



ANALYST PRESENTATION for 2015 H1

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2015 H1 Operating Highlights

Financial Review

Questions & Answers

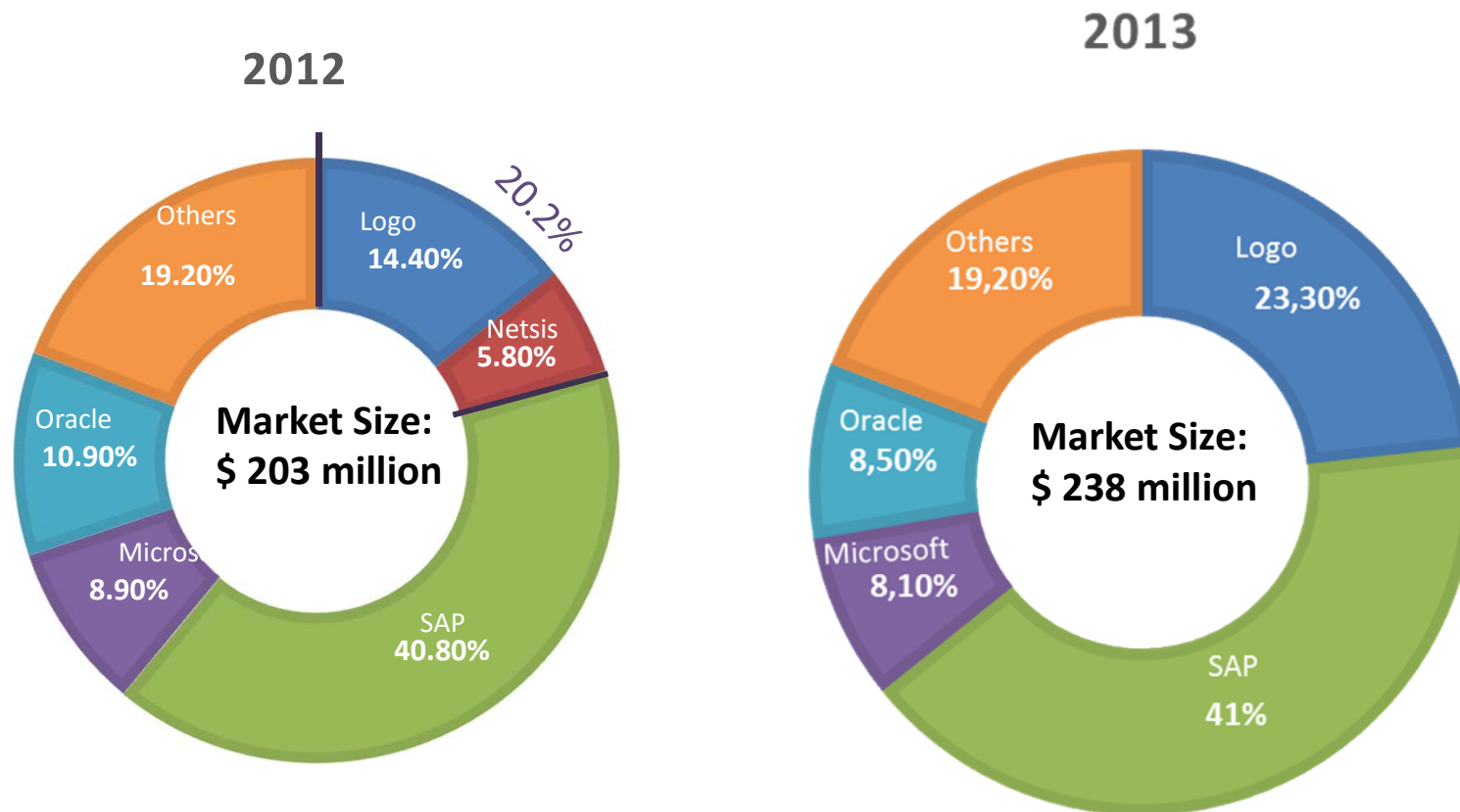


- **Economy & Market:** a slightly better sentiment compared to the first quarter as global economy grew although at a slower pace in both developed and emerging economies. For the Turkish economy, conditions remain weak compared to 2014 but there is an improvement in the contraction rates of exports, and industrial production accelerated in June raising hopes for a better second half despite political uncertainty
- **Logo continued sales growth:** Total sales grew by 13% with highest m/m growth in April and June
- **Continued investments in R&D** to stay ahead of trends and develop new solutions to meet the challenges faced by our clients
- **New offerings to our portfolio of software and services** including Tiger HR, GO3, LogoCRM, e-archive
- **Continued investments in HR** to sustain and nurture an innovative and agile organization
- **Completed the acquisition** of Sempa in June and remaining interest in Intermat in July

Expanding Market Share



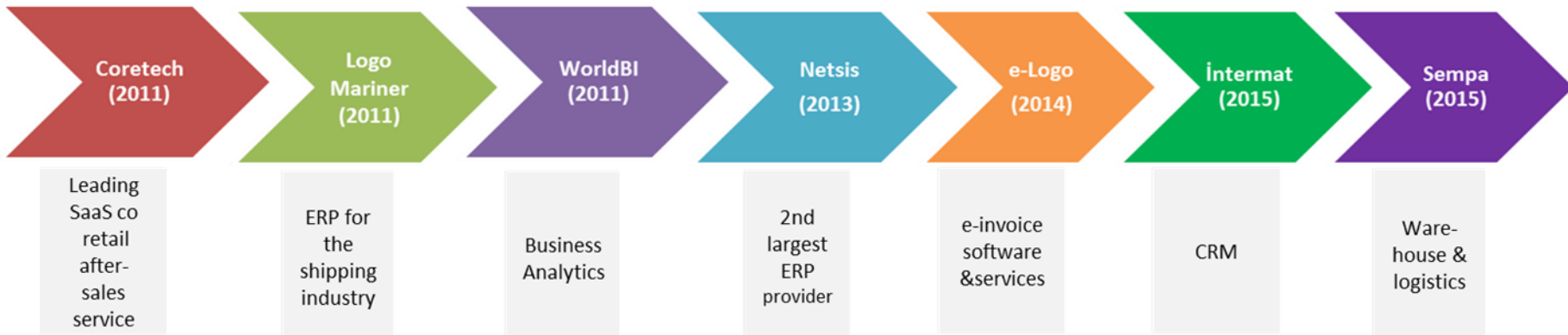
- Continued growth at above market growth rates leading to **market share gains**
- Increased market share up to 23,3% from 20%
- Continued to be the leading company in the SME segment and ranked second after SAP.



Growing Product Range



- Product range expansion through organic growth and value oriented acquisitions.
- CRM provider Intermat joins Logo in **January 2015**
- Warehouse & logistics software company Sempa joins Logo in **June 2015**.



Growing ecosystem: Logosphere



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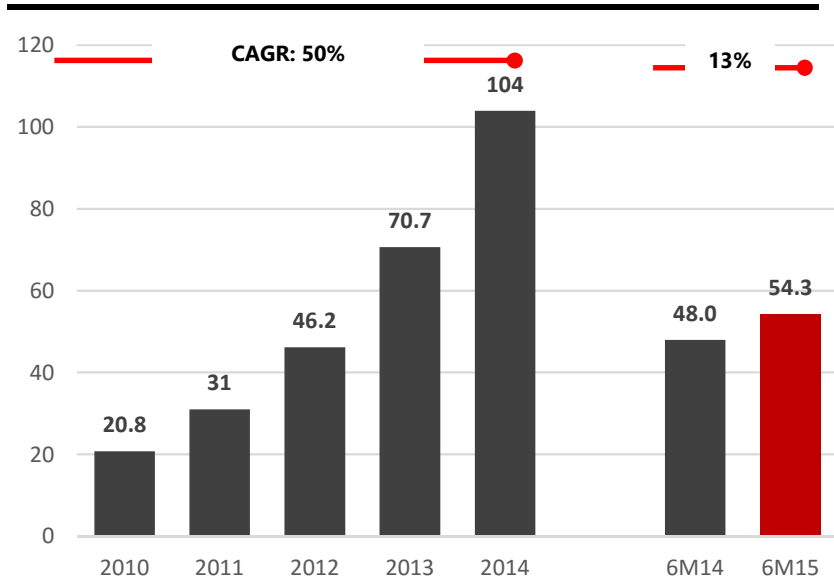
	H1			LFL			Guidance		
IFRS (m TL)	H1 14	H1 15	Δ	H1 14	H1 15	Δ	YE14	YE15	Δ
Revenue	48,0	54,3	13%	48,8	54,3	11%	104,0	120,0	15%
EBITDA	22,4	26,5	18%	22,4	26,5	18%	39,6	47,5	20%
EBITDA Margin	47%	49%		46%	49%		38%	40%	
Net Income	16,3	21,2	30%	16,3	21,2	30%	27,7	35,0	26%
Net Income Margin	34%	39%		33%	39%		27%	29%	

- Sales growth of 13% despite negative market sentiment assuring higher growth when economy improves
- 6 month performance in line with budget

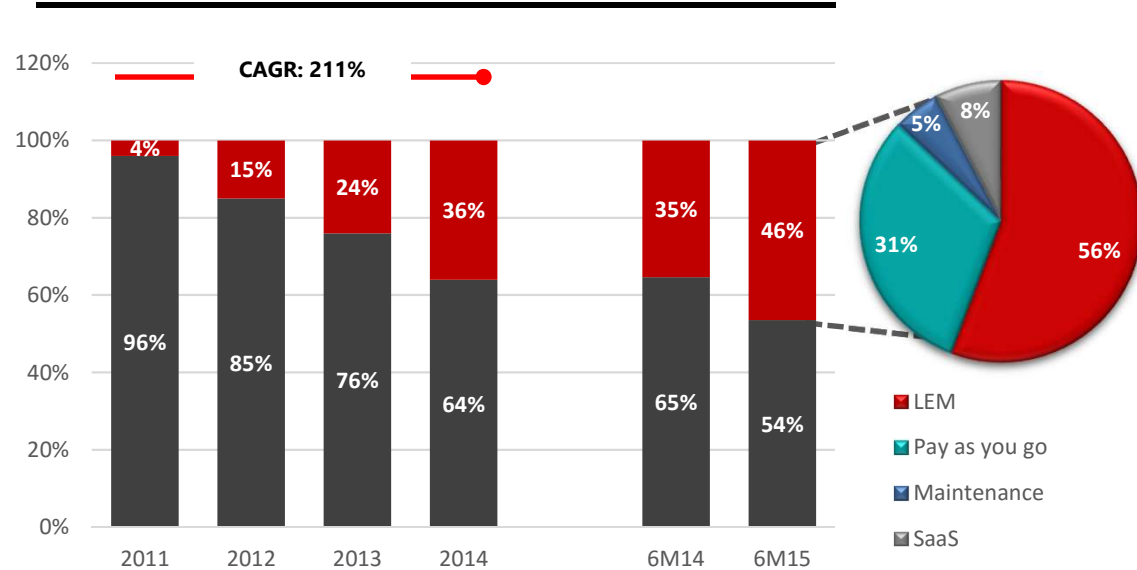
Key Financials



Sales Performance (m TL)



Recurring Sales (%)

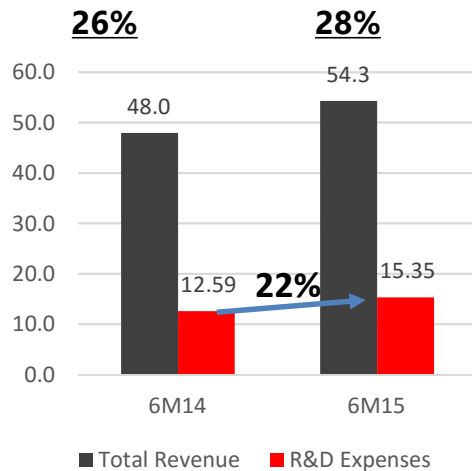


- New customer acquisitions continued in all product categories – 15% of sales from new customers
- SaaS sales grew by 40%
- e-state sales maintained at last years' levels. Declining e-invoice sales were replaced with higher e-invoice servicing and e-archive revenue.
- Exceptional recurring revenue growth with focused strategy and product offering
- Recurring revenue share up from 35% in 2014 to 46% with growing share of LEM and e-invoice services revenue

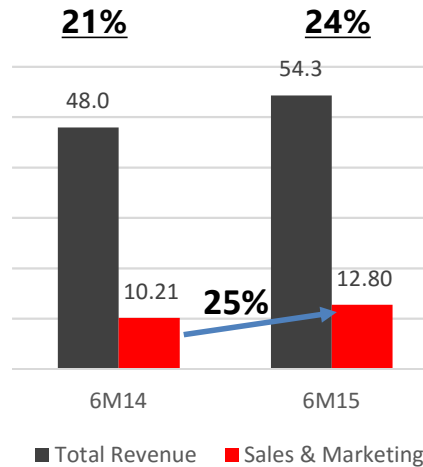
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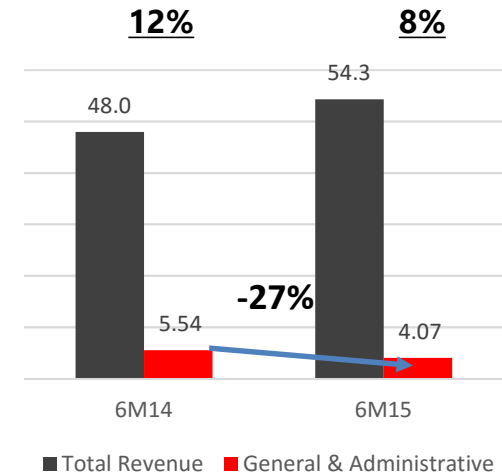
R&D (000 TL) Share in Revenue (%)



S&M (000 TL) Share in Revenue (%)

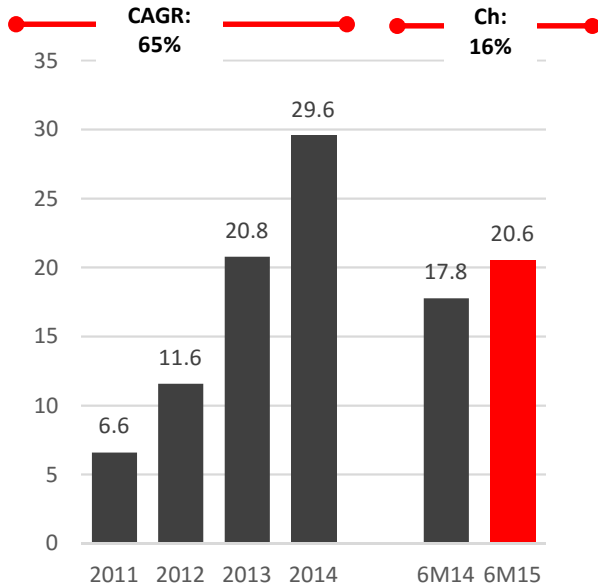


G&A (000 TL) Share in Revenue (%)

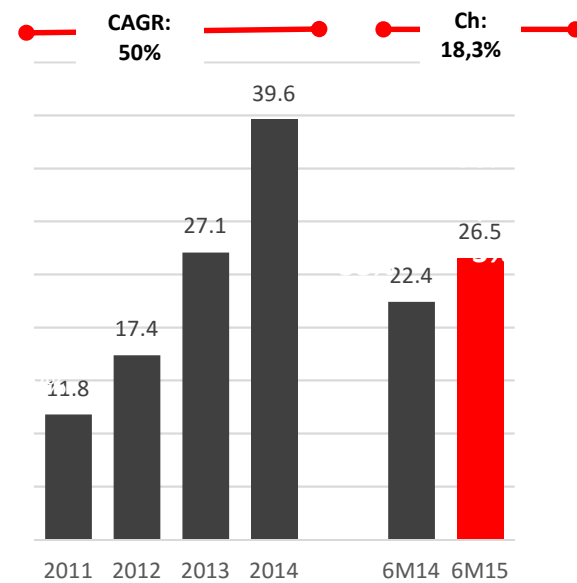


- Following five consecutive years of 50% sales growth **investing in our technology, channel and our personnel** is critical for sustained growth.
- Overall operating expenses increased by 14%
- R&D expenditures increased by 22% and made up 28% of sales. Total R&D spending 33% of sales
- Sales and R&D personnel #'s increased in line with **meeting higher customer satisfaction goals**
- G&A expenses declined as a result of previous years' restructuring efforts and other cost saving measures

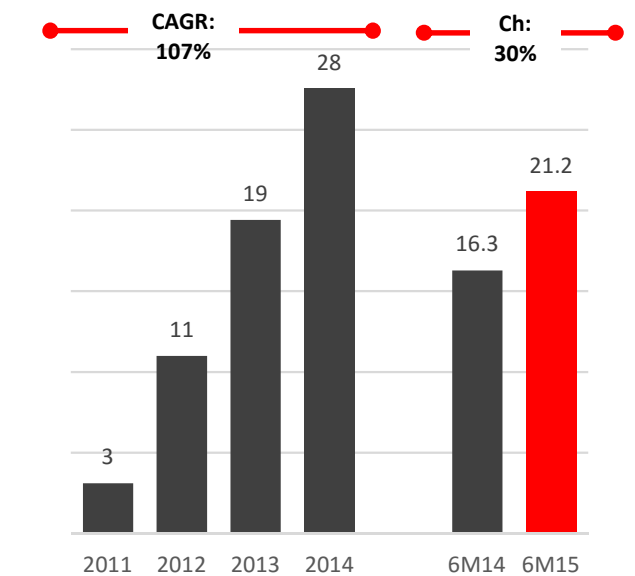
EBIT (m TL)



EBITDA (m TL)



Net Income (m TL)



EBIT: Gross Profit + S&M + G&A + R&D

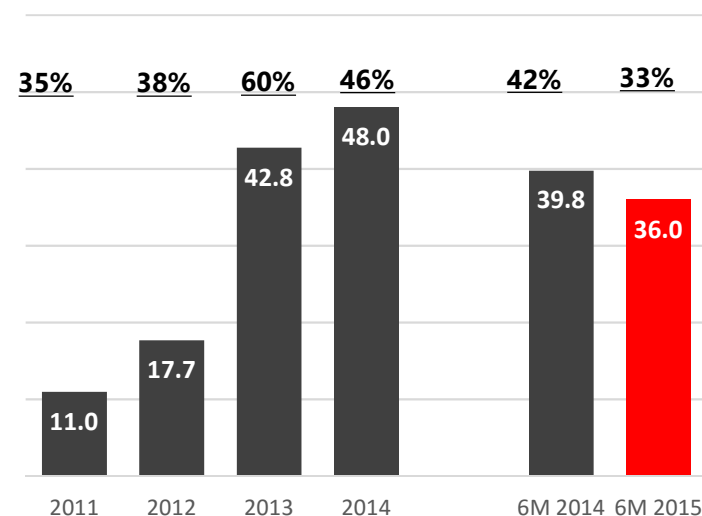
EBITDA: Gross Profit + S&M + G&A + R&D + Amortization

- Continued to increase profitability at operating and net income level as a result of Logo's strategy for improved efficiency
- EBIT margin up from 37% in H12014 to 38% in H12015
- EBITDA margin up from 47% in H12014 to 49% in H12015
- Net income margin up from 34% in H12014 to 39% in H12015

Balance Sheet Highlights (m TL)

	2014	H1 2015	Δ
Cash & Cash Eq.	48,7	31,2	-36%
Trade Receivables	53,7	40,2	-25%
Tangible Assets	15,1	15,3	2%
Intangible Assets	43,6	51,6	18%
Other Assets	5,1	4,7	-8%
Total Assets	166,1	143,0	-14%
Total Liabilities	78,6	53,4	-32%
Total Shareholders' Equity	87,6	89,6	2%
Total Liabilities and Equity	166,1	143,0	-14%
Shareholders Equity Ratio	0,53	0,63	19%
Current Ratio	1,79	1,68	-6%

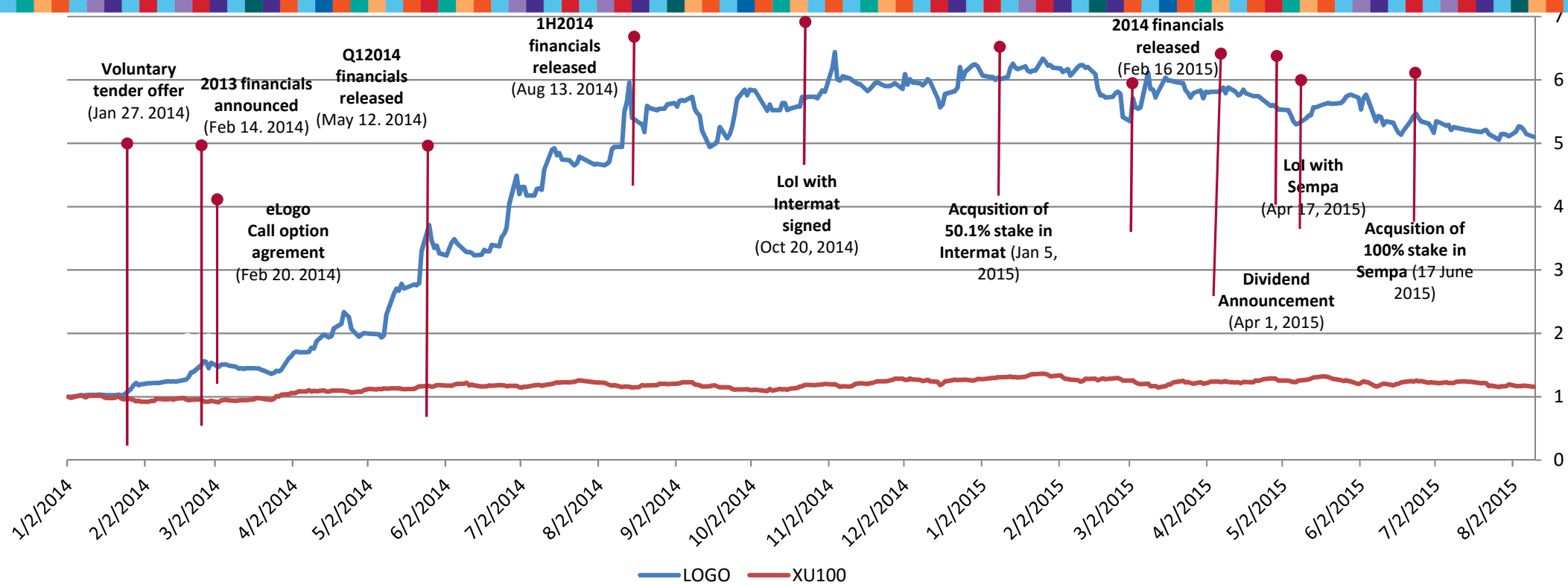
Working Capital (m TL) (Share in Revenue %)



Working capital: Trade receivables + Inventories – Trade payables

- Strong cash generation from operations continues
- High quality receivables, 35% credit card receivables
- Long-term loan pre-paid due to sufficient cash reserves
- Continued improvement in w/c
- EPS up by 30%

Share Performance



LOGO

BIST-100

	Average Price	Price ▲	Average Price	Price ▲
L1M	23,23	-0,1%	79.701	-0,3%
L3M	24,06	-0,1%	81.881	-0,1%
L6M	24,95	-0,1%	82.390	0,0%
L1Y	25,52	0,0%	82.036	0,0%

Market Capitalization (TRALOGOW91U2)

	m TL
Share Price @ Aug 10, 2015	22.9
Shares Outstanding	25M
MCAP @ Price @ Aug 10, 2015	572,5M

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Thank you for joining us today

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