2.856	3.834
31 December	**103.521**	**94.375**

Total costs excluding the actuarial loss regarding employment benefits are presented in consolidated statement of income prepared as of 31 December 2013. As explained in Note 2.1.6, actuarial loss amounting to TL 5.245, (31 December 2012: TL 45.917) is presented in other comprehensive income as of 31 December 2013. Total costs regarding employment benefits as of 31 December 2013 are presented in the consolidated statement of profit or loss as explained in note 2.1.7.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 23-EQUITY

Doğan Holding adopted the registered paid-in capital system available to companies registered with the CMB and set a limit on its registered paid-in capital representing registered type shares with a nominal value of TL 1 Doğan Holding's authorized, historical and paid-in share capitals at 31 December 2013 and 31 December 2012 are as follows:

	31 December 2013	31 December 2012
Limit on registered capital	4.000.000	4.000.000
Issued capital	2.450.000	2.450.000

There are no privileged shares of Doğan Holding.

The ultimate shareholders of Doğan Holding are Aydın Doğan and Doğan Family (Işıl Doğan, Arzuhan Yalçındağ, Vuslat Sabancı, Hanzade V. Doğan Boyner ve Y.Begümhan Doğan Faralyalı) and the shareholders of Holding and the historical values of shares in equity at 31 December 2013 and 31 December 2012 are as follows:

Shareholder	Share %	31 December 2013	Share %	31 December 2012
Adilbey Holding A.Ş.	52,68	1.290.679	52,68	1.290.679
Doğan Family	14,48	354.664	14,48	354.664
Publicly traded on Borsa İstanbul [1]	32,84	804.657	32,84	804.657
Issued capital	**100**	**2.450.000**	**100**	**2.450.000**
Adjustment to issued capital		143.526		143.526
Total		**2.593.526**		**2.593.526**

(1) In accordance with the Capital Markets Board's (the "CMB") Resolution No: 21/655 issued on 23 July 2010, it is regarded that 32,68 % of the shares (31 December 2012: 31,97 %) are outstanding as of 31 December 2013 based on the Central Registry Agency's ("CRA") records. 34,29% of Doğan Holding's shares are publicly available.

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.

Share Premiums/discounts

Premium/discount on shares refers to possitive or negative differences between the nominal amount and sales amount of shares that are publicly traded.

Restricted Reserves Assorted from Profit

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).

General legal restricted reserves are segmented according to Turkish Commercial Code (TCC), number 519 and applied accordingly.Required amounts shall be classified in "Restricted Reserves" in accordance with the CMB's Financial Reporting Standards.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 23 – EQUITY (Continued)

Restricted Reserves Assorted from Profit (Continued)

Detail of restricted reserves assorted from profit as of 31 December 2013 and 31 December 2012 is given below:

Restricted reserves	31 December 2013	31 December 2012
Legal reserves	124.163	124.163
Gain on sale of subsidiary's shares	1.018.500	1.079.880
Total	1.142.663	1.204.043

Accumulated Other Comprehensive Expenses That will not reclassified in Profit or Loss

The Company's investment property revaluation reserves and actuarial losses of defined benefit plans that are not reclassified in accumulated other comprehensive income and expenses are summarized below.

i. Investment Property Comprehensive Revaluation Reserves

Real estates recognized 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 in 2012 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 1.002 is recognized as revaluation reserve under shareholders equity as of 31 December 2012.

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. In 2012, the Group has decided to early adopt the amendments to TAS 19 which is applicable as of 1 January 2013 and recognized all actuarial gains and losses in other comprehensive income. Actuarial loss recognized under equity in the balance sheet amounts to TL 29.577. (31 December 2012: TL 25.381).

Accumulated Other Comprehensive Expenses Reclassified by Profit or Loss

i. Financial Asset 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 stated in the current period of balance sheet under equity as Gain/(loss) on revaluation and reclassification, amounting to TL 1.153. (31 December 2012: TL 2.092 value increase).

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 are collectively presented in equity.

NOTE 23 – EQUITY (Continued)

Capital Reserves and Retained Earnings (Continued)

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 inflation adjustment of "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 the inflation adjustment of "Restricted Reserves" and "Share Premium" and the amount has not been utilized in dividend distribution or capital increase yet, it shall be classified under "Retained Earnings". Other equity items are carried at the amounts valued in accordance with CMB's Financial Reporting Standards.

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, the following can be distributed to shareholders as cash dividends,

a) Retained earnings derived from the repreprepation of comparative financial statements based on the first time adoption of TAS/TFRS
b) "Equity inflation adjustment differences" derived from resources that do not have any restriction regarding profit distribution,
c) Retained earnings derived from the first time inflation adjustment of financial statements,

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.

At the Annual General Meeting of Doğan Holding held on 3 July 2013, it is disclosed to the public;

- Within the scope of the requirements of the CMB based on the audited consolidated financial statements prepared for the period 01.01.2012-31.12.2012 in accordance with Turkish Accounting Standards (TAS) and Turkish Financial Reporting Standards (TFRS) , the Group's "Consolidated Net Gain for the Period" is calculated as TL 155.671, considering its "current period tax expense", "deferred tax expense", "non-controlling interests"., After the deduction of "accumulated loss" amounting to TL 831.377 and addition of donations amounting to TL 4.072, it is noted that a "Net Loss for the Period" of TL 671.634 has been incurred and decided not to distribute any profits for the year 2012 based on the CMB's profit distribution requirements and the matter to be submitted to the General Assembly,

-Based on the legal financial records prepared for the period 1 January 2012-31 December 2012 in accordance with Turkish Commercial Code (TCC) and Tax Procedures Law (TPL), for the year 2012 "Net Loss for Period" is calculated amount of TL 66.387. In order to take advantage of tax exemption TL 61.380 of income that is exempt from tax which was recognized in "special fund account" in liabilities for a period of five years in accordance with the Corporate Tax Law has been decided by majority of votes to be offset" with "Extraordinary Shares" of the total amount.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 23-EQUITY (Continued)

Dividend Distribution (Continued)

The CMB requires the disclosure of total amount of net profit in the statutory records and other resources which may be subject to distribution in the financial statements prepared. 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 1.781.968. (31December 2012: TL 1.512.314).

The shareholders equity of Doğan Holding is as below:

	31 December 2013	31 December 2012
Share capital	2.450.000	2.450.000
Adjustment to share capital	143.526	143.526
Share premium	630	630
Gains on revaluation of investment property	1.002	1.002
Actuarial losses in defined benefit plans	(29.577)	(25.381)
Translation reserve	143.215	53.600
Revaluation of financial assets available for sale and/or classification gains/losses	(1.153)	2.092
Restricted reserves assorted from profit	1.142.663	1.204.043
- Legal reserves	*124.163*	*124.163*
- Gain on sale of equity participations	*1.018.500*	*1.079.880*
Retained (loss)	(561.979)	(804.264)
Net income/(loss) for the period	(38.140)	155.670
Total shareholders' equity	**3.250.187**	**3.180.918**

NOTE 24- REVENUE AND COST OF SALES

	1 January- 31 December 2013	1January- 31 December 2012
Domestic sales	3.338.782	2.998.053
Sales abroad	391.304	495.969
Sales returns	(398.806)	(367.080)
Sales discount	(29.953)	(60.302)
Net sales	**3.301.327**	**3.066.640**
Cost of sales (-)	(2.454.189)	(2.173.787)
Gross profit	**847.138**	**892.853**

Sales income and cost of sales

The details of operating revenue for the years ended 31 December 2013 and 2012 are disclosed in Note 5 – "Segment Reporting".

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 25-RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

	1 January-31December 2013	1 January-31December 2012
General administrative expenses	371.896	379.460
Marketing expenses	461.120	389.840
Operating expenses	833.016	769.300

NOTE 26-EXPENSES BY NATURE

The details of cost of sales, marketing, selling and distribution expenses and general administrative expenses for the year ended as at 31 December 2013 and 2012 are as follows:

	2013	2012
Personnel expenses	700.516	593.777
Cost of trade goods sold	763.823	767.774
General production overhead	533.350	366.250
Raw material and supplies	299.077	312.370
Depreciation and amortization (1)	258.194	207.737
Advertisement expenses	103.895	82.317
Rent expenses	77.888	69.187
Transportation, storage and travel expenses	60.988	60.892
Telecommunication service expenses	38.272	43.861
Consulting expenses	45.302	48.836
Promotion expenses	23.647	20.575
Satellite usage fees	21.290	23.784
RTSC share in advertisement	18.786	17.701
Communication expenses	10.116	9.411
Agency commission expenses	6.449	5.825
Various taxes	7.788	9.839
Outsource expense	23.261	27.917
Other	294.563	275.034
	3.287.205	2.943.087

(1) As of 31 December 2013, TL 206 of depreciation and amortisation expenses have been reflected to the inventores, accounted (31 December 2012: TL 306).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 27-OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

	1 January- 31 December 2013	1January- 31 December 2012
Other operating income		
Foreign exchange gains from operating activities	423.352	76.829
Unearned finance income and accruals due to sales with maturities	73.074	57.300
Interest income and accruals on bank deposits	65.640	122.607
Reversed provisions	15.316	38.893
Usage of vat discount	4.907	2.069
Rent income	5.986	3.802
Revenue from the corporate income tax return (1)	-	19.788
Other operating income	8.583	26.791
	596.858	348.079

(1) Tax amounted TL 19.785 for Company's dividend income, obtained in 2010, from OMV Petrol Ofisi A.Ş amounting TL 395.699 was paid in cash in April 2011 after reservation. Opened legal case on İstanbul 5.th Tax court and numbered 2011/1229 based on exception in corparate tax of dividend income from related parties on tax court result in favor of the Company, dated 6 July 2012 and numbered 2012/1789. After the result of tax court decision,overcharged corporate tax amounting TL 19.785 has been collected on 2 August 2012 from the Company. The amount was recognized and accounted under other operating income for the period ended December 31, 2012.

	1 January- 31 December 2013	1January- 31 December 2012
Other operating expense		
Foreign exchange losses from operating activities	(82.794)	(109.696)
Provision for doubtful receivables (Note 9)	(35.421)	(40.028)
Unearned finance expense and accurals Due to purchase with maturity	(24.906)	(17.378)
Provision for lawsuits (Note 17)	(8.997)	(12.414)
Other penalties and compensations paid	(4.200)	(4.746)
Milpark termination agreement expenses	-	(25.110)
Tax liability in dispute finance expense regarding 6111 law	-	(19.418)
Tax base increase finance expense regarding 6111 law	-	(696)
Expense for inventory count differences	-	(1.252)
Provision for impairment on inventory (Note 11)	(1.917)	(3.813)
Donations	(6.953)	(9.142)
Other operating expenses	(39.150)	(6.684)
	(204.338)	(250.377)

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 28-INCOME AND EXPENSES FROM INVESTING ACTIVITIES

The details of income and expenses from investing activities for the periods ended 31 December 2013 and 2012 are as follows:

Income from investing activities

	1 January- 31 December 2013	1 January- 31 December 2012
Exchange gain	88.416	67.806
Interest income and accurals of securities	22.115	141
Interest income and accurals of bank deposits	47.052	40.456
Fixed asset sales income[1]	10.564	185.484
Fair value gain on investment property	52.495	11.895
Annulment indemnity of put option agreement of Turner	-	45.767
Gain on sale of subsidiary shares	1.255	2.436
	221.897	**353.985**

[1] As of 31 December 2012 TL 142.905 of fixed asset sales income consists of gain of fixed asset sale of Hürriyet building to Nurol Gayrimenkul Yatırım Ortaklığı on 1 February 2012.

Expenses from investing activities

	1 January- 31 December 2013	1 January- 31 December 2012
Exchange loss	(101.029)	(88.551)
Loss on sale of assets	(8.154)	(18.135)
Interest expense related tos hare purchase committment [1]	(5.321)	(18.190)
Impairment of tangible and intangible assets	-	(183)
Impairment of investment property	-	(2.953)
Loss on subsidiary share sale	(2.527)	-
Provision for impairment of goodwill	-	(21.278)
	(117.031)	**(149.290)**

[1] Mentioned amount refers to interest expense resulting from share purchase option given to Axel Springer AG (Note 17).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 29-FINANCE INCOME AND EXPENSE

The details of finance income for the periods ended 31 December 2013 and 2012 are as follows:

Financial Income	1 January- 31 December 2013	1January- 31 December 2012
Foreign exchange gain	18.876	66.574
Total	**18.876**	**66.574**

The details of finance expenses for the periods ended 31 December 2013 and 2012 are as follows:

Financial Expense	1 January- 31 December 2013	1January- 31 December 2012
Foreign exchange loss	(291.425)	(61.742)
Interest expense on bank loans	(135.755)	(98.607)
Bank commission expenses	(15.635)	(19.747)
Other	(31.052)	(17.883)
Total	**(473.867)**	**(197.979)**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 30-NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

a) Investment properties and non-current assets classified as held fo sale

i. Milta "Superficies Right"

"Superficies Right" of Milta Turizm, a subsidiary of the Group, registered on 23 December 2013 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 will be paid upfront and the remaining EUR 5.000 will be collected in four equal installments (EUR 1.250) first one on 31 August 2015 and the last one on 31 August 2018. An annual interest of 3.25% as well as the interest related VAT is applicable on the amount to be paid in instalments, starting from the title deed registration date. The portion of the "superficies right" sales profit that is exempt from tax shall not be associated with the statement of profit or loss, and shall be taken to a special fund account following the sales transaction.

As a consequence of sales operation, group classified the "Superficies Right" in consolidated financial statements as "assets held for sale" as of 31 December 2013 with respect to TAS/TFRS.

As of 31 December 2013, investment properties are shown with fair value in consolidated financial statements. Gain/Loss resulted from any change in fair value is included in statement of profit or loss with respect to TAS 40. During the selling process of Milta Turizm's "Superficies Right" in Kemer after balance sheet date on 18 February 2014, amount of TL 59.888 (EUR 20.000) was determined as the fair value as of 31 December 2013. Occured positive difference is shown as investment properties' positive evaluation difference in statement of profit or loss for the period ended on 31 December 2013 with respect to TFRS 5 and TAS 40.

There will be no change in sales gain in 2014 CMB financial statements which is prepared in accordance with TAS/TFRS, as related asset's carried value is balanced with market value as a result of valuation process.

ii. The land of Hürriyet

In addition, Hürriyet, one of the subsidiaries of the Group, has agreed to sell its land of 17.725,69 m2 located in the district of İstanbul, Esenyurt for USD 9.000. As a result of this agreement, the land has been reclassified as asset held for sale.

Assets	31 December 2013
Non-current assets	4.685
Total assets classified as non-current assets held for sale	**4.685**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 30-NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

b) Subsidiaries classified as assets and liabilities held for sale

As of November 2013, Hürriyet, a subsidiary of the Group, has decided to dispose of its subsidiaries operating in Hungary and Croatia and classified the assets and liabilities of these companies as non-current assets as held for sale and therefore disclosed separately in the balance sheet. As of 28 February 2014, the Group transferred its subsidiary, Oglasnik d.o.o. to non-controlling interests for 2 Kuna.

Details of the assets and liabilities held for sale are as follows:

Assets and Liabilities	31 December 2013
Cash and cash equivalents	1.009
Trade receivables	894
Other receivables and current assets	969
Intangible non-current assets	27.265
Tangible non-current assets	2.442
Provision for net assets disposed	(23.301)
Total assets classified as assets held for sale	**9.278**
Trade payables	2.440
Other financial liabilities	1.012
Other payables	34
Deferred tax liabilities	5.760
Other non-current liabilities	32
Total liabilities classified as assets held for sale	**9.278**

c) Discontinued operations

As of November 2013, Hürriyet, a subsidiary of the Group, has decided to dispose of its subsidiaries operating in Hungary and Croatia and classified the operations of these subsidiaries as discontinued operation.

Net result of discontinued operations	2013
Sales	10.611
Cost of sales (-)	(5.832)
General administrative expenses (-)	(6.728)
Marketin, sales and distribution expenses (-)	(2.109)
Other operating income	3.900
Other operating expense (-)	(1.450)
Financial expense (-)	(48)
Loss before tax	(1.656)
Tax income	373
Net loss	(1.283)
Provision for impairment of net assests disposed	(23.301)
Loss from discontinued operations after tax	**(24.584)**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 31-DISPOSAL OF SUBSIDIARY

The Group has disposed of it shares in its subsidiary, Moje Delo, spletni marketing d.o.o in 2013 in accordance with the legal regulations of Slovenia.

Net book value of assets disposed	31 December 2013
Current assets	
Cash and cash equivalents	268
Trade receivables	168
Other receivables	118
Other current assets	26
Non-current assets	
Property, plant and equipment and intangible assets	511
Deferred tax asset	4
Current liabilities	
Other trade payables	1.860
Other payables	71
Other current liabilities	425
Net assets disposed	**(1.261)**

Loss on sale of subsidiary	
Group's share in net assets disposed (55%)	(694)
Goodwill (Note 15)	6.458
Sales amount:	
Cash and cash equivalents paid	3.237
Revenue to be collected in future periods	-
Net cash inflow from sales:	
(Less) cash and cash equivalents disposed	(268)
Total amount of cash proceeds	2.970
Loss on sale of subsidiary (Note 28)	**(2.527)**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 32 – 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 2013 and 31 December 2012 are as follows:

	31 December 2013	31 December 2012
Provision for period income tax	112.259	84.179
Prepaid taxes	(94.596)	(74.350)
Taxes Payable	17.663	9.829

	31 December 2013	31 December 2012
Corporate and income taxes payable	17.663	9.829
Deferred tax liabilities, net	66.242	87.226
Total	83.905	97.055

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 2013 is 20% (2012: 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.

NOTE 32 – INCOME TAXES (Continued)

Turkey (Continued)

In accordance with the related law, the cumulative inflation of last 36 months inflation rate (CPI) must exceed 100% and the inflation rate (CPI) 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 five years.

As publicly disclosed on 19 April 2011, the Company plans to make use of the requirements set out in relation to "Tax Base Increase" in Law No: 6111 "Restructuring of some receivables and Social Security and General Health Insurance Law and Other Law Amending Certain Laws and Decrees"; therefore, 50% of losses attributable to the periods that are subject to tax base increase will not be offset against the income to be obtained in 2010 and subsequent periods.

As of 31 December 2013, the Company has offset its financial losses attributable to the calculation of offsetting of tax asset against deductible financial losses or current tax provision in accordance with the above-mentioned principles.

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 centre at the rate of at least 15% (minimum corporate income tax applicable in Turkey for those whose principal activity is finance assurance or insurance).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 32-INCOME TAXES (Continued)

Turkey (Continued)

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.

Russian Federation

The corporate tax rate effective in the Russian Federation is 20% (2012: 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. Restriction on the deductible financial losses has been revoked as of 2007. Maximum amount that can be deducted in any year is limited to 30% of the taxable income (2012:30%). 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 2012 applicable in the foreign countries, where the significant part of the Group's operations are performed, are as follows:

Tax Country	Tax rates (%)	Country	Tax rates (%)
Germany [1]	28,0	Ukraine [3]	19,0
Romania	16,0	Hungary [2]	19,0
England	28,0	Slovenia	17,0
Croatia	20,0	Belarus	18,0
Kazakhstan	20,0	Netherland [4]	25,0

[1] Corporate tax rate is applied as 15% for Germany. With an additional solidarity tax of 5,5% effective corporate tax increases to15.825% and municipal commerce tax varying in between 14% and 17% is also applied over the corporate tax.

[2] Tax rate is 10% for the tax base up to initial 500 million Hungarian Forint, and 19% for over 500 million Hungarian Forint

[3] From 1 January 2013tax rate decreased from 21% to 19% and will decrease to 16% as of January 2014.

[4] Tax rate is 20% for the tax base up to initial EUR 200.000, 25% for over EUR 200.000.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 32- INCOME TAXES (Continued)

Deferred Taxes

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their financial statements as reported under the POA's Financial Reporting Standards and their statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for the POA's Financial Reporting Standards and tax purposes.

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 2013 and 31 December 2012 using the enacted tax rates is as follows:

	Cumulative Temporary differences		Deferred tax assets/ (liabilities)	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Differences between the tax base and carrying value of property, plan and equipment and intangible assets	80.854	101.490	16.171	20.298
Carry forward tax losses	273.439	198.835	54.688	39.767
Provision for doubtful receivables	85.452	57.115	17.090	11.423
Provision for employment termination benefits	144.894	130.999	28.979	26.200
Derivative financial liabilities	2.440	1.683	488	337
Deferred financial income of trade receivables	2.638	518	528	104
Other	142.723	76.017	28.545	15.203
Deferred tax assets			**146.489**	**113.332**
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	(963.056)	(979.378)	(192.611)	(196.524)
Fair value of Investment Property	(23.649)	(366.651)	(4.730)	(1.889)
Derivative financial assets	(839)	(882)	(168)	(176)
Other	(76.111)	(10.289)	(15.222)	(1.969)
Deferred tax liabilities			**(212.731)**	**(200.558)**
Deferred tax liabilities, net			**(66.242)**	**(87.226)**

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 POA Financial Reporting Standards. Temporary differences and deferred tax assets and liabilities shown above have been prepared on the basis of gross values.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 32-INCOME TAXES (Continued)

The Group recognized deferred tax assets over TL 317.372 of carry forward tax losses in the consolidated financial statements prepared in accordance with the CMB's Financial Reporting Standards at 31 December 2013 (31 December 2012: TL 198.835). As of 31 December 2013 and 31 December 2012, the maturity analysis of carry forward tax losses is as follows:

	31 December 2013[1]	31 December 2012
2013	-	(4.260)
2014	(87.256)	(90.552)
2015	(44.483)	(22.171)
2016	(63.208)	(33.524)
2017 and after	(122.425)	(48.328)
	(317.372)	**(198.835)**

[1] Regarding the period, amount of accumulated past year financial loss according to the latest reducible years is presented suitably to the scope of Law No. 6111.

Deferred tax assets are recognized 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 2013, the Group does not recognize deferred tax from carry forward tax losses amounted to TL 1.128.603 (31 December 2012: TL 1.064.493).

Movements for net deferred taxes for the periods ended at 31 December 2013 and 2012 are as follows:

	2013	2012
1 January	(87.226)	(61.858)
Deferred tax effect of financial asset fair value increase	649	(1.549)
Current year (expense)/income	21.541	23.886
Actuarial loss tax effect accounted under other comprehensive income	1.181	9.108
Acquisition of common control entity	2.247	-
Currency translation differences	(4.774)	(325)
Acquisition of subsidiary	-	(58.503)
Disposal of subsidiary	(102)	16
Other	242	1.999
31 December	**(66.242)**	**(87.226)**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 32-INCOME TAXES (Continued)

The taxes on income reflected to the consolidated statement of profit or loss for the periods ended at 31 December 2013 and 2012 are summarized below:

	1 January- 31 December 2013	1 January- 31 December 2012
Current	(113.387)	(81.101)
Deferred	21.541	23.886
Total Tax	(91.846)	(57.215)

The reconciliation of the taxation on income in the consolidated statement of profit or loss for periods ended 31 December 2013 and 2012 and the tax calculated at the corporate tax rate based on the income before minority interests and taxation on income are as follows:

	2013	2012
Profit/(loss) before income taxes from continued operations	(49.618)	317.692
Tax calculated using the current rate of 20%	9.924	(63.538)
Interest expense of base rate increase	-	(3.871)
Effect of financial loss subject to deduction in current period	752	
Expenses not subject to tax	(34.136)	(32.344)
Income not subject to tax	9.874	60.998
Carry forward losses for which no deferred tax asset was recognized	(77.828)	(18.997)
Difference due to the different tax rates applicable in different countries	(7.855)	
Impairment of goodwill	-	(3.621)
The reversal previously deferred tax calculated from carryforward tax losses	-	11.847
Sale of subsidiaries	-	3.589
Adjustment effects	1.234	(1.818)
Withholding tax payment related to the abroad operations	-	(7.121)
Other	6.189	(2.339)
Tax expense	(91.846)	(57.215)

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 33-EARNING/ (LOSS) PER SHARE

Earning/ (loss) per share for each class of shares is described below:

	2013	2012
Net loss for the period	(38.140)	155.670
Weighted average number of shares with face value of TL 1 each	2.450.000	2.450.000
Earning/ (loss) per share (TL)	**(0,016)**	**0,064**

	2013	2012
Net profit/ (loss) for the period from discontinuing operations	(11.751)	(1.696)
Net profit/ (loss) for the period from continuing operations	(26.389)	157.366
Weighted average number of shares with face value of TL 1 each	2.450.000	2.450.000
Earning/ (loss) per share from continuing operations (TL)	**(0,011)**	**0,064**
Earning/ (loss) per share from discontinuing operations (TL)	**(0,005)**	**(0,001)**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 34-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 and 31 December 2012, related party balances and transactions are described below:

i) Balances of related parties:

Short term receivables due from related parties:

	31 December 2013	31 December 2012
Delüks Elektronik Hizmetler ve Tic A.Ş. (1)	3.334	270
D Market Elektronik Hizmetler ve Ticaret A.Ş. ("D Market")	3.332	1.145
D Elektronik Şans Oyunları Yayıncılık A.Ş. (2)	1.070	-
Doğan Elektronik Turizm Satış Pazarlama Hiz.ve Yay A.Ş.	1.037	620
Altıncı Cadde Elektronik Ticaret A.Ş.	931	-
Ortadoğu Otomotiv Ticaret A.Ş. ("Ortadoğu Otomotiv")	862	729
Katalog Yayın ve Tanıtım Hizmetleri A.Ş.	805	820
Doğan Portal ve Elektronik Ticaret A.Ş. ("Doğan Portal")	711	985
Gas Plus Erbil	291	-
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont")	212	-
Gümüştaş Madencilik	71	10
Aydın Doğan Vakfı	12	14
Doğan İnternet Yayıncılığı ve Yatırım A.Ş. (3)	-	9.404
Tipeez İnternet Hizmetleri A.Ş. ("Tipeez")(4)	-	1.710
Nakkaştepe Gayrımenkul	-	2.125
Other	1.308	1.128
Total	13.976	18.960

(1) The receivables are related with the rental service of vehicles of the Group.
(2) The receivables are related with the advertising sales of the Group.
(3) Because the Group has acquired Doğan İnternet Yayıncılığı ve Yatırım A.Ş, an entity under common control, in the current period, current period balances and transactions have been eliminated in the preparation of consolidated financial statements.
(4) In the current period, all of the shares of Tipeez, which is an entity under common control, has been sold to the controlling shareholder, Tweege Holdings LP.

Current non-trade receivables due from related parties:	31 December 2013	31 December 2012
Boyabat Elektrik (1)	1.390	67.767
Gümüştaş Madencilik ve Ticaret A.Ş (2)	4.395	3.482
Total	5.785	71.249

(1) Debt is given for project finance.
(2) The balance consists of loan used by Gümüştaş Madencilik ve Ticaret A.Ş. from the Group.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 34-RELATED PARTY DISCLOSURES (Continued)

i) Balances of related parties (Continued):

Current trade payables-due to related parties:	31 December 2013	31 December 2012
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda") (1)	33.785	10.391
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont") (2)	3.695	4.482
Doğanlar Sigorta Aracılık Hizmetleri A.Ş.	352	96
D market	45	7
Adilbey Holding A.Ş.	-	26
Doğan İnternet Yayıncılığı ve Yatırım A.Ş. (3)	-	9
Other	650	2.838
Total	**38.527**	**17.849**

(1) Payables of the Group to Doğan Burda consist of commericial advertisement purchase and services of printing magazines, books and inserts.
(2) Payables arise from purchase of commercial advertisements and commercial goods.
(3) In the current period, the Group has acquired Doğan İnternet Yayıncılığı ve Yatırım A.Ş., and current period balances are eleminated in the preparetion of consolidated financals.

ii) Transactions with related parties:

Service/ product purchases:

	31 December 2013	31 December 2012
Boyabat Elektrik Üretim ve Ticaret A.Ş. (1)	53.134	192
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda") (2)	37.393	36.605
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont") (2)	25.430	19.731
Ortadoğu Otomotiv Tic. A.Ş. (3)	13.777	8.846
Dergi Pazarlama ve Planlama ve Tic. A.Ş. (2)	5.721	5.918
Doğanlar Sigorta Aracılık Hizmetleri A.Ş. (4)	3.656	170
Adilbey Holding A.Ş.	2.674	2.097
D market Elektronik Hizmetler ve Tic. A.Ş.	451	333
Other	4.801	572
Total	**147.037**	**74.464**

(1) Product and service purchases of the Group from Boyabat consist of electricity purchases.
(2) Product and service purchases of the Group from Doğan Burda consist of the magazine distribution service purchases.
(3) The balance consists of rent payables of Trump Towers.
(4) The balance consists of Group's purchase of insurance services.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 34-RELATED PARTY DISCLOSURES (Continued)

i) Balances of related parties (Continued):

Service/ product sales:

	31 December 2013	31 December 2012
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda") (1)	22.472	22.685
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont") (2)	10.127	10.081
Ortadoğu Otomotiv Tic. A.Ş	8.887	238
D market Elektronik Hizmetler ve Tic. A.Ş	7.044	4.547
Delüks Elektronik Hiz. Tic. A.Ş. (3)	2.796	103
D Elektronik Şans Oyunları ve Yayıncılık A.Ş.	1.018	354
Adilbey Holding A.Ş.	842	250
Gas Plus Erbil Ltd.	945	965
Doğan İnternet Yayıncılığı ve Yatırım A.Ş. (4)	-	24
Gümüştaş Madencilik	381	27
Other	3.430	3.531
Total	57.942	42.805

(1) Product and service purchases of the Group from Doğan Burda consist of the magazine distribution service purchases.
(2) Product and service purchases of the Group from Doğan Egmont consist of the magazine distribution service purchases.
(3) Product and service purchases of the Group from Ortadoğu Otomotiv consist of rent service purchase.
(4) In the current period, the Group has acquired Doğan İnternet Yayıncılığı ve Yatırım A.Ş., and current period balances are eleminated in the preparetion of consolidated financals.

Financial Income:

	31 December 2013	31 December 2012
Boyabat Elektrik Üretim ve Ticaret A.Ş.	13.241	1.348
Doğan Portal ve Elektronik Tic. A.Ş	458	-
Delüks Elektronik Hiz. Ve Tic. A.Ş.	212	-
D Elektronik Şans Oyunları ve Yay. A.Ş.	134	14
Other	604	15
Total	14.649	1.377

The balances are related with accruals of interests from loans given to related parties by the Group.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 34-RELATED PARTY DISCLOSURES (Continued)

ii) Transactions with related parties (Continued):

Purchases of property, plant and equipment and intangible assets:	2013	2012
D-Market Elektronik Hizmetler ve Ticaret A.Ş.	109	89
D Yapı İnşaat Sanayi ve Ticaret A.Ş	-	490
Adilbey Holding A.Ş	154	-
Other	-	1
Total	263	580

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 directors 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 2013	1 January- 31 December 2012
Salaries and other short term benefits	20.131	19.842
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
Total	20.131	19.842

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Finansal Enstruments 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 at 31 December 2013 and 31 December 2012 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 2013	31 December 2012
Assets	2.480.267	2.936.296
Liabilities	(2.457.998)	(2.539.395)
Off-balance sheet net derivative liabilities	(2.572)	47.289
Net foreign currency position	**19.697**	**444.190**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (Continued):

Sensitivity analysis for currency risk as of 31 December 2013 and 31 December 2012 and foreign currency denominated asset and liability balances are summarized below:

31 December 2013

	TL Equivalent	USD	EUR	Other
1. Trade receivables	153.655	74.960	54.638	24.057
2a. Monetary Financial Assets (Cash, Banks included)	1.812.830	979.404	800.439	32.987
3. Other	190.512	149.401	41.111	-
4. Current Assets (1+2+3)	**2.156.997**	**1.203.765**	**896.188**	**57.044**
5. Trade receivables	15.812	13.585	2.227	-
6a. Monetary Financial Assets	73.888	47.006	7.374	19.508
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	233.570	86.439	147.131	-
8. Non-Current Assets (5+6+7)	**323.270**	**147.030**	**156.732**	**19.508**
9. Total Assets (4+8)	**2.480.267**	**1.350.795**	**1.052.920**	**76.552**
10. Trade Payables	126.988	81.174	26.669	19.145
11. Financial Liabilities	886.833	727.702	159.131	-
12a. Other Monetary Financial Liabilities	43.849	1.212	9.071	33.566
12b. Other Non-Monetary Financial Liabilities	30.478	116	28.291	2.071
13. Current Liabilities (10+11+12)	**1.088.148**	**810.204**	**223.162**	**54.782**
14. Trade Payables	-	-	-	-
15. Financial Liabilities	909.311	737.960	171.351	-
16a. Other Monetary Financial Liabilities	7.167	-	7.166	1
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**916.478**	**737.960**	**178.517**	**1**
18. Total Liabilities (13+17)	**2.004.626**	**1.548.164**	**401.679**	**54.783**
19. Net asset/liability position of Off balance sheet derivatives (19a-19b)	**(2.572)**	**10.672**	**(13.244)**	**-**
19a. Off balance sheet foreign Currency derivative assets	**77.128**	**46.955**	**30.173**	**-**
19b. Off balance sheet foreign Currency derivative liabilities	**79.700**	**36.283**	**43.417**	**-**
20. Net foreign currency asset liability position (9-18+19)	**473.069**	**(186.697)**	**637.997**	**21.769**
21. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**82.037**	**(433.093)**	**491.290**	**23.840**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (Continued):

31 December 2012

	TL Equivalent	USD	EUR	Other
1. Trade receivables	163.489	39.503	55.521	68.465
2a. Monetary Financial Assets (Cash, Banks included)	2.217.565	1.510.464	660.602	46.499
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	215.429	214.874	555	-
4. Current Assets (1+2+3)	**2.596.483**	**1.764.841**	**716.678**	**114.964**
5. Trade receivables	3.482	3.482	-	-
6a. Monetary Financial Assets	101.161	96.831	4.114	216
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	235.170	-	235.170	-
8. Non-Current Assets (5+6+7)	**339.813**	**100.313**	**239.284**	**216**
9. Total Assets (4+8)	**2.936.296**	**1.865.154**	**955.962**	**115.180**
10. Trade Payables	101.092	38.985	52.791	9.316
11. Financial Liabilities	1.121.642	816.740	304.902	-
12a. Other Monetary Financial Liabilities	39.625	4.160	3.072	32.393
12b. Other Non-Monetary Financial Liabilities	431	51	380	-
13. Current Liabilities (10+11+12)	**1.262.790**	**859.936**	**361.145**	**41.709**
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.276.538	871.780	404.758	-
16a. Other Monetary Financial Liabilities	67	30	-	37
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**1.276.605**	**871.810**	**404.758**	**37**
18. Total Liabilities (13+17)	**2.539.395**	**1.731.746**	**765.903**	**41.746**
19. Net asset/liability position of Off balance sheet derivatives (19a-19b)	47.289	66.107	(14.326)	(4.492)
19.a Off balance sheet foreign Currency derivative assets	66.107	66.107	-	-
19b. Off balance sheet foreign Currency derivative liabilities	18.818	-	14.326	4.492
20. Net foreign currency asset liability position (9-18+19)	444.190	199.515	175.733	68.942
21. Net foreign currency asset/liability Position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(53.267)	(81.415)	(45.286)	73.434
22. Fair value of foreign currency hedged financial assets	-	-	-	-

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (Continued)

As of 31 December 2013 and 31 December 2012, foreign currency denominated asset and liability balances were converted with the following exchange rates: TL 2,1343 = USD 1 and TL 2,9365 = EUR 1 (2012: TL 1,7826 = USD 1 and TL 2,3517 = EUR 1).

31 December 2013	Income/ Loss	
	Foreign currency appreciate	Foreign currency depreciate
If the USD had changed by 10% against the TL		
1- USD net (liabilities)/assets)	(18.670)	18.670
2- Hedging amount of USD (-)	-	-
3- USD net effect on (loss)/income (1+2)	**(18.670)**	**18.670**
If the EUR had changed by 10% against the TL		
4- EUR net (liabilities)/assets	63.800	(63.800)
5- Hedging amount of USD (-)	-	-
6- USD net effect on (loss)/income (4+5)	**63.800**	**(63.800)**
If the Other Currencies had changed by 10% against the TL		
7- Other net (liabilities)/assets	2.177	(2.177)
8- Hedging amount of Other (-)	-	-
9- Other net effect on (loss)/income) (7+8)	**2.177**	**(2.177)**
TOTAL (3+6+9)	47.307	(47.307)

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (Continued):

31 December 2012	Income/ Loss	
	Foreign currency appreciate	Foreign currency depreciate
If the USD had changed by 10% against the TL		
1- USD net (liabilities)/assets	19.952	(19.952)
2- Hedging amount of USD (-)	-	-
3- USD net effect on (loss)/income (1+2)	**19.952**	**(19.952)**
If the EUR had changed by 10% against the TL		
4- EUR net (liabilities)/assets	17.573	(17.573)
5- Hedging amount of EUR (-)	-	-
6- Avro net effect on income/(loss) (4+5)	**17.573**	**(17.573)**
If the Other Currencies had changed by 10% against the TL		
7- Other net (liabilities)/assets	6.894	(6.894)
8- Hedging amount of Other (-)	-	-
9- Other net effect on (loss)/income (7+8)	**6.894**	**(6.894)**
TOTAL (3+6+9)	44.419	(44.419)

a.2) Interest rate risk

- Media

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 2013 and 31 December 2012, 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.2) Interest rate risk (Continued)

At 31 December 2013, 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 7.196 (31 December 2012: TL 12.682) higher/lower, mainly as a result of high interest expense on floating rate borrowings.

At 31 December 2013, if interest rates on Euro denominated borrowings had been higher/lower 100 basis points with all other variables held constant, loss before income taxes would have been TL 3.524 (31 December 2012: TL 2.798) 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 2013	31 December 2012
Financial instruments with fixed rate		
Financial assets		
- Banks (Note 6)	1.772.662	1.902.241
- Financial investments (Note 7)	139.508	179.259
Financial liabilities (Note 8)	991.215	462.767
Financial instruments with floating rate		
Financial liabilities (Note 8)	1.107.172	1.670.493

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.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The analysis of average annual interest rate (%) of financial assets and liabilities of the Group is as follows:

	31 December 2013			31 December 2012		
	USD	EUR	TL	USD	EUR	TL
Assets						
Cash and cash equivalents	0,35-6,00	0,20-6,75	5,98-10,16	0,10-6,00	0,25-6,75	3,00-12,30
Financial investments	6,53	5,64	10,63	5,17	-	9,48
Liabilities						
Financial Liabilities	3,00-6,55	3,25-5,71	0,-10,20	2,65-6,40	1,30-6,50	0,00-13,13

The distribution of sensitivity to interest rates about the period for repricing of financial assets and liabilities is as follows:

31 December 2013	Up to 3 Months	3 months-1 year	1-5 years	More than 5 years	Free of Interest	Total
Assets						
Cash and cash equivalents (Note 6)	1.772.662	-	-	-	443.699	2.216.361
Financial investments (Note 7)	-	-	136.465	3.043	139.508	
Total	**1.772.662**	**-**	**136.465**	**446.742**	**2.355.869**	
Short and long term financial Liabilities (Note 8) [1]	-	1.038.948	1.059.439	-	-	2.098.387
Other financial liabilities (Note 8)	-	199.365	183.182	-	-	382.547
Total	**-**	**1.238.313**	**1.242.621**	**-**	**-**	**2.480.934**

31 December 2012	Up to 3 Months	3 months-1 year	1-5 years	More than 5 years	Free of Interets	Total
Assets						
Cash and cash equivalents (Note 6)	1.902.241	-	-	-	258.457	2.160.698
Financial investments (Note 7)	-	177.043	-	-	2.216	179.259
Total	**1.902.241**	**177.043**	**-**	**-**	**260.673**	**2.339.957**
Short and long term financial Liabilities (Note 8) [1]	-	1.176.938	956.322	-	-	2.133.260
Other financial liabilities (Note 8)	-	379.458	289.164	-	-	668.622
Total	**-**	**1.692.822**	**1.480.779**	**-**	**-**	**3.173.601**

(1) Bank borrowings are included in the interest rate sensitivity regarding the remaining time to repricing of financial borrowings.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The Group's credit risk of financial instruments as of 31 December 2013 is as follows:

	Trade receivables		Other receivables		Cash and Cash
	Related Party	Other	Related Party	Other	equivalents
Maximum net credit risk as of balance sheet date	13.976	791.066	5.785	132.411	1.994.586
- The part of maximum risk under guarantee with collatarel	-	47.596	-	78	-
A. Net book value of neither past due nor impaired financial assets	13.976	609.364	5.785	132.411	1.994.586
- Guaranteed amount by collateral	-	14.857	-	78	-
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)	-	181.702	-	-	-
- Guaranteed amount by collateral (Note 9)	-	32.739	-	-	
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9, Note 19)	-	232.160	-	1.545	-
- Impairment (-) (Note 9, Note 19)	-	(232.160)	-	(1.545)	
- Net value collateralized or guaranteed part of net value	-		-	-	-
- Not overdue (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The Group's credit risk of financial instruments as of 31 December 2012 is as follows:

	Trade receivables		Other receivables		Cash and cash
	Related party	Other	Related party	Other	equivalents
Maximum net credit risk as of balance sheet date	**18.960**	**706.097**	**71.249**	**527.021**	**1.964.126**
- The part of maximum risk under guarantee with collateral	**-**	**64.939**	**-**	**313.738**	**-**
A. Net book value of neither past due nor impaired financial assets	18.960	560.633	71.249	527.021	1.964.126
- Guaranteed amount by collateral	-	38.445	-	313.738	-
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)	-	145.464	-	-	-
- Guaranteed amount by collateral (Note 9)	-	26.494	-	-	
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9)	-	201.844	-	747	-
- Impairment (-) (Note 9)	-	(201.844)	-	(747)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not overdue (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The aging of the receivables of the Group that are past due but not impaired including related party balances by taking into consideration past due dates are as follows:

	31 December 2013		31 December 2012	
	Related Party	Other Receivables	Related Party	Other Receivables
1-30 days overdue	-	66.637	-	58.294
1-3 months overdue	-	64.463	-	45.010
3-12 months overdue	-	37.296	-	32.834
1-5 years overdue	-	13.306	-	9.326
Total	-	181.702	-	145.464
Guaranteed amount by collateral				
Media	-	28.383	-	20.753
Retail	-	-	-	-
Energy	-	-	-	-
Other	-	4.356	-	5.741
Total	-	32.739	-	26.494

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 2013 and 31 December 2012, undiscounted cash flows of financial liabilities based on the agreement maturities are as follows:

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

d) Liquidity risk (Continued)

31 December 2013	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 borrowings (Note 8)	2.098.387	2.323.923	530.908	562.567	1.064.522	165.926
Trade payables (Note 9)	498.152	503.841	358.455	144.101	1.285	-
Other financial liabilities (Note 8)	382.547	436.758	202.042	19.950	214.766	-
Other payables (Note 10)	68.222	69.184	39.015	15.011	14.196	962
Trade payables to related parties (Note 34)	38.527	38.527	38.476	51	-	-
Short-term provisions regarding employee benefits (Note 22)	41.373	41.373	-	41.373	-	-
Payables regarding employee benefits (Note 22)	26.399	26.399	-	26.399	-	-
Deferred income (Note 20)	70.010	70.010	66.447	-	3.563	-
Other short term provisions	31.581	31.581	-	3.059	28.522	-
	3.255.198	**3.541.596**	**1.235.343**	**812.511**	**1.326.854**	**166.888**
Derivative financial liabilities						
Derivative cash inflow (Note 21)	839	-	839	-	-	-
Derivative cash outflow (Note 21)	(2.440)	-	(2.440)	-	-	-
Derivative cash inflow/outflow, net	**(1.601)**	**-**	**(1.601)**	**-**	**-**	**-**

31 December 2012	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 borrowings (Note 8)	2.133.260	2.226.650	456.494	702.834	879.532	187.790
Trade payables (Note 9)	371.360	387.991	284.045	103.946	-	-
Other financial liabilities (Note 8)	668.622	689.347	345.228	48.207	295.912	-
Other payables (Note 10)	65.198	66.650	58.671	255	7.724	-
Trade payables to related parties (Note 34)	17.849	17.849	17.821	28	-	-
Short-term provisions regarding employee benefits (Note 22)	36.624	36.624	-	36.624	-	-
Payables regarding employee benefits (Note 22)	26.585	26.585	-	26.585	-	-
Deferred income (Note 20)	48.320	48.320	35.956	-	12.364	-
Other short term provisions (Note 17)	30.170	30.170	-	30.170	-	-
	3.397.988	**3.530.186**	**1.198.215**	**948.649**	**1.195.532**	**187.790**
Derivative financial liabilities						
Derivative cash inflow (Note 21)	882	33.683	33.373	257	53	-
Derivative cash outflow (Note 21)	(1.683)	(1.692)	-	(1.415)	(277)	-
Derivative cash inflow/outflow, net	**(801)**	**31.991**	**33.373**	**(1.158)**	**(224)**	**-**

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

e) 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 carrying values of trade receivables along with the related allowances for collectability are estimated to be at their fair values..

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 amortised cost using the effective interest rate method and accordingly their carrying amounts approximate their fair values.

f) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 35-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

f) Capital risk management (Continued)

The net liability/total equity ratio at 31 December 2013 and 31 December 2012 is summarized below:

	31 December 2013	31 December 2012
Total liability [1]	3.368.290	3.492.508
Less: Cash and cash equivalents (Note 6)	(2.216.361)	(2.160.698)
Net liability	1.151.929	1.331.810
Equity	3.250.187	3.180.918
Total equity	4.402.116	4.512.728
Gearing ratio	26%	30%

The amounts are calculated by deducting income tax payable, derivative financial instruments and deferred tax liability accounts from total liability.

NOTE 36-FINANCIAL INSTRUMENTS

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- Level 1: 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
- Level 2: 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;
- Level 3: The fair value of the financial assets and financial liabilities is determined in accordance with the unobservable current market data.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 36-FINANCIAL INSTRUMENTS (Continued)

Based on the fair value hierarchy, the Group's financial assets and liabilities are categorized as follows:

		Fair value at reporting date		
Financial assets	31 December 2013	1. Level TL	2. Level TL	3. Level TL
Financial assets at FVTPL				
Trading securities	-	-	-	-
Trading derivatives	-	-	-	-
Derivative Instruments	839	-	839	-
Available-for-sale financial assets	-	-	-	-
Bonds and bills (Note 7)	136.465	136.465	-	-
Total	**137.304**	**136.465**	**839**	**-**
Financial liabilities				
Financial liabilities at FVTPL				
Trading securities				
Trading derivatives				
türev araçlar (Not 20)	2.440	-	2.440	-
Other financial liabilities	16.155			16.155
Total	**18.595**	**-**	**2.440**	**16.155**

		Fair value at reporting date		
Financial assets	31 December 2012	1. Level TL	2. Level TL	3. Level TL
Financial assets at FVTPL				
Trading securities				
Trading derivatives				
Derivative Instruments (Note 20)	882	-	882	-
Available-for-sale financial assets	-	-	-	-
Bonds and bills (Note 7)	177.043	177.043	-	-
Total	**177.925**	**177.043**	**882**	**-**
Financial liabilities				
Financial liabilities at FVTPL				
Trading securities				
Trading derivatives				
Derivative instruments	1.683	-	1.683	-
Other financial liabilities	18.207	-	-	18.207
-				
Total	**19.890**	**-**	**1.683**	**18.207**

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, expressed in thousands unless otherwise indicated.)

NOTE 37-SUBSEQUENT EVENTS

Non-Binding Revised Proposal Regarding the Acquisition of Majority Shares of Digitürk

- As at 17 January 2014, Doğan TV Holding, subsidiary of the Group, submitted a non-binding revised proposal through its financial advisors to Çukurova Holding A.Ş. and Savings Deposit Insurance Fund to raise the proposal amount in relation to the acquisition and transfer of 53% of Çukurova Holding A.Ş.'s shares in Krea İçerik Hizmetleri ve Prodüksiyon A.Ş. ("Digitürk"), assuming Digitürk's net cash (liability) is "nil" and has no preferred shares. The bid for the non-binding revised proposal in consideration of the share acquisition of 53% interest is USD 879.450. The bid for the non-binding revised proposal in consideration of the share acquisition of 100% shares of Digitürk is USD 1.650.000. Compared to the pre-offer of Doğan TV in September 2013, the bid for the revised proposal is raised by 18% in terms of USD and is raised by 29% in terms of TL over the respective dates of currencies [Foreign exchange rates: 2 September 2013 1 USD = TL 2.0179 and 16 January 2014 1 USD = TL 2.2080]. On the other hand, Doğan TV aims to increase its share percentage to 100% in Digitürk. The non-binding revised proposal is prepared based on publicly available limited information on the operations of Digitürk and market intelligence and it reflects Doğan TV's long-term expectations on Digitürk and its belief in its potential synergy. Therefore, the non-binding revised proposal is based on significant assumptions which need to be confirmed in the course of detailed investigation ("Due Diligence") process.

Put-option Right of Commerz-Film

- As explained in financial statement footnotes, pursuant to the provisions of the "Share Purchase and Share Holders Agreement" signed between our Company and Commerz-Film GmbH, and direct and indirect subsidiaries Doğan Yayın Holding A.Ş. and Doğan TV Holding A.Ş. on November 19, 2009, and modified on October 31, 2011 and February 28, 2012 with two amendment contracts; within the scope of the exercise of put option by Commerz-Film GmbH, 33.843 registered group B shares with a nominal value of TL 1 (exact), held by Commerz-Film GmbH in the capital of Doğan TV Holding A.Ş. corresponding to 2.48844% of the paid capital of TL 1.360.016.087 (exact) of Doğan TV Holding A.Ş. have been taken over and acquired by our Company in cash and as a single payment of a total of EUR 62.470. Following such share acquisition, the share of Group in its direct subsidiary Doğan TV Holding A.Ş. has become 4.97689%. The related information has anounced in PDP as of 31 January 2014.

NOTE 37-SUBSEQUENT EVENTS (Continued)

The sale of the superficies right of Milta

- Superficies Right Owned by Milta Turizm İşletmeleri A.Ş. subsidiary of the Group, established for the property located in the city of Antalya, the province of Kemer, Göynük village, registered at lot no. 1699, with a surface area of 92,476 m2, on 23.12.2003 with no. 2051 at property registration office for a period of 49 years starting from 11.04.1985 have sold and transfered to Ceylan İşletme İnşaat Turizm Yatırım Nakliyat Gıda İçecek Sanayi ve Ticaret A.Ş.with the negotiated price EUR 20.000 (As per the CBRT FX Sales Rate (2,9944) of an indicator nature, declared on February 17, 2014 at 15:30, effective for February 18, 2014, the Turkish Lira equivalent is TL 59.888). EUR 15.000 of the Total Sales Price upfront; EUR 5.000 portion is in 4 equal instalments of EUR 1.250, first to be collected on 31.08.2015, second on 31.08.2016, third on 31.07.2017, and the last on 31.08.2018. An annual interest of 3.25% as well as the interest related VAT is applicable on the amount to be paid in instalments, starting from the title deed registration date. As of the date of the Board Resolution, according to the legal records of Milta Turizm İşletmeleri A.Ş., a "superficies right"(real estate) sales profit of approximately TL 53.051 is calculated "including the term payment difference". The "superficies right"(real estate) sales profit to arise as per the financial statements prepared according to CMB/TFRS will be calculated separately, and the relevant information shall be provided in the footnotes of the consolidated financial statement of 31.12.2013. Following the sales and the transfer of such "superficies right" and the relevant equipment, approximately TL 34.112 portion of the approximately TL 53.051 "superficies right"(real estate) sales profit in our legal records will not be subject to profit distribution in the accounting term of 01.01.2014-31.12.2014 within the scope of exception in Article 5-1/e of the Corporate Tax Law, and shall be transferred to a special funds account in liabilities. The related information has anounced in PDP as of 18 February 2014.

Subsidiary capital increase participation

- Board of Directors has resolved to authorize and appoint Company management to fully exercise right of acquiring new shares totaling TL 175.500, which corresponds to share of participation, in the increase of the capital of Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş., 100% of the capital is owned by the Group, from TL 475.500 to TL 651.000 through the full cash payment of its capital and to notify PDP for the performance of the necessary procedures on 27 January 2014.

- Board of Directors has resolved to authorize and appoint Company management to fully exercise right of acquiring new shares totaling TL 10.500, which corresponds to share of participation, in the increase of the capital of Aslancık Elektrik Üretim A.Ş., 100% of the capital is owned by the Group, from TL 135.500 to TL 165.000 through the full cash payment of its capital and to notify PDP for the performance of the necessary procedures on 7 January 2014.

Approval of Financial Statements

The consolidated financial statements for the period ended 31 December 2013 were approved by the Board of Directors on 7 March 2014. Other than Board of Directors has no authority to change financial statements.

NOTE 38-DISCLOSURE OF OTHER MATTERS AFFECTING CONSOLIDATED FINANCIAL STATEMENTS SIGNIFICANTLY TO BE DISCLOSED

None.

PRODUCED BY FINAR KURUMSAL © 2014
WWW.FINARKURUMSAL.COM • TEL +90 212 269 37 20

Doğan Şirketler Grubu Holding A.Ş.
Burhaniye Mahallesi Kısıklı Caddesi No: 65
34676 Üsküdar/İstanbul
Phone : 0216 556 90 00
Fax : 0216 556 92 84
www.doganholding.com.tr

This annual report was printed on 100% recycled paper.
During production, no damage were wormed trees.