

LOGO

9M2019 Results Presentation

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Chief Financial Officer

November 7th, 2019

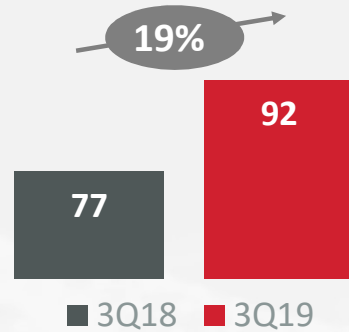
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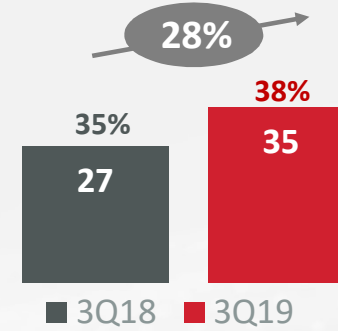
Solid performance in 3Q19

Consolidated

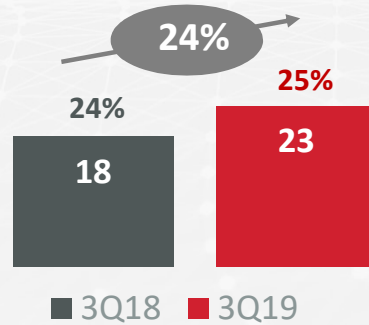
Revenues (TL mn)



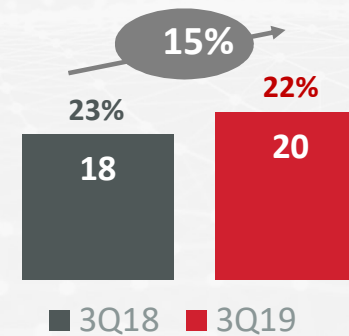
EBITDA (TL mn)



EBIT (TL mn)



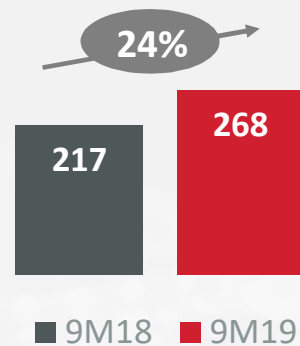
Net Income (TL mn)



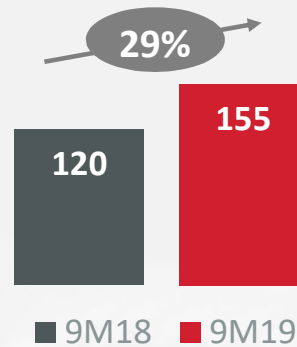
Sustainable growth and profitability continues

Consolidated

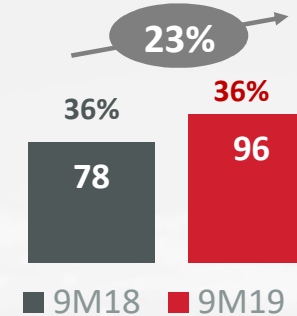
Revenues (TL mn)



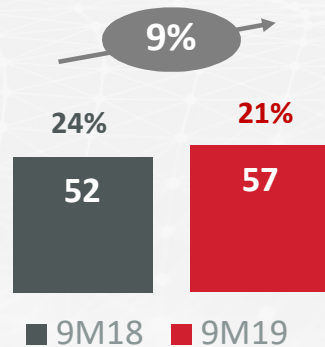
Recurring Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)



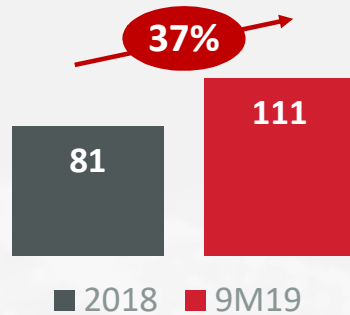
- **Healthy revenue and profit growth** in Turkey
- **Recurring revenue's share** in total increased to **58%**, supporting Logo's sustainable growth.
- **Total Soft** achieved 21% y/y top-line and 102% y/y EBITDA growth in Euro basis

Strong financial management

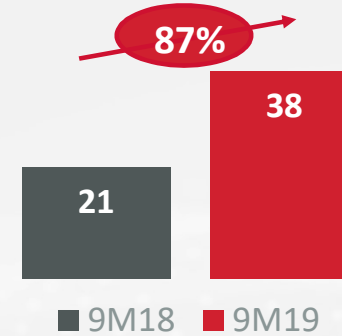
Consolidated

Improved Liquidity

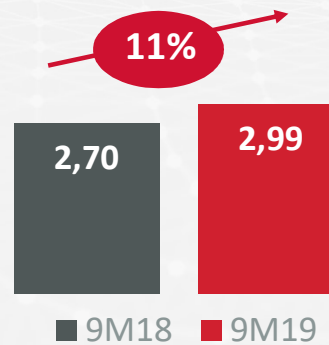
Cash and Cash Eq.



Strong Free Cash Flow (LTM)



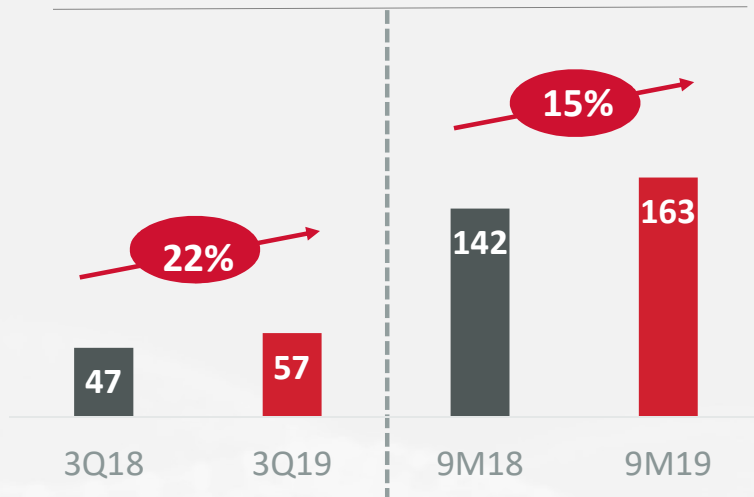
EPS* Growth (LTM)



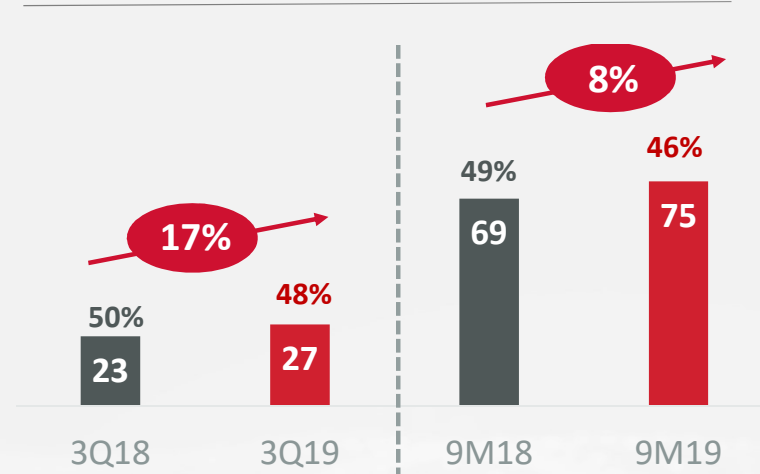
* Adjusted by 3.48% treasury shares

Good start to 2H in Turkey

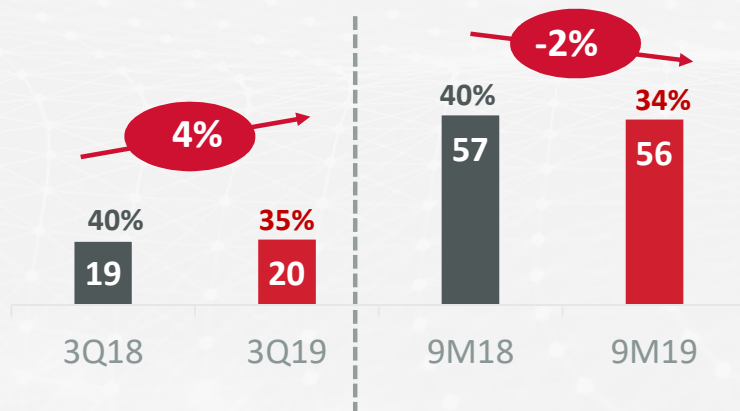
Logo Standalone – Revenues (TL mn)



Logo Standalone – EBITDA (TL mn)



Logo Standalone - Net Income (TL mn)



- 3Q results inline with budget
- New customer acquisitions, LEM and e-government solutions' sales drove growth in revenues
- Profitability lower y/y due to relatively lower revenue growth

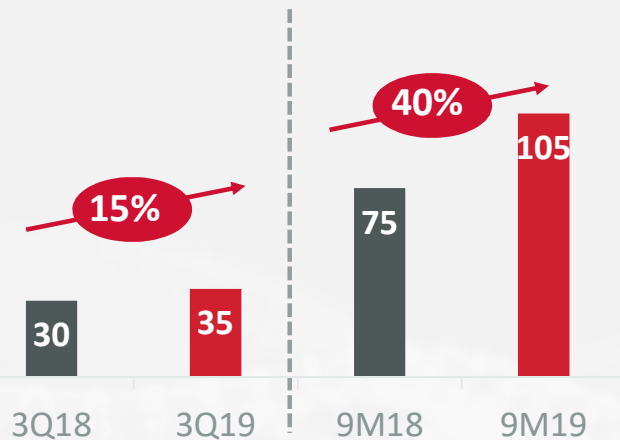
Logo Turkey Standalone: Logo's operations in Turkey excluding Logo KOBİ and Logo Infosoft (India)



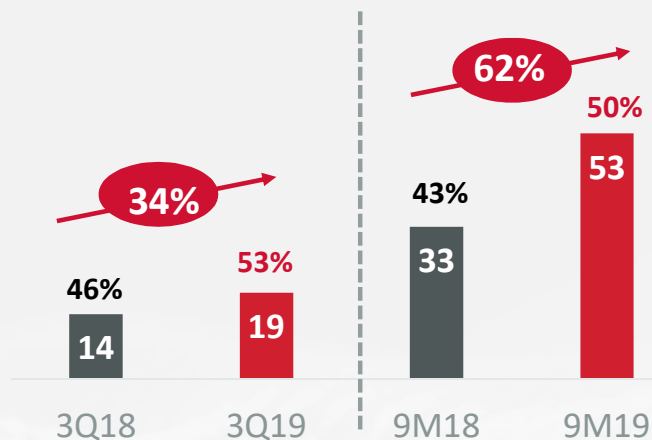
*IFRS 16 impact on 9M19: EBITDA +3,9 TL mn / EBIT +776 TL thou / EBT -304 TL thou

Significantly improved performance by Total Soft

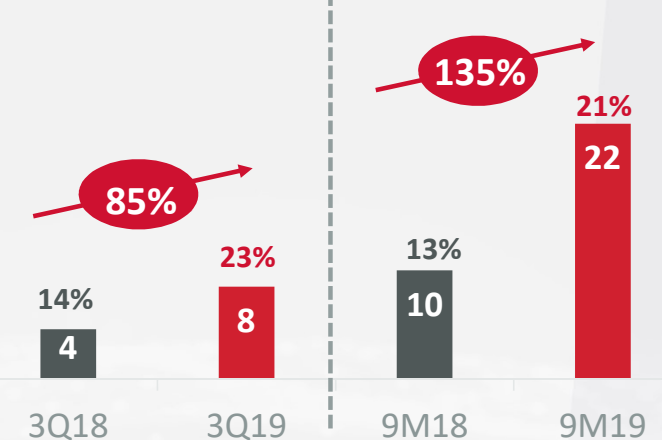
Total Soft – Revenues (TL mn)



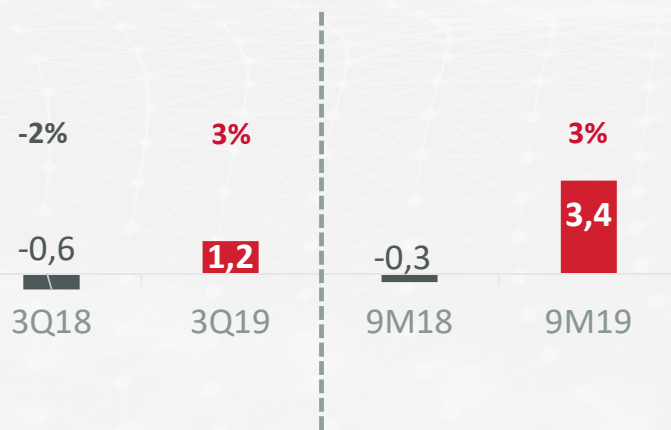
Total Soft – Gross Profit (TL mn)



Total Soft – EBITDA (TL mn)



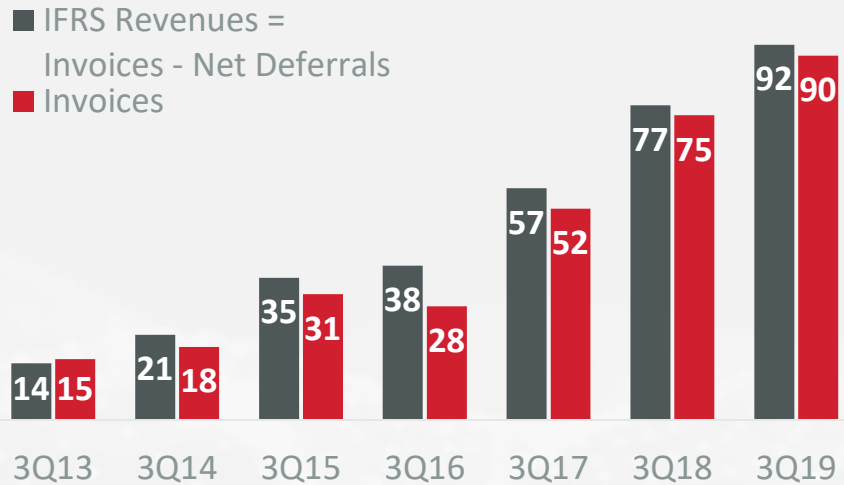
Total Soft - Net Income (TL mn)



- **Revenue** growth in euros was **21% y/y** in 9M19
- **Improvement** in gross profit continued with 62% growth compared to 9M18
- **EBITDA** is significantly higher with 21% margin in 9M19

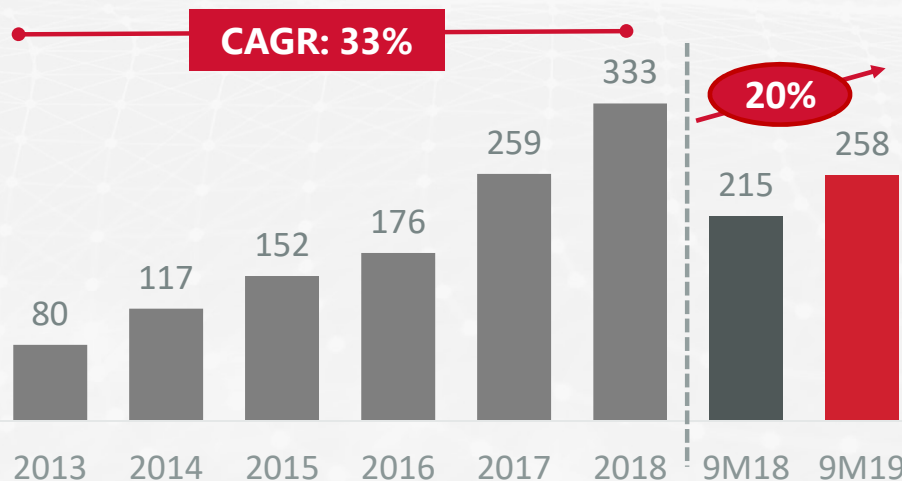
Invoiced revenues vs IFRS revenues (Consolidated)

Third Quarter Invoices & IFRS Revenues (TL mn)



- 3Q sales invoice growth was 20% y/y
- IFRS Revenue growth was 19%y/y in 3Q

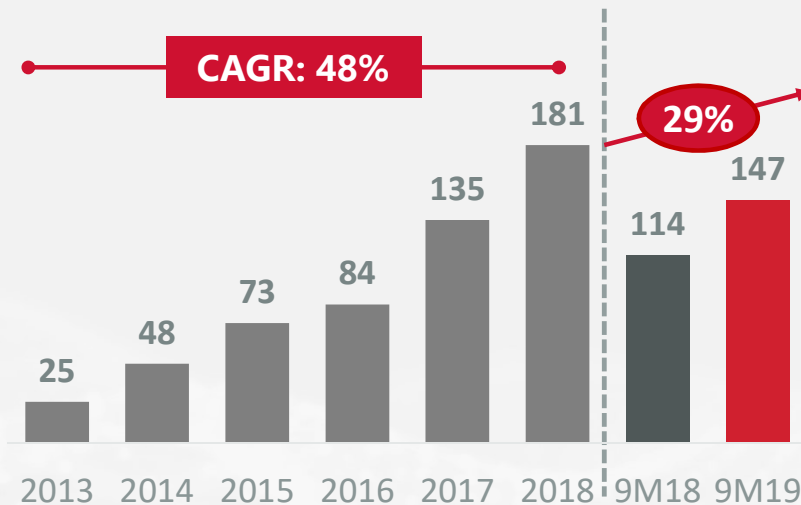
Invoiced Revenues (TL mn)



- In **Turkey**, invoiced revenue was **155 TL mn** with 14% increase
- **Total Soft's** invoiced revenue increased by 31% and reached **103 TL mn**
- **Recurring** revenues make up **57%** of invoices

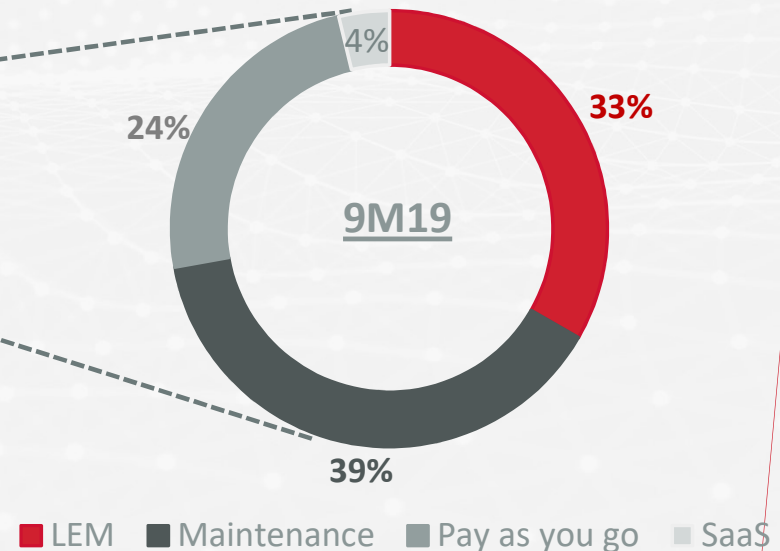
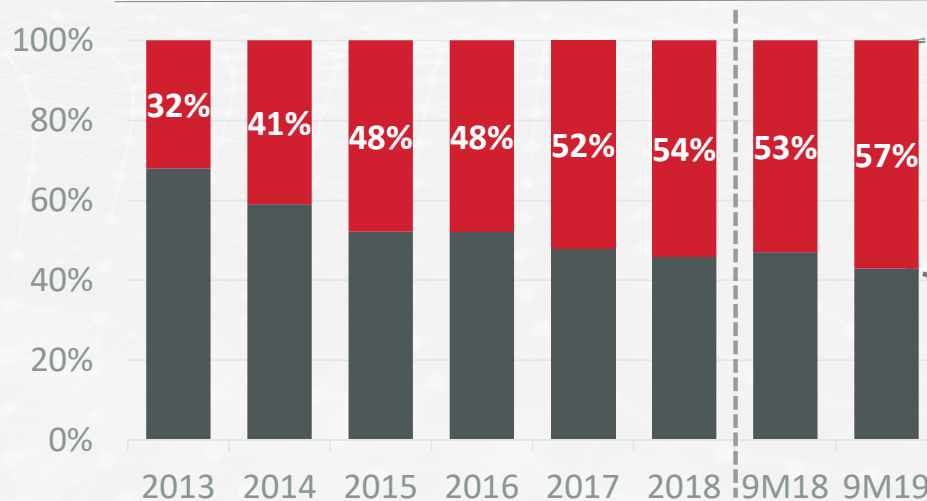
Recurring revenue growth ensuring predictability

Consolidated Recurring Invoices (TL mn)



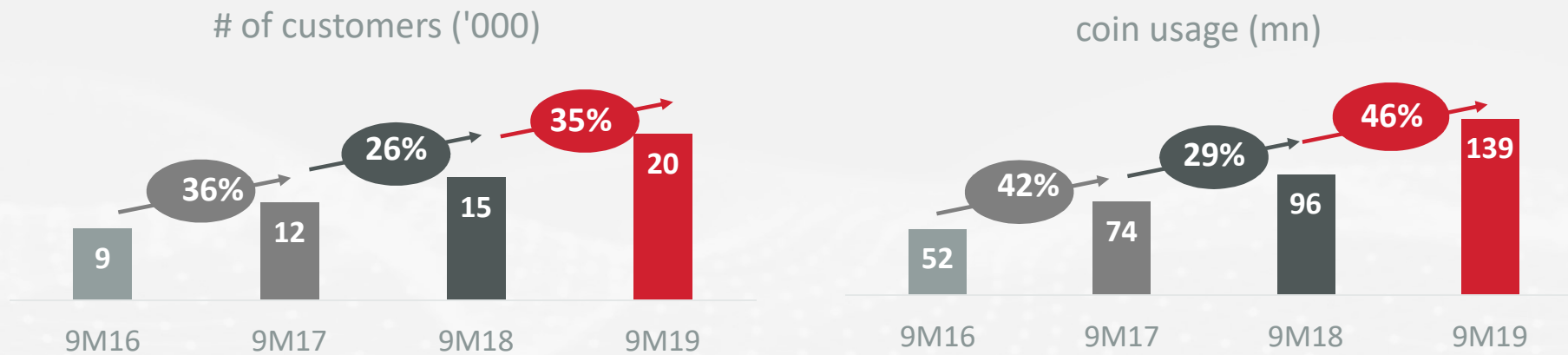
- **LEM** revenues increased by 15% y/y in 9M19
- **Pay as you go** revenues increased by 44% y/y with very strong coin sales. eLogo coin customers and coin usage increased by 35% and 46%, respectively
- **Maintenance** revenues increased by 38% y/y with significant contribution from Romania operations
- **SaaS** revenues increased by 7%

Recurring Invoices/Total Invoices (%)



eLogo: e-services platform and leader in digital transformation

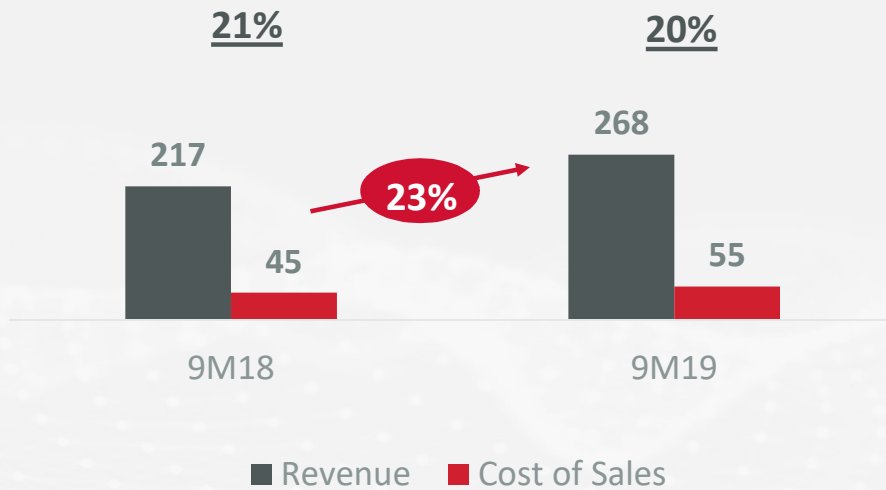
Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 20K+ customers



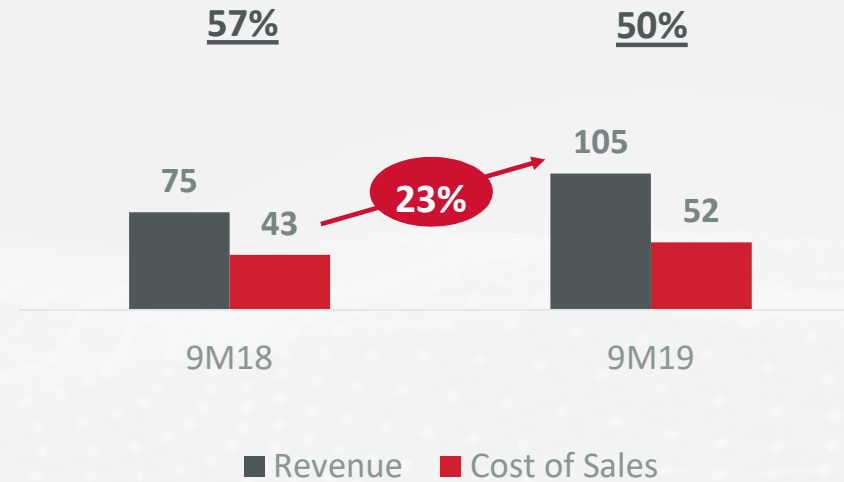
- ✓ Another successful period for e-services with 35% customer growth and 46% coin usage growth compared to 9M18
- ✓ Long-awaited e-government solutions communicate is published in October offering additional market growth potential for 2020 and onwards
- ✓ As the leader of the market, eLogo is well-positioned to take advantage of the market growth driven by the new communicate

Cost of sales

Consolidated (TL mn) – As % of IFRS Revenue



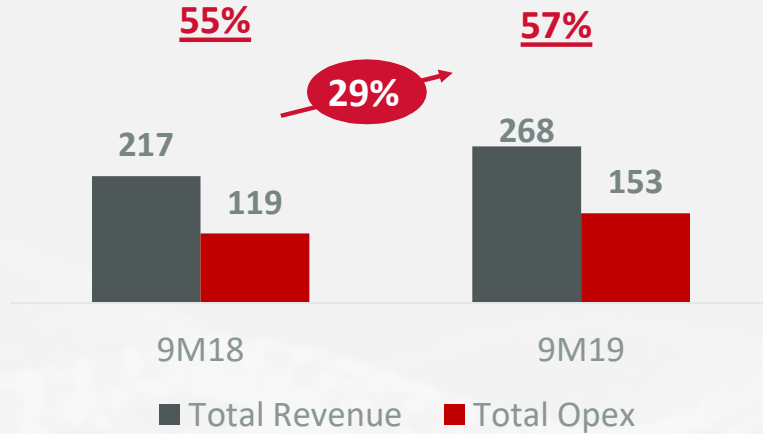
Total Soft (TL mn) – As % of IFRS Revenue



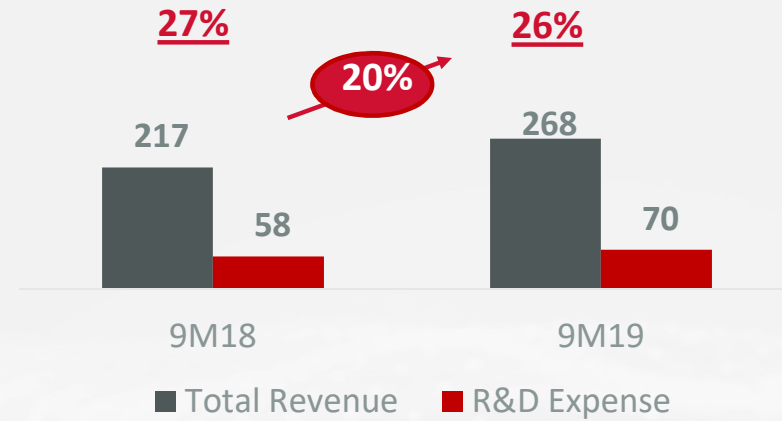
- Improvement in Total Soft's gross margin continues with better priced contracts and efficient project management

Operating expenses

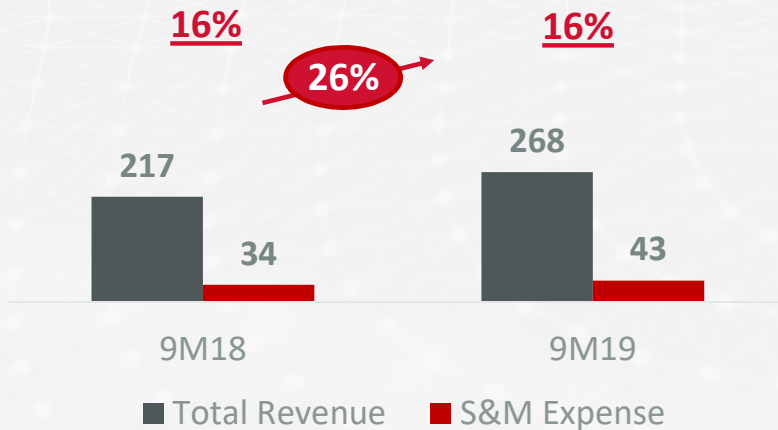
OpEx (TL mn) – As % of IFRS Revenue



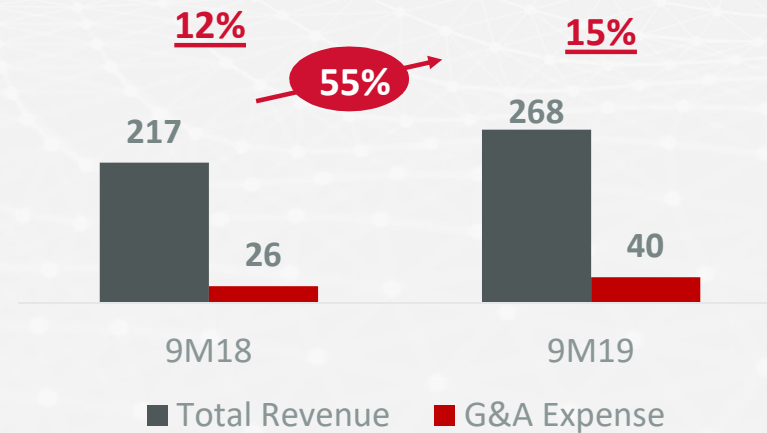
R&D Expenses (TL mn) – As % of IFRS Revenue



S&M (TL mn) – As % of IFRS Revenue

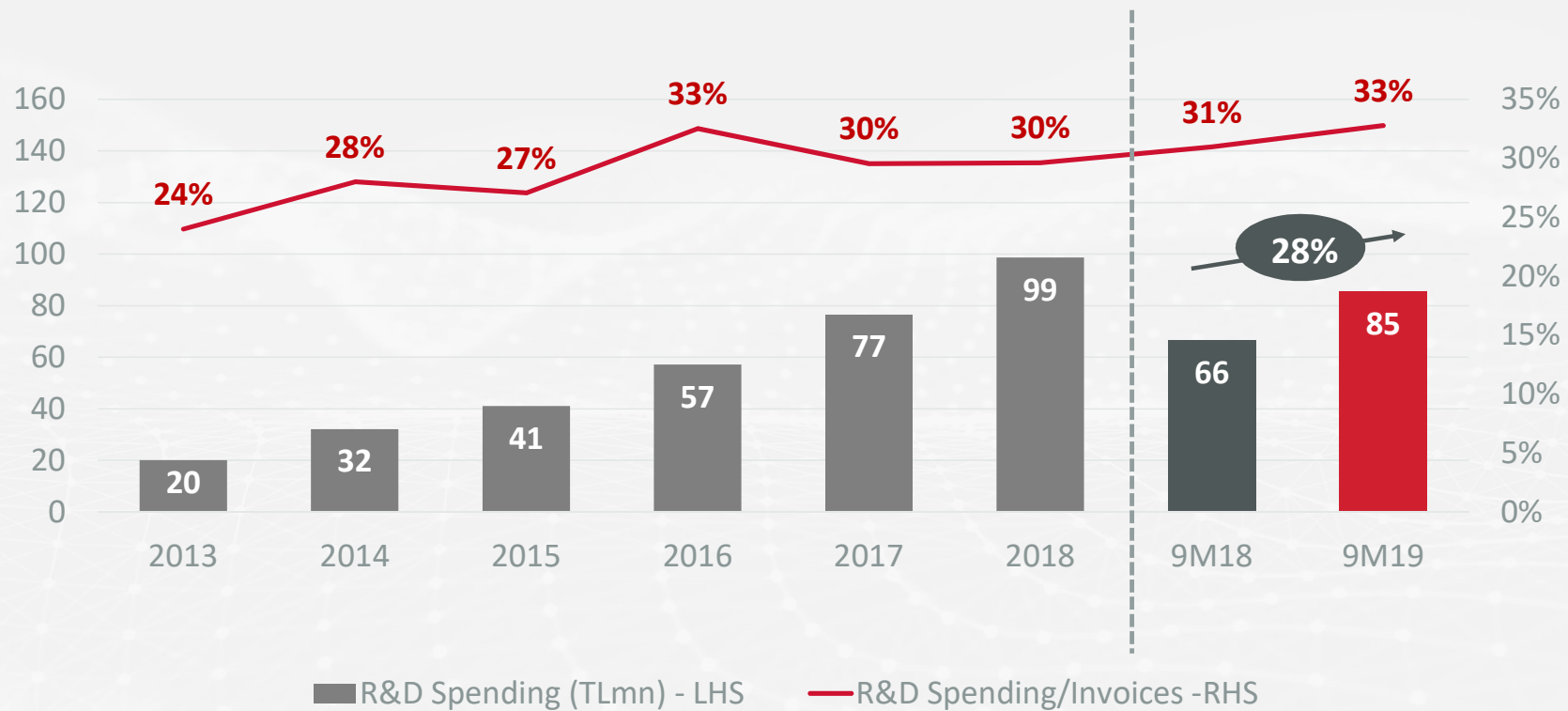


G&A (TL mn) – As % of IFRS Revenue



Dedicated investment in technology

R&D Spending (TL mn) – As % of Invoices



Strong balance sheet

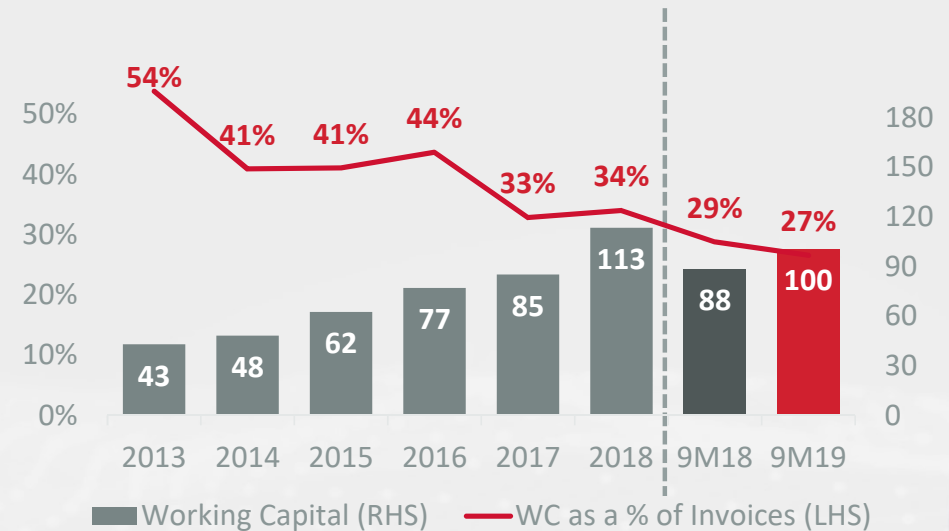
Balance Sheet Highlights (TL mn)

	2018	9M19	Δ
Cash & Cash Eq.	80,9	110,7	37%
Trade Receivables	137,9	121,9	-12%
Tangible Assets	20,7	19,1	-8%
Intangible Assets*	301,1	320,5	6%
Other Assets	22,6	40,6	80%
Total Assets	563,2	612,8	9%
Total Liabilities	244,6	244,7	0%
Total Shareholders' Equity	318,6	368,1	16%
Total Liabilities and Equity	563,2	612,8	9%
Shareholders Equity Ratio	0,57	0,60	6%
Current Ratio	1,72	2,04	18%
EPS**	2,81	2,99	7%

* Includes goodwill

** Adjusted by 3.48% treasury shares

Working Capital (TL mn)



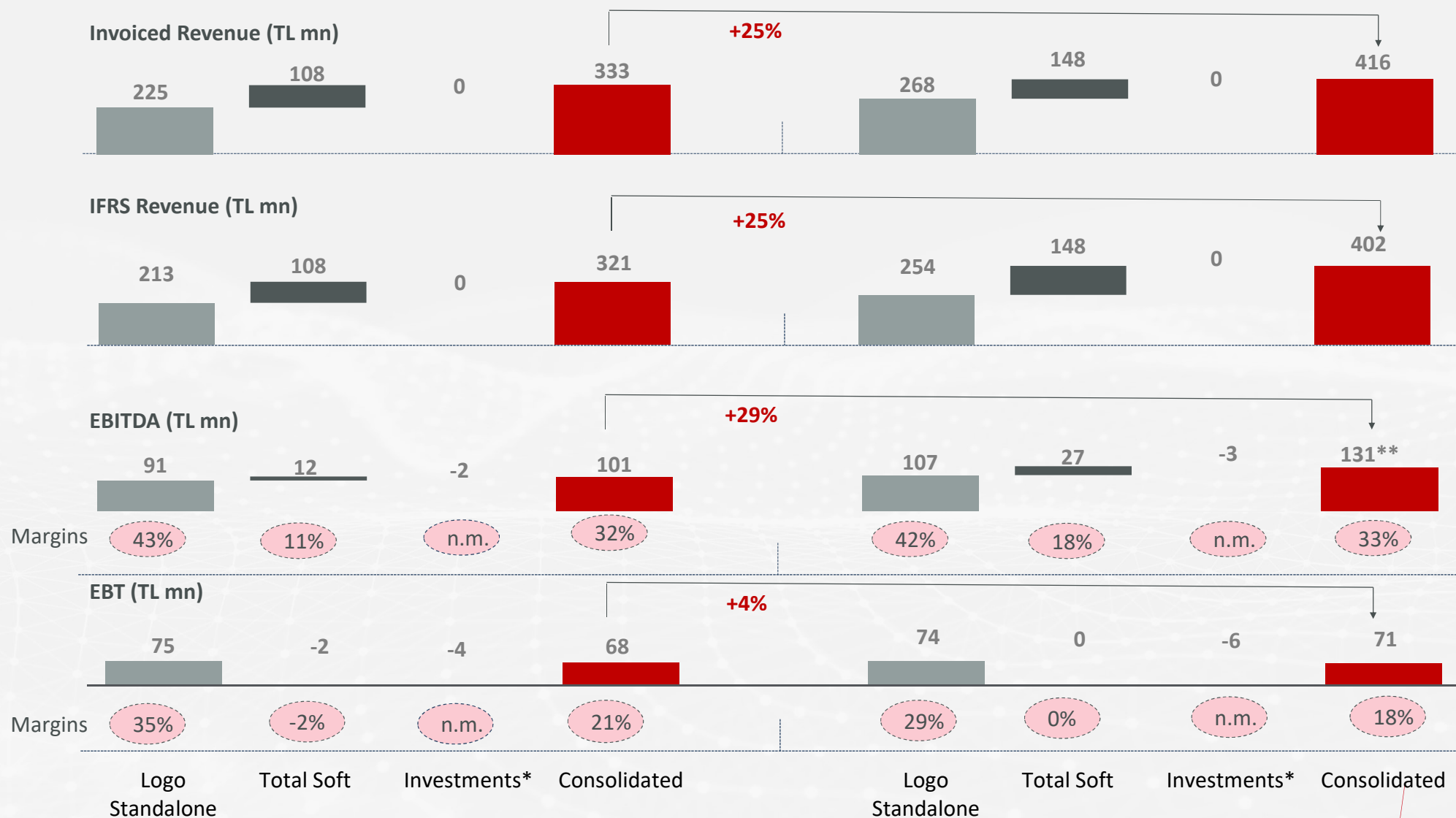
Working capital: Trade receivables + Inventories – Trade payables
WC/Invoices figures are based on 12-month trailing invoices

- Liquidity continued to improve despite volatile market conditions in Turkey
- Working capital/Invoices ratio improved from 34% to 27% with days outstanding going down to 119 days from 123 days (end-2018)
- Net cash of 3 TL mn at end-9M19 (excluding 13 TL mn IFRS 16 impact) vs 18.6 TL mn at end-2018. Net cash of 38 TL mn together with 3.48% treasury shares @Mcap

Guidance

2018

2019 guidance



*Investments = Logo Infosoft (India) and Logo Kobi Digital (Turkey). Logo Infosoft (India) is recognized with equity method and does not have expense impact on consolidated figures in 2019 revised guidance.

** IFRS 16 impact: +8.7 TL mn.





Questions & Answers

Thank you for joining us today

LOGO Investor Relations Team

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