

(Convenience translation)

Logo Yazılım Sanayi ve Ticaret A.Ş.

Interim consolidated balance sheet
as at 30 September 2013

(Amounts expressed in Turkish Lira ("TL"), unless otherwise indicated)

	Current period	Prior period
		(Audited)
	30 September 2013	31 December 2012 (Restated)
Assets		
Current assets	50.718.521	31.069.738
Cash and cash equivalents	14.643.098	9.833.681
Financial assets	43.739	482.825
Trade receivables		
- Due from related parties	4.033	59.699
- Other trade receivables	34.795.343	20.325.246
Other receivables	9.056	22.432
Inventories	412.860	145.152
Prepaid expenses	404.569	87.264
Other current assets	405.823	113.439
Non-current assets	47.898.525	31.836.297
Trade receivables		
- Other trade receivables	39.470	-
Other receivables		
- Due from related parties	-	2.000.000
Financial assets	95.653	83.153
Associates accounted for using the equity method	-	-
Property and equipment	13.809.359	13.540.217
Intangible assets	27.712.697	15.832.958
Deferred income tax assets	5.892.252	376.731
Other non-current assets	298.925	3.238
	50.169	
Total assets		62.906.035

These interim consolidated financial statements have been approved by Board of Directors on 11 November 2013 and signed on its behalf by Buğra Koyuncu, Chief Executive Officer and Gülnur Anlaş, Chief Financial Officer.

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as at 30 September 2013

(Amounts expressed in Turkish Lira ("TL"), unless otherwise indicated)

	Current period	Prior period
		(Audited)
	30 September	31 December
	2013	2012
		(Restated)
Liabilities		
Current liabilities	45.367.000	13.971.344
Short-term bank borrowings	21.368.915	899.269
Short-term portion of long-term bank borrowings	1.041.460	877.092
Trade payables		
- Due to related parties	7.478.893	135.045
- Other trade payables	2.032.617	2.257.430
Employee benefit obligations	2.198.747	3.729.712
Other payables	819.894	2.437.248
Deferred revenue	9.981.540	3.543.286
Other current liabilities	444.934	92.262
Non-current liabilities	6.812.597	6.468.948
Long-term bank borrowings	2.691.814	3.458.824
Other payables	-	11.570
Provision for employee benefits	3.389.056	2.320.922
Deferred revenue	731.727	677.632
Equity		
Equity attributable to equity holders of the parent	44.745.726	40.855.128
Share capital	25.000.000	25.000.000
Adjustment to share capital	2.991.336	2.991.336
Restricted reserves	3.666.269	3.087.683
Treasury shares	(7.318.326)	(450.493)
Actuarial loss/gain	(246.561)	(149.394)
Retained earnings	9.797.410	(377.830)
Net income for the period	10.855.598	10.753.826
Non-controlling interests	1.691.723	1.610.615
Total equity	46.437.449	42.465.743
Total equity and liabilities	98.617.046	62.906.035

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Logo Yazılım Sanayi ve Ticaret A.Ş.

Interim consolidated income statement
as at 30 September 2013

(Amounts expressed in Turkish Lira ("TL"), unless otherwise indicated)

	Current period		Prior period	
	1 January – 30 Sept. 2013	1 July – 30 Sept. 2013	1 January – 30 Sept. 2012 (Restated)	1 July– 30 Sept. 2012 (Restated)
Continuing operations				
Sales	38.196.436	14.211.762	30.148.407	8.524.042
Cost of sales (-)	(2.790.067)	(1.821.387)	(834.664)	(285.876)
Gross profit	35.406.369	12.390.375	29.313.743	8.238.166
Marketing, selling and distribution expenses (-)	(6.695.253)	(2.419.823)	(5.769.405)	(1.707.117)
General administration expenses (-)	(5.366.823)	(1.771.817)	(4.880.389)	(1.494.064)
Research and development expenses (-)	(11.900.670)	(4.253.756)	(10.075.787)	(3.175.935)
Other operating income	1.332.119	376.075	707.533	138.443
Other operating expenses (-)	(1.082.943)	(769.807)	(259.140)	(3.269)
Operating profit	11.692.799	3.551.247	9.036.555	1.996.224
Share of loss of associate				
Financial income	-	-	-	-
Financial expenses (-)	722.707	497.835	284.714	119.237
	(1.341.110)	(278.038)	(1.570.969)	(601.851)
Income before income taxes	11.074.396	3.771.044	7.750.300	1.513.610
Taxation on income				
Current income tax charge				
Deferred income tax charge	(137.690)	(43.657)	(62.763)	(20.298)
Net income for the period	10.936.706	3.727.387	7.687.537	1.493.312
Net income attributable to				
Non-controlling interests				
Equity holders of the parent	81.108	28.645	171.810	69.597
	10.855.598	3.698.742	7.515.727	1.423.715
Total	10.936.706	3.727.387	7.687.537	1.493.312
Earnings per share per thousands of shares with nominal value 1 Kr each	4,37	1,49	3,08	0,60

(Convenience translation)

Logo Yazılım Sanayi ve Ticaret A.Ş.

Interim consolidated comprehensive income statement
as at 30 September 2013

(Amounts expressed in Turkish Lira ("TL"), unless otherwise indicated)

	Current period		Prior period	
	1 January – 30 Sept. 2013	1 July – 30 Sept 2013	1 January – 30 Sept. 2012 (Restated)	1 July– 30 Sept 2012 (Restated)
Net income for the period	10.936.706	3.727.387	7.687.537	1.493.312
Actuarial loss arising from employee benefits	(97.167)	88.323	(254.627)	(41.612)
Other comprehensive loss	(97.167)	88.323	(254.627)	(41.612)
Total comprehensive income	10.839.539		7.432.910	
Total comprehensive income attributable to Non-controlling interests Equity holders of the parent	81.108	1	171.810	9
Total	10.758.431		7.261.100	

(Convenience translation)

Logo Yazılım Sanayi ve Ticaret A.Ş.

**Interim consolidated statement of changes in equity
for the period ended 30 September 2013**

(Amounts expressed in Turkish Lira (“TL”), unless otherwise indicated)

					Other comprehensive income or loss items not to be reclassified to profit or loss in subsequent periods						
	Share capital	Adjustment to share capital	Treasury shares	Restricted reserves	Actuarial gain/ (loss) arising from employee benefits	Retained earnings/accu- mulated deficit	Net income/loss for the period	Equity attributable to equity holders of the parent	Non- controlling interests	Total equity	
1 January 2012	25.000.000	2.991.336	-	4.037.273	-	(929.655)	3.124.998	34.223.952	-	34.223.952	
Change in accounting policy (Note 2.1.6)	-	-	-	-	189.427	-	(189.427)	-	-	-	
1 January 2012- as restated	25.000.000	2.991.336	-	4.037.273	189.427	(929.655)	2.935.571	34.223.952	-	34.223.952	
Transfer to retained earnings	-	-	-	-	-	2.935.571	(2.935.571)	-	-	-	
Dividends paid	-	-	-	(949.590)	-	(2.383.746)	-	(3.333.336)	-	(3.333.336)	
Acquisition of subsidiary (Note 3)	-	-	-	-	-	-	-	-	1.362.285	1.362.285	
Net income for the period	-	-	-	-	-	-	7.515.727	7.515.727	171.810	7.687.537	
Other comprehensive loss for the period	-	-	-	-	(254.627)	-	-	(254.627)	-	(254.627)	
Total comprehensive income	-	-	-	-	(254.627)	-	7.515.727	7.261.100	171.810	7.432.910	
30 September 2012	25.000.000	2.991.336	-	3.087.683	(65.200)	(377.830)	7.515.727	38.151.716	1.534.095	39.685.811	
1 January 2013	25.000.000	2.991.336	(450.493)	3.087.683	-	(188.403)	10.415.005	40.855.128	1.610.615	42.465.743	
Change in accounting policy (Note 2.1.6)	-	-	-	-	(149.394)	(189.427)	338.821	-	-	-	
1 January 2013- as restated	25.000.000	2.991.336	(450.493)	3.087.683	(149.394)	(377.830)	10.753.826	40.855.128	1.610.615	42.465.743	
Transfer to retained earnings	-	-	-	578.586	-	10.175.240	(10.753.826)	-	-	-	
Acquisition of treasury shares	-	-	(6.867.833)	-	-	-	-	(6.867.833)	-	(6.867.833)	
Net income for the period.	-	-	-	-	-	-	10.855.598	10.855.598	81.108	10.936.706	
Other comprehensive loss	-	-	-	-	(97.167)	-	-	(97.167)	-	(97.167)	
Total comprehensive income	-	-	-	-	(97.167)	-	10.855.598	10.758.431	81.108	10.839.539	
30 September 2013	25.000.000	2.991.336	(7.318.326)	3.666.269	(246.561)	9.797.410	10.855.598	44.745.726	1.691.723	46.437.449	

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Logo Yazılım Sanayi ve Ticaret A.Ş.

Interim consolidated statement of cash flow

as at 30 September 2013

(Amounts expressed in Turkish Lira ("TL"), unless otherwise indicated)

	Current period	Prior period
	30 Sept. 2013	30 Sept. 2012 (Restated)
Income before before income tax	11.074.396	7.750.300
Depreciation and amortization	4.047.115	4.413.269
Deferred revenue	2.002.955	582.521
Increase in provision for employee termination benefits	243.241	332.810
Increase in unused vacation liability	26.014	103.330
Personnel bonus accrual	(2.220.420)	(707.093)
Interest expenses	443.900	459.960
Interest income	(607.585)	(162.453)
Increase in provisions	185.434	205.027
Other	-	56.503
Operating income before changes in working capital	15.195.050	13.034.174
Increase in trade and other receivables	(4.942.451)	212.028
Increase in due from related parties	55.666	29.574
(Increase)/ decrease in inventories	(265.753)	(1.123)
Increase in other current assets	13.496	(483.302)
Increase in trade payables	(667.938)	120.943
(Decrease)/ increase in due to related parties	7.343.848	(166.512)
Increase/(decrease) in other payables and liabilities and employee benefits obligations	(1.943.304)	(1.273.864)
Taxes paid	-	(15.613)
Employee termination benefits paid/accrued	(68.417)	(518.693)
Net cash generated from operating activities	14.720.197	10.937.612
Investing activities:		
Purchase of property and equipment and intangible assets	(367.618)	(926.656)
Acquisition of subsidiary, net of cash acquired	(21.312.134)	-
Cash used in development activities	(3.524.210)	(2.947.988)
Purchase of treasury shares	(6.867.833)	(322.393)
(Increase)/decrease in financial assets	439.086	(386.773)
Interest received	298.825	(47.980)
Net cash used in investing activities	(31.333.884)	(4.631.790)
Financial activities:		
Increase/(Decrease) in bank borrowings	19.754.503	(994.306)
Dividend paid	-	(3.333.336)
Interest paid	(331.399)	405.885
Decrease in due from related parties	2.000.000	-
Net cash used in financing activities	21.423.104	(3.921.757)
Net increase/(decrease) in cash and cash equivalents	4.809.417	2.384.065
Cash and cash equivalents at beginning of the period	9.833.681	5.119.820
Cash and cash equivalents at end of the period	14.643.098	7.503.885