FY2017 RESULTS PRESENTATION

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February 15th, 2018

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2017 Highlights

Overall high double-digit sales growth

Stellar growth in recurring revenues

Strong operating cash-flow and further enhanced liquidity

Significant progress in Total Soft's integration and start-up operations in India

Double digit SaaS revenue growth

Continued investments in product development and personnel

2017 Highlights – Logo (Turkey)

- **Impressive results** achieved by **Logo's operations in Turkey**
- Invoiced revenue up by **27% y/y** and top-line IFRS growth of **11%y/y**
- **Main drivers of growth** were new customer additions, product and user upgrades, and module sales along with successful efforts to increase revenues from complementary businesses.
- **Strong Profitability: 9%** EBITDA growth with EBITDA margin of **49%**
- Sales growth was registered across all product segments.
- Main **recurring revenue** streams LEM and Logo Coins grew by 33% and 34%, respectively, presenting **sustainable growth**.
- **Recurring revenues** now **54%** of IFRS revenues
- Logo continued its leadership position in the competitive e-government business. Customer pool grew by 28% y/y and Coin usage rates were up by 43% y/y. Contribution of coins used for non-mandatory e-services became visible. There is further potential to come from international markets in e-government services.

2017 Highlights – Total Soft (Romania)

- Economy grew by 7% in 2017 and is expected to continue registering healthy, stable growth in the period between 2018-2022.
- **Software and IT services** sector is expected to grow with a CAGR of 11-17% in Euro terms in coming years.
- **Operations in 2017**: Re-structuring and re-organization continued throughout the year. Project deliverables transferred from 2016 were decreased successfully to manageable levels and the product development targets were met.
- **Recent developments**: At the beginning of January 2018, Total Soft signed an **MOU with ABS Europe** to acquire and merge into Total Soft. Due diligence is underway. ABS is a project consultancy company active in Romania since 2005. With ABS's seasoned team joining Total Soft, the company is expected to grow its sales and improve its profitability on the back of increased efficiency in project management, strengthening of retail solutions, and leaner and focused product portfolio management.
- **In 2018**; both license and service revenues are expected to increase with upsell to existing customers and improvement in project management capabilities . Total Soft is planning to achieve 2018 targets without any headcount increases.

2017 Highlights – Logo Infosoft (India)

- **Regulatory environment:**
  - Gov't of India went live with GST on 1st July 2017
  - The number of registered companies in India has gone up from 7 mn to 10 mn
  - eReconciliation (invoice matching with counter parties) and eWayBill also in plans
- **Product**: fully GST compliant India specific version – branded "Jugnu" launched in August 2017
- **People:** Leadership team in place with CEO, COO, and Head of Sales, Presales/Solutions and Marketing. Together with Sales and Presales/Solutions team, we now have 20 people in India.
- **Marketing:** 2018 marketing to focus on large companies aiming to optimize their distribution networks, and mid-size companies planning to be digitally ready and GST compliant.
- **Partners:** Signed-on 12 reselling/solution partners and a major distributor.
- **Customers:** Won first customer deals where implementation is underway now, with expected go lives by April 2018. One of them being the leading player for medical equipment distribution, which employs 250+ people and covers 437 districts. Logo was chosen to help transform their complete IT operations and will replace their existing IT systems with Logo Jugnu as the backbone – covering financial accounting, inventory management, procurement and sales and distribution operations.

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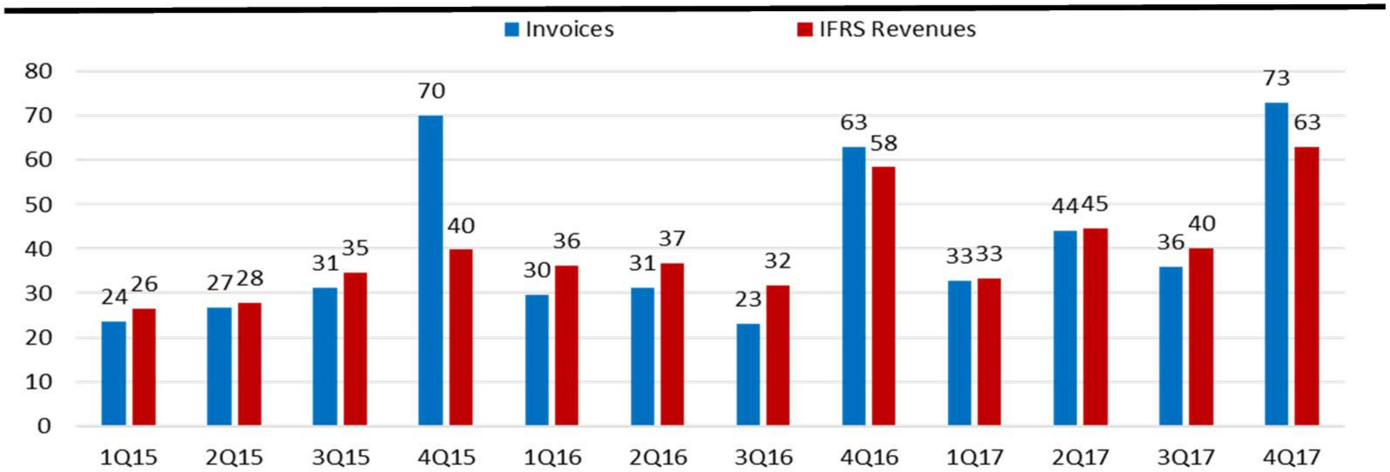
Revenue Recognition

Invoices & IFRS Revenues* (TLmn)



**Logo Turkey figures only.*

- e-government regulation requiring companies to issue e-invoices became effective as of 1.4.2014, the scope was broadened effective as of 1.1.2016. Therefore, e-invoice and e-ledger module sales along with e-coin sales surged in 4Q15 prior to the effective date.
- e-coin sales revenues are recognized when used by the end-user. Therefore coin sales in the last quarter of 2015 were to a large extent deferred (e-coin sales: 10.1 TL mn, deferral: 9.8 TL mn in 4Q15)
- LEM sales in 4Q15 grew by 24% (from 4Q14). These are annual contracts and are deferred on a usage basis. (LEM sales: 16.4 TL mn, deferral: 14.9 TL mn in 4Q15)
- Deferral of e-government sales in 2015 to 2016 created a higher base, resulting in a lower growth in IFRS sales and profitability in 2017. **Financial performance of Logo Turkey's operations can be better assessed bearing this one time impact.**

Financial Summary - Consolidated

IFRS (TL mn)	4Q			FY		
	4Q16	4Q17	y/y Δ	2016	2017	y/y Δ
Revenue	80.0	82.6	3%	190.4	256.2	35%
EBITDA	27.7	20.2	-27%	86.1	82.6	-4%
EBITDA Margin	35%	24%		45%	32%	
EBT	1.5	12.5	720%	51.2	52.9	3%
EBT Margin	2%	15%		27%	21%	
Net Income	0.4	12.7	3367%	45.3	50.8	12%
Net Income Margin	0%	15%		24%	20%	

FY17:

- IFRS revenues grew by a strong 35% y/y, reaching record levels
- EBITDA decreased by 4% with ongoing investments in Total Soft and Logo India, diluting EBITDA margin to 32%
- Net income increased by 12% y/y, mainly in the absence of 2016's one-off expenses

4Q17:

- IFRS revenues grew by 3% y/y to 82,6 TL mn
- EBITDA decreased by 27%
- Net income increased to 12,7 TL mn

Financial Summary – Logo Standalone*

	4Q			FY		
IFRS (TL mn)	4Q16	4Q17	y/y Δ	2016	2017	y/y Δ
Revenue	58.4	63.1	8%	163.0	181.2	11%
EBITDA	23.3	26.0	11%	81.0	88.6	9%
EBITDA Margin	40%	41%		50%	49%	
EBT	0.8	19.0	2319%	50.2	67.4	34%
EBT Margin	1%	30%		31%	37%	
Net Income	0.2	18.8	7671%	45.0	64.9	44%
Net Income Margin	0%	30%		28%	36%	

FY17:

- Invoiced revenues grew by 27% y/y, IFRS revenues were up by 11% y/y
- Adjusted for the higher base of 2016, sales growth would be 17% y/y
- EBITDA grew by 9%y/y, with 49% margin
- Net income grew by 44% y/y, with 36% margin

4Q17:

- Invoiced revenues grew by 16% y/y, IFRS revenues were up by 8% y/y
- Adjusted for the deferral impact of e-government sales, sales growth would be 20% y/y
- EBITDA grew by 11%y/y, yielding a 41% margin
- Net income increased to 18,8 TL mn, yielding a margin of 30%

**Logo's operations in Turkey excluding Logo KOBİ Digital and FİGO*

Financial Summary – Total Soft

IFRS (TL mn)	4Q			FY		
	4Q16	4Q17	y/y Δ	2016*	2017	y/y Δ
Revenue	21.6	19.5	-10%	27.4	74.9	n.m.
EBITDA	4.3	-3.9	-190%	5.1	-2.5	n.m.
EBITDA Margin	20%	-20%		19%	-3%	
EBT	0.7	-4.4	n.m.	1.0	-9.5	n.m.
EBT Margin	3%	-22%		4%	-13%	
Net Income	0.1	-4.4	n.m.	0.3	-10.2	n.m.
Net Income Margin	1%	-23%		1%	-14%	

**2016 figures only include 4 months; September-December.*

FY17:

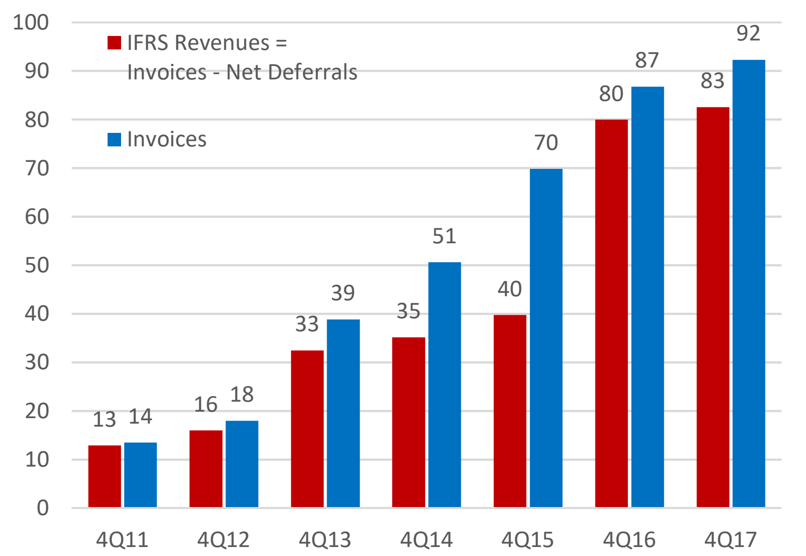
- Total Soft contributed 74,9 TL mn in 2017, representing 29% of total sales
- EBITDA contribution was -2,5 TL mn due to investments and restructuring efforts that are in-progress
- Net income was -10.2 TL mn also impacted by structuring costs and interest expenses

4Q17:

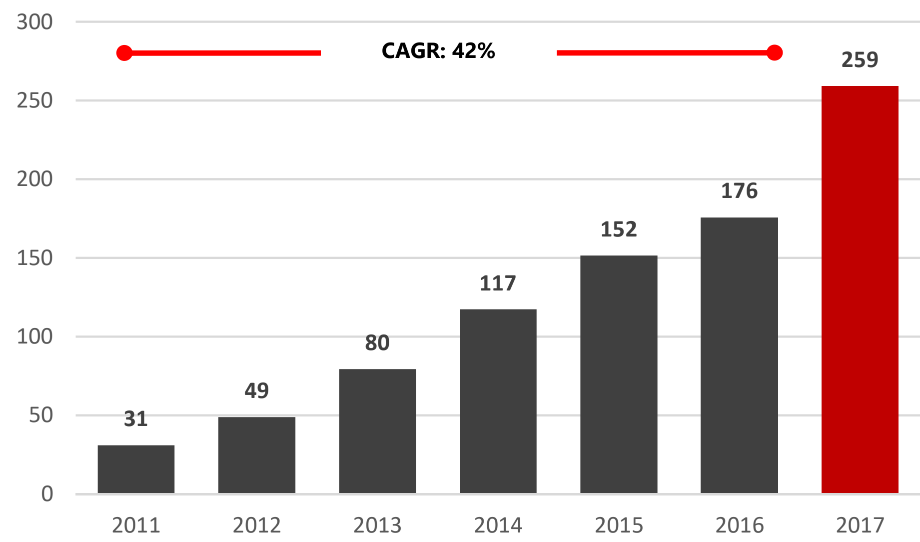
- IFRS revenues were -10% y/y, contributing 24% to the group total
- EBITDA contribution was -3,9 TL mn, due to restructuring efforts
- Net income impacted by structuring costs and interest expenses

Invoiced Revenue vs IFRS Revenues

4Q Invoices & IFRS Revenues (TLmn)



Invoiced Revenues (TLmn)

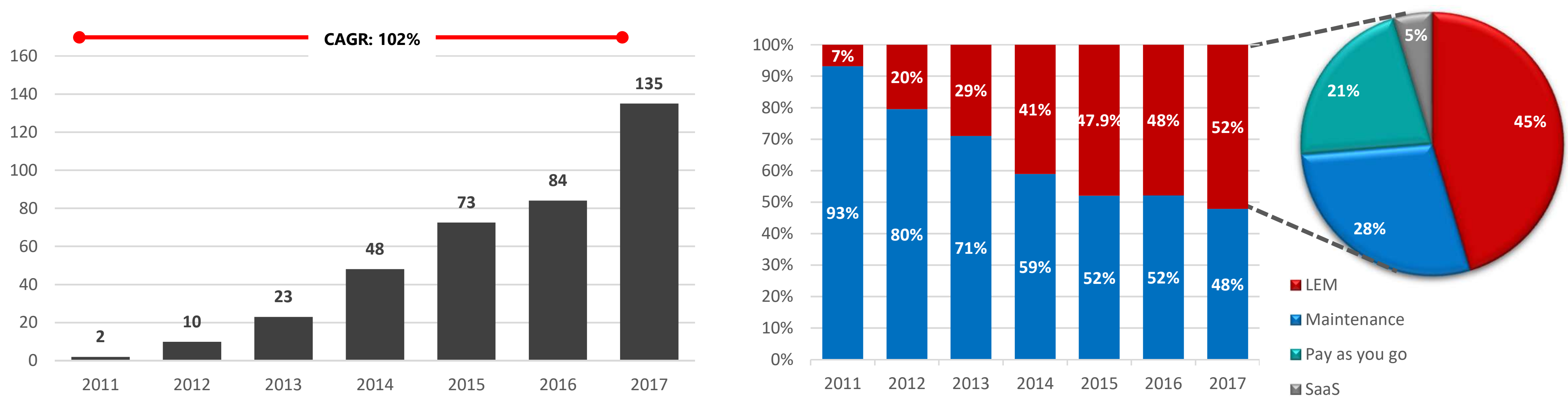


- 4Q invoiced revenues were up by 6% y/y to 92 TL mn; in Turkey invoiced revenues grew by 16% y/y reaching 73 TL mn.
- 2017 invoiced revenues were up by 47% y/y to 259 TL mn; in Turkey invoiced revenue growth was 27% y/y reaching 186 TL mn. This marks a significant success in continued new customer additions, product and user upgrades and successful efforts to increase revenues from complementary businesses.
- IFRS revenue recognition throughout 2016 was higher due the regulatory impact at the end of 2015 (Logo Turkey). Accordingly, Logo's IFRS revenue from Turkey's operations grew by 11% y/y in 2017.

Recurring Revenues

Recurring Invoices (TLmn)

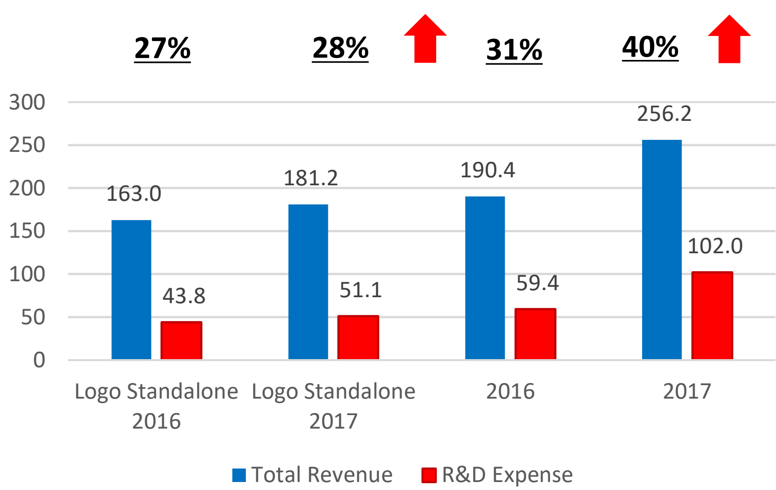
Recurring Invoices/Total Invoices (%)



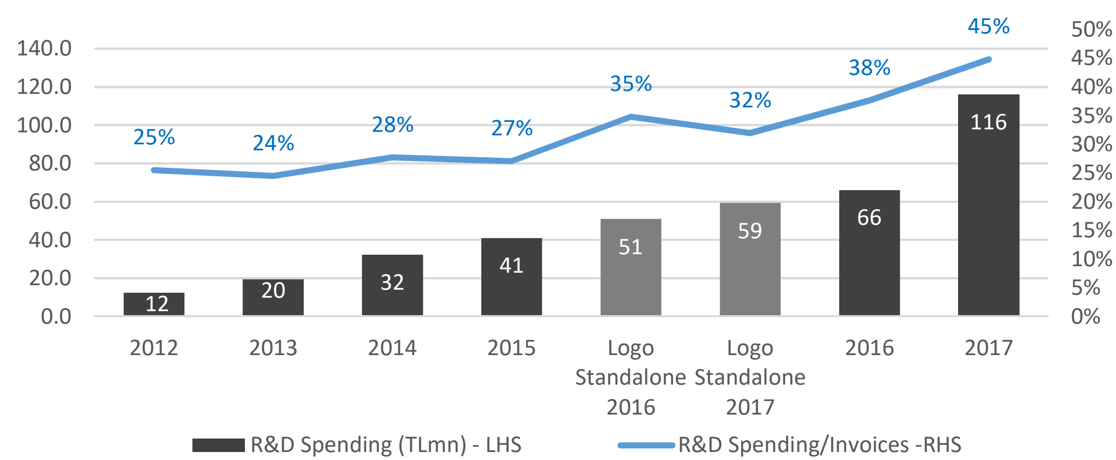
- Strong growth in recurring invoices continued in 2017 and yielded a 61% y/y growth, **making up 52% of total invoices** (51% of IFRS revenues).
- **LEM** contract sales grew by an impressive 33% y/y and represented 45% of the total.
- **Pay as you go** revenues grew by 34% y/y, constituting 21% of the total.
- **Maintenance** revenues with Total Soft's contribution represented 28% of total.
- **Recurring SaaS** grew by 29% y/y, sales represented 5% of total.

Operational Expenses

R&D Expenses(TLmn) - As % of IFRS Revenue



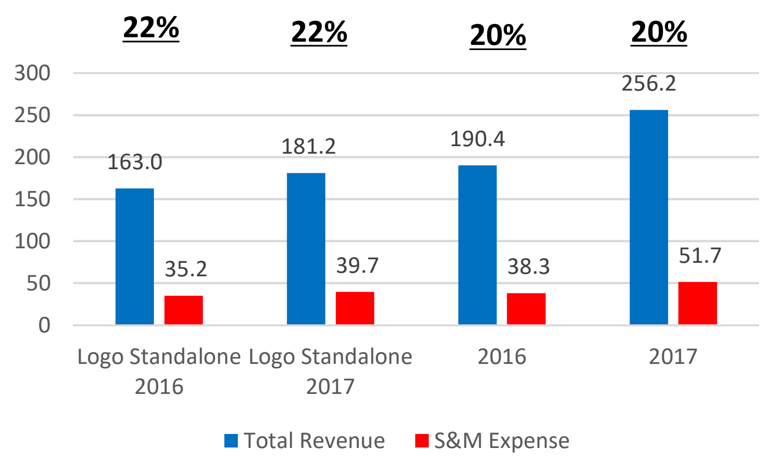
R&D Spending(TLmn) - As % of Invoices



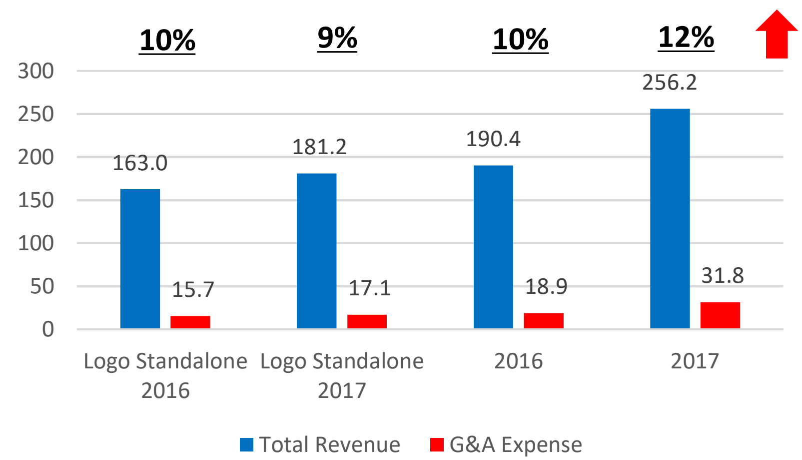
- Overall **total operating expenses** increased by 59% y/y, with Total Soft's first full year consolidation.
- Opex/IFRS revenue up from 61% in 2016 to 72% in 2017.
- For Logo Standalone Opex grew by 14% y/y, change in Opex/IFRS revenue marginal 58% to 60%.
- **R&D expenses** increased by 72%y/y, due to Total Soft's first full year consolidation and higher no. of Total Soft's R&D and implementation team. (402 personnel). Increase is 17% y/y for Logo Standalone.
- **R&D spending** grew by 75% and its ratio to invoiced revenue was up from 38% to 45%. Logo Standalone R&D spending was up by 16% and its ratio to invoiced revenue went down from 35% to 32%.

Operational Expenses

S&M (TLmn) - As % of IFRS Revenue



G&A (TLmn) - As % of IFRS Revenue



- **S&M expenses** in 2017 increased by 35% y/y, and S&M expenses/IFRS revenue ratio was 20%. Total Soft's sales and marketing team joined Logo's forces with 30 people.
- On Logo Standalone basis, the increase in S&M expenses is 13% y/y and S&M expenses/IFRS revenue ratio remained at 22%.
- **G&A expenses** in 2017 increased by 68% y/y with Total Soft's first full year consolidation. Logo Standalone basis, increase was 9%.

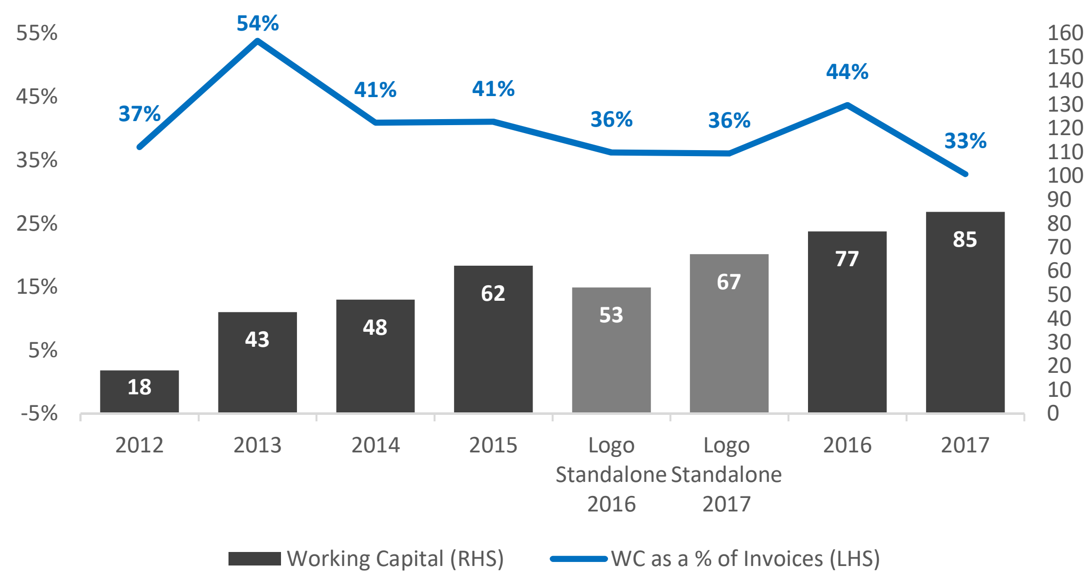
Key Financials

Balance Sheet Highlights (TLmn)

	2016	2017	Δ
Cash & Cash Eq.	43.8	51.6	18%
Trade Receivables	92.9	104.5	13%
Tangible Assets	19.0	19.9	5%
Intangible Assets*	161.7	191.9	19%
Other Assets	10.1	15.2	50%
Total Assets	**327.5**	**383.2**	**17%**
Total Liabilities	163.4	173.9	6%
Total Shareholders' Equity	164.2	209.3	27%
Total Liabilities and Equity	**327.5**	**383.2**	**17%**
Shareholders Equity Ratio	0.50	0.55	9%
Current Ratio	0.94	1.43	52%
EPS**	1.87	2.09	12%

* Includes goodwill
** Adjusted by the 2.77% Treasury shares

Working Capital (TLmn)

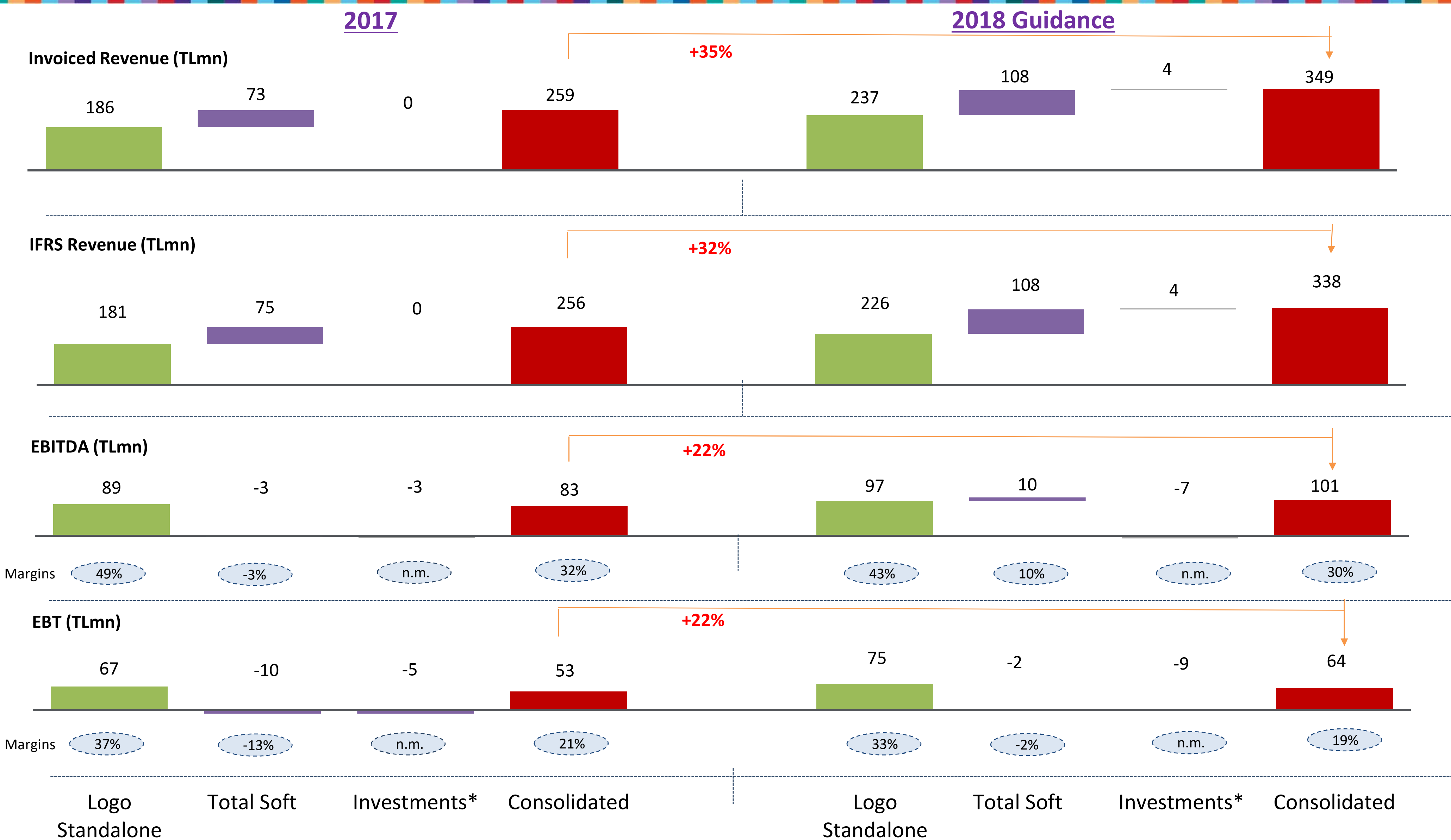


Working capital: Trade receivables +Inventories – Trade payables
WC/Invoices figures are based on 12-mnth trailing invoices

- **Total assets** grew by 17%y/y at end-2017.
- **Operating cash** grew over 23% with successful sales growth and collection.
- **Net liquidity** improved by 56 TL mn with higher cash generation and conversion of short-term debt to long-term.
- **Net debt position** of 23* TL mn at end-2016 is down to 13,8* TL mn as of end-2017.
- Working capital/invoices ratio improved to 33%.
- **EPS growth** was 12%y/y while investments at Total Soft and Logo Infosoft India continued.

**Cash together with 2.77% Treasury shares @Mcap*

2018 Guidance



** Investments = Logo Infosoft (India), Figo (Turkey) and Logo Kobi Digital (Turkey).*

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