

DOĞAN BURDA

INVESTOR PRESENTATION – SEPTEMBER 2019



Doğan Holding & Burda GmbH Partnership

Hubert Burda Media



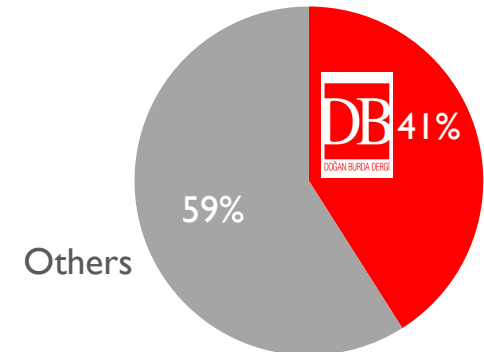
DOĞAN BURDA: LEADING MAGAZINE GROUP IN TURKEY



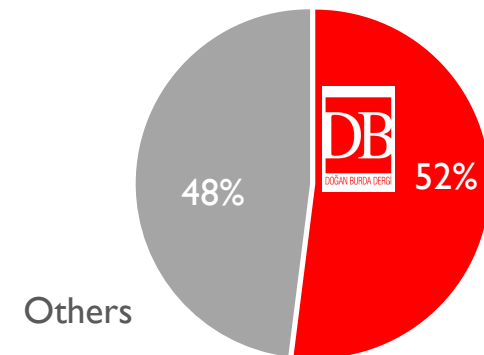
- JV of Doğan Holding & Burda GmbH,
- Diverse portfolio with well-known and leading brands with 65 publications (monthlies, weeklies and various other magazines).
- Focusing on digital activities for securing long-term audience: 31 brands, 4 e-sales web sites and 22 tablet and mobile application.
- DB maintains #1 position with a market share of 41% in magazine circulation & 52% in magazine ad market in 3Q19.
- Net cash position of TL24.5 mn as of 3Q19-end.

1 Magazine Company in Turkey

Turkish magazine circulation market



Turkish magazine ad market



* Ad revenues = Reported ad revenues plus IAS adjustments & reclassifications.

WIDE SELECTION OF MAGAZINES FOR EVERY TASTE

- Doğan Burda offers a broad portfolio of magazines to suit everyone

Women, Health & Decoration

Hobbies, Cooking & Special Interest

Information Technology & Computers

Economy News

People, Youth, Travel & Lifestyle

INTERNATIONALLY RECOGNIZED BRANDS & LICENSES

Magazine	Licensor
Auto Show	Axel Springer Auto-Verlag GmbH
Burda	Verlag Aenne Burda GmbH & Co.
Capital	Grüner + Jahr International Magazines GmbH
Elle & Elle Decoration	Hachette Filipacchi Presse S.A.
Maison Francaise	Cote Maison
Hello	Hola, S.L.
Chip & Level	Chip Holding GmbH
Popular Science	Bonnier Corporation
How it Works	Future Publishing Limited

- Doğan Burda takes advantage of various internationally recognized licenses under its portfolio.

DIGITAL ACTIVITIES



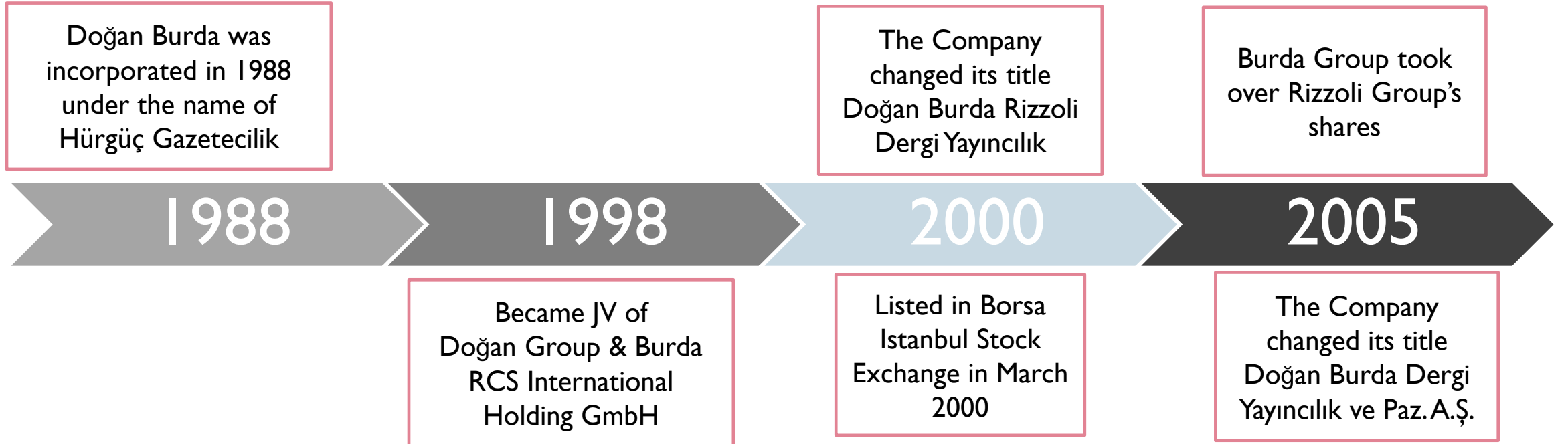
Dergilik

Continue to focus on digital activities; currently there are 17 brands' digital websites and/or tablet versions.

- The company continuously renew its magazine websites and relaunch if necessary
- Telecommunication Company's mobile e-mag app started to be used as a new revenue channel:
 - The number of eMagazine downloads exceeds 2M monthly on Dergilik
- Doğan Burda's websites has around 10 mn monthly UV in total.

Sources: Google Analytics , Dergilik

MILESTONES OF DOĞAN BURDA



JV OF DOĞAN GROUP & BURDA GMBH



- Doğan Group, founded by Aydın Doğan, is one of the leading groups in Turkey with almost 60 years of experience.
- Doğan Group companies play a pioneering role in a wide range of sectors, which include the energy, industry, automotive marketing, financial services as well as media and tourism.
- Doğan Group has been adding significant value to the Turkish economy, fully integrated and 40 years of long-standing position in the sector, until May 16, 2018. On May 16, 2018, Doğan Holding sold all its shares in its major publishing and broadcasting assets, excluding its share in Doğan Burda¹.

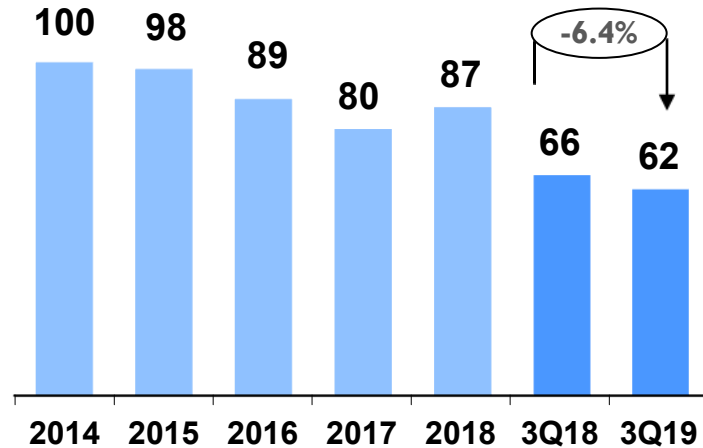
Hubert Burda Media

- Hubert Burda Media Group (HBM), a global player with an international reputation, is one of the largest corporations of Germany.
- A family enterprise with a history spanning over 100 years, Hubert Burda Media combines tradition and innovation. Today, the corporation is one of Germany's largest media companies with an international presence and a global reputation.

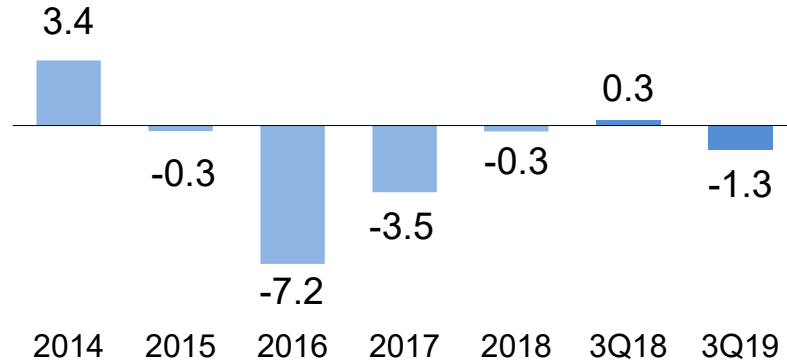
FINANCIAL SUMMARY



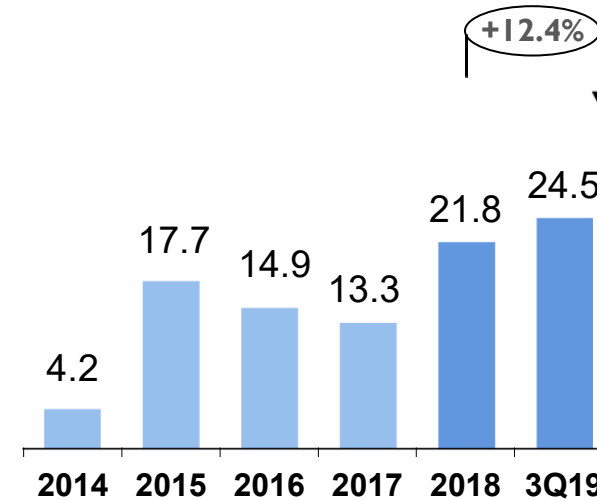
REVENUES
(TL MN)



EBITDA
(TL MN)

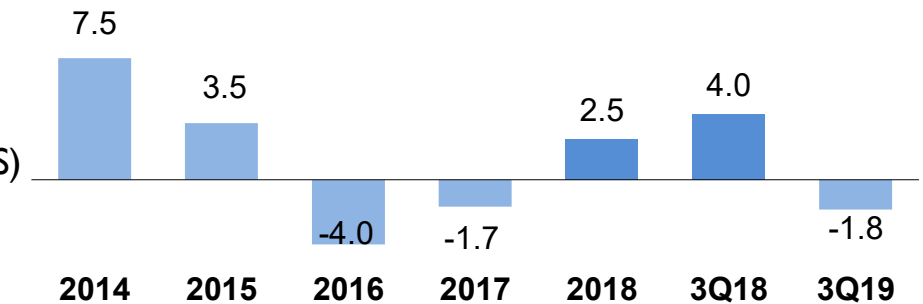


NET CASH
(TL MN)



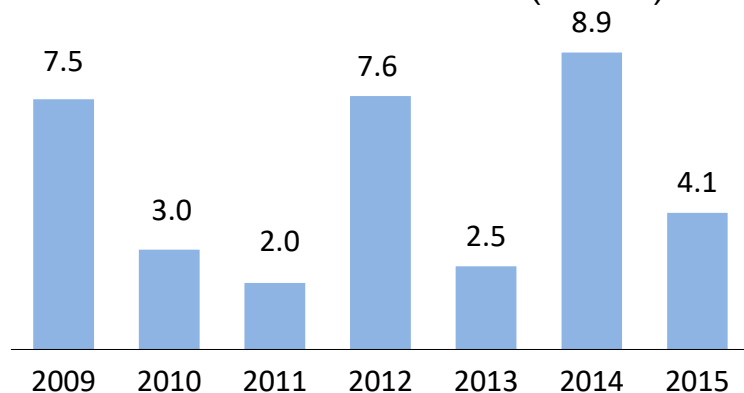
* The company sold an asset worth US\$10 mn (TL21 mn) in June 2014; US\$2 mn was taken in advance payment, while the remaining portion was received in 2015.

NET PROFIT/(LOSS)
(TL MN)

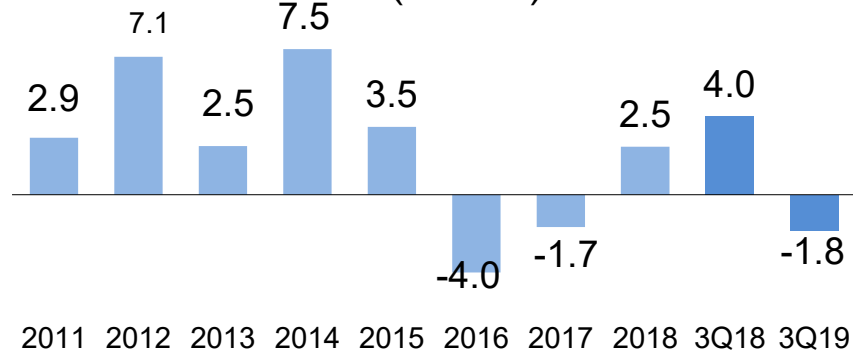


DIVIDEND HISTORY & STOCK PERFORMANCE

Gross Cash Dividend Paid (TL mn)



Net Profit (TL mn)

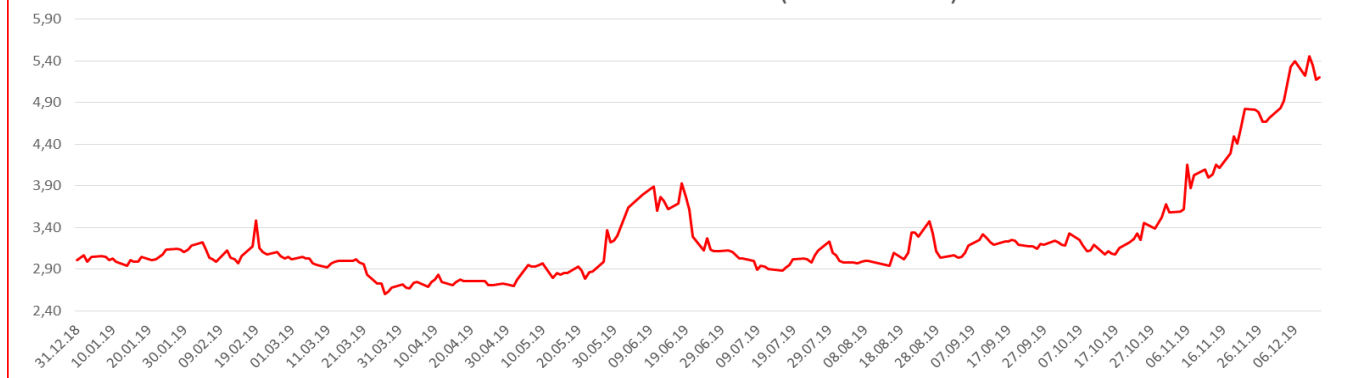


- Doğan Burda has been trading on Borsa Istanbul since March 28, 2000 with a ticker <DOBUR>.
- Distributed dividend straight up until 2016, where the company generated net loss.

	12.12.19	13.12.19
DOBUR		
Share Price		5,20 TL
# shares (mn)		19,6
TL/US\$		5,79
Market Cap.		101,7 mn TL
		17,6 mn \$
Free float (30.09.19)		14,98%
Avg. Daily Volume (3 mths)		4.253.208 TL
52 week price (low - high)	5,76 TL	2,51 TL
Share Performance	DOBUR	Rel. to BIST-100
Monthly	30,0%	22,3%
YTD*	72,8%	42,7%

* Year to date

DOBUR Share Performance (2018 to date)





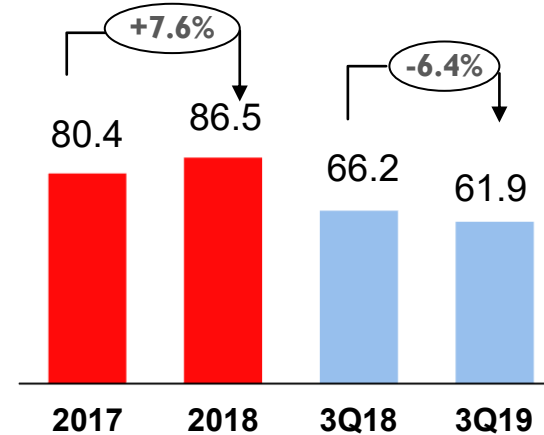
FINANCIAL REVIEW

3Q2019 FINANCIALS

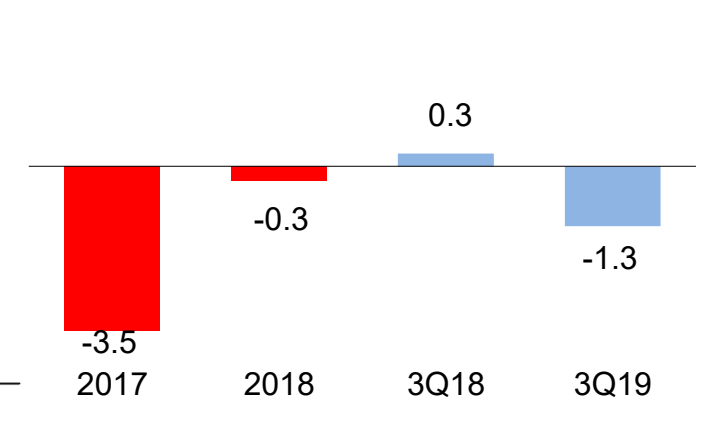
HIGHLIGHTS OF 3Q 19

- Depending on ongoing negative market conditions in the advertising market, advertising revenue has decreased by %6.4.
- The COGS increased by 1.5% compared to the previous period is based on increase increase in personnel expenses and depreciation expenses related with new lease standart.
- The company maintained a net cash of TL 24.5 mn as of 3Q2019.

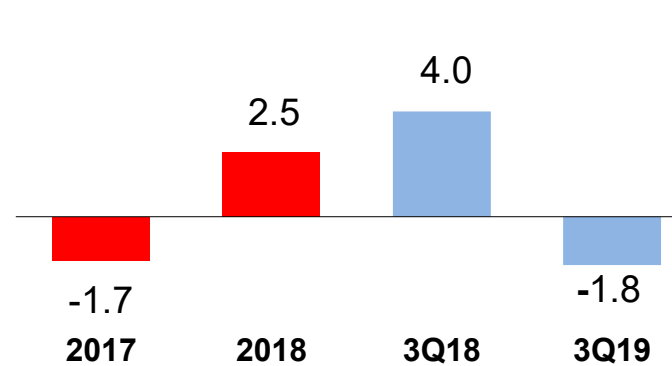
REVENUES (TL MN)



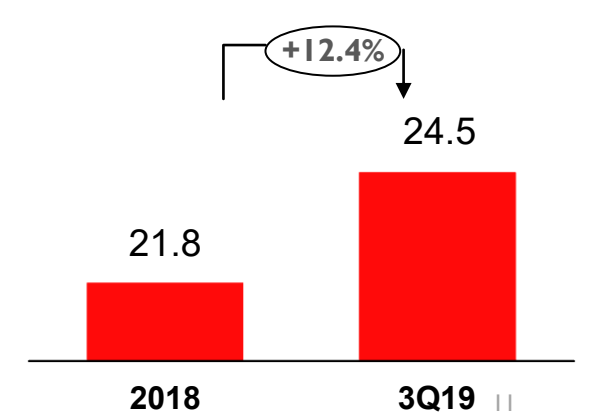
EBITDA (TL MN)



NET PROFIT/(LOSS) (TL MN)



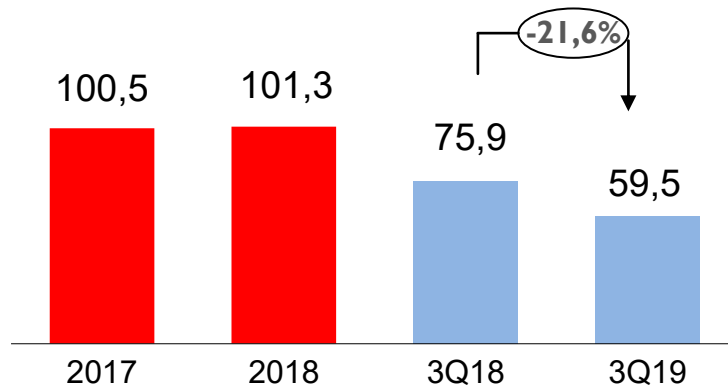
NET CASH (TL MN)



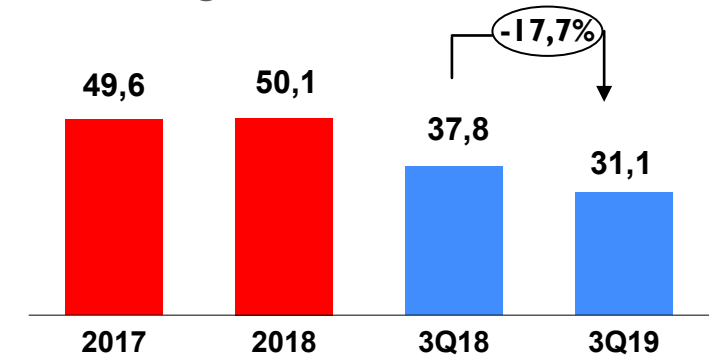
TURKISH MAGAZINE MARKET

- DB's ad revenues decreased by 17,7% in 3Q19 yoy, at better level compared to Turkish magazine Ad market decrease of 21.6%.
- DB's maintained its leadership position with 41% market share in circulation & circulation figures as in 3Q19.

Turkish Magazine Ad Market (TL mn)

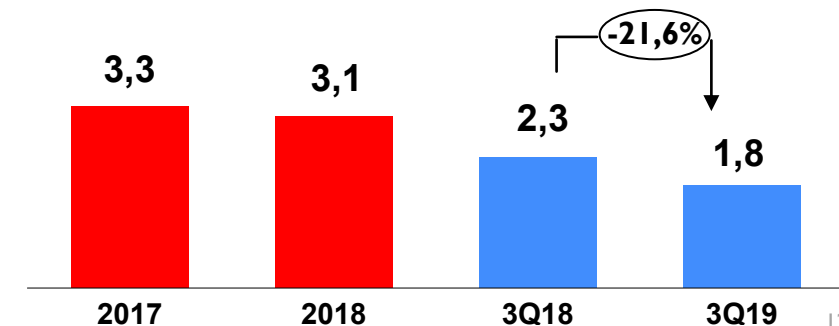


Doğan Burda Ad Revenues* (TL mn)

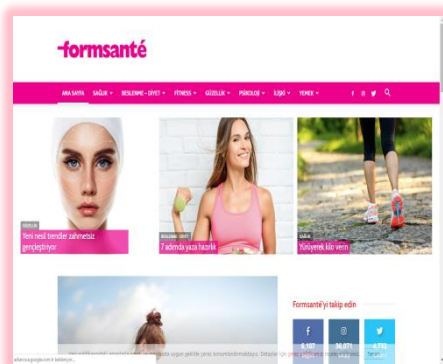


*Ad revenues = Reported ad revenues plus IAS adjustments & reclassifications.

Doğan Burda Net Circulation (mn units)



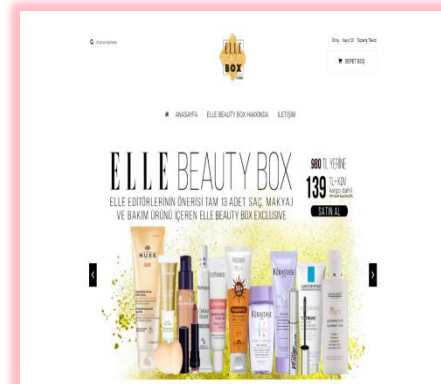
DIGITAL ACTIVITIES IN 3Q19



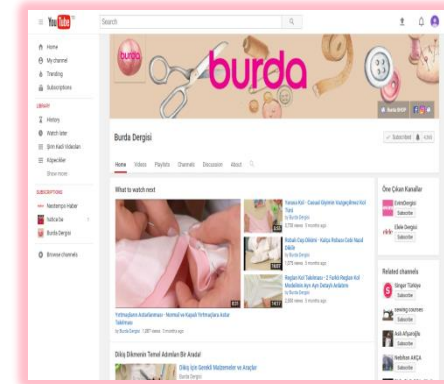
<https://www.formsante.com.tr/>



Dergilik



Elle Beauty Box



Burda Youtube Channel

- The number of eMagazine downloads is more than 2m monthly on Dergilik
- Formsante.com.tr and <https://ozelsayi.dbabone.com/> has been re-launched.
- Burda sewing course channel was created on Youtube and reached 27 K subscribers <https://www.youtube.com/c/BurdaDergisiTR>
- Elle Beauty Box 3, Elle Beauty Box 4, Elle Beauty Box Exclusive and Elle Beauty Box Yves Rocher launched and sold out <https://beautybox.elle.com.tr/>
- On web sites approximately 10 mn monthly unique visitors in total.

Sources: Google Analytics , Apple iTunes Connect, Dergilik

REVENUE & COST BREAKDOWN

- The revenue in 3Q of 2019 decreased by 6.4% due to the decrease in advertising sales compared to the same period of the previous year and completed at TRY 61.9M.
- By 1.5% increase in the cost of goods sold compared to previous year period is due to the increase in personnel expenses and depreciation expenses.
- Operating expenses decreased by 6.0% compared to previous year period is due to decrease of sales distribution costs.
- The increase in depreciation expenses is based on depreciation of the capitalization leases with the transition to the new lease standard.

Revenues (TL mn)	3Q18	3Q19	Chg. YoY
Total Revenues	66,19	61,94	-6,4%
Advertising	36,67	31,10	-15,2%
Circulation	23,67	23,46	-0,9%
Other	5,86	7,39	26,1%
Cost of Goods Sold (-)	38,23	38,80	1,5%
Production Costs	15,97	14,68	-8,1%
Depreciation	0,08	2,00	2411,0%
Other Costs	22,18	22,13	-0,2%
Gross Profit	27,97	23,14	-17,3%
Operating Expenses (-)	28,20	26,51	-6,0%
Marketing, Sales & Distribution	22,82	20,10	-11,9%
General Administrative	5,38	6,41	19,1%
EBIT	-0,2	-3,4	1346,0%

BALANCE SHEET SUMMARY

in TL mn	Dec 31, 2018	Sep 30, 2019
Cash & Cash Equivalents	21.8	24.5
Financial Debt	-	0.5
Net Cash	21.8	24.0
Total Assets	52.1	61.3
Shareholders' Equity	25.0	23.2

- Net cash position was TL24.5 mn as of 3Q2019-end; maintains sufficient liquidity cushion to meet any short-term operational funding.

FURTHER STRATEGIES

Digital

Concentration on customized video shootings

Target to have more branded content & native ad channels

Growth in e-copy downloads

E-copy partnership with mobile phone operators

New Sources of Revenues

Focusing on event activities in terms of related channel to strengthen 360 degree publishing.

Print

Focusing on feasible fields of the gaps of market both in terms of ad and circulation to launch periodicals & seasonals.

Focusing on young population to catch current trends.

INCOME STATEMENT SUMMARY

- Successful 3Q19 results in terms of revenue and profitability.

Income Statement Summary (TL mn)	3Q18	3Q19	Ch.%
Net Sales	66,19	61,94	-6,4%
Cost of Goods Sold (-)	38,23	38,80	1,5%
Gross Profit	27,97	23,14	-17,3%
Operating Exp. (-)	28,20	26,51	-6,0%
Operating Profit/(Loss)	(0,23)	(3,37)	1346,0%
Other Operating Income/(Exp.)	5,99	2,71	-54,7%
Income/(Exp.) from Investing Activities	0,01	0,01	-9,6%
Operating Profit/(Loss) before Finance Exp.	5,76	(0,65)	-111,3%
Net Profit/(Loss)	4,03	(1,84)	-145,8%
EBITDA	0,27	(1,27)	-570,7%

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THANK YOU

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