



**FY2018 RESULTS PRESENTATION**



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CHIEF FINANCIAL OFFICER  
February 14<sup>th</sup>, 2019

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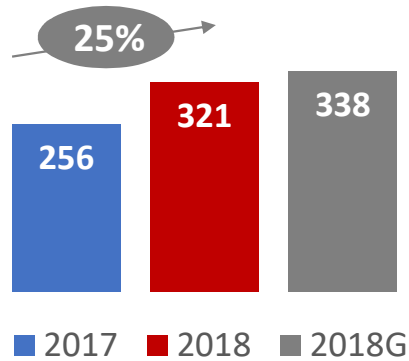
# CONTENT

Financial Review  
Questions & Answers

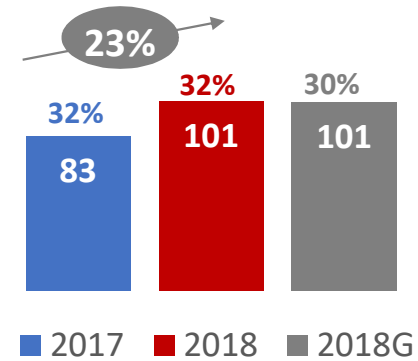
# Profitable and Sustainable Growth / Targets Achieved

Consolidated

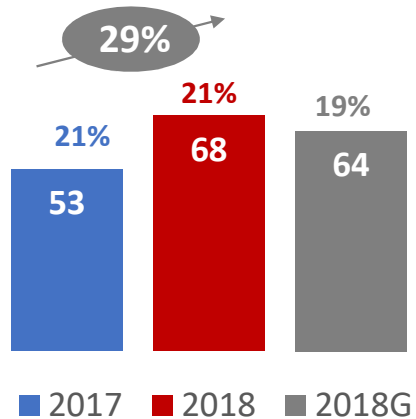
### Revenues (TL mn)



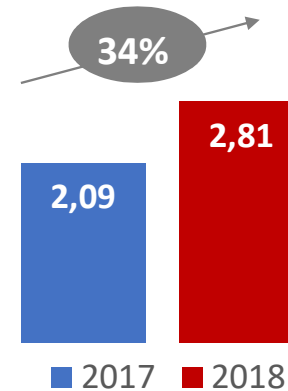
### EBITDA (TL mn)



### EBT (TL mn)



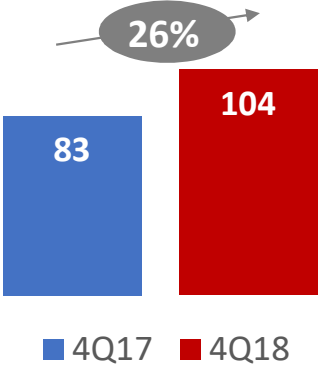
### EPS Growth



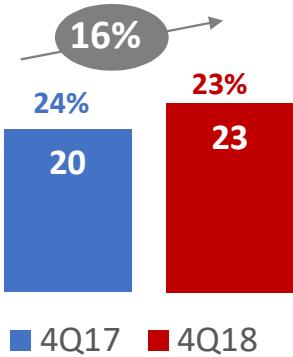
# Growth and profitability in 4Q18

Consolidated

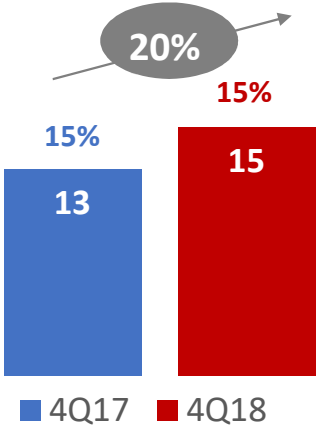
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

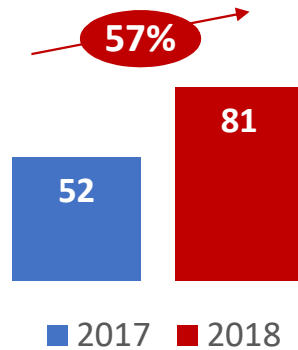


# Strong Financial Management

*Consolidated*

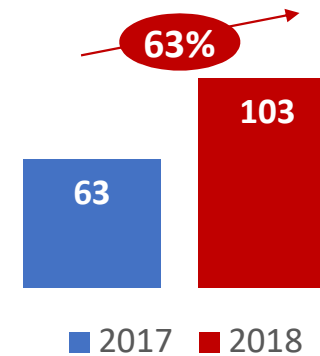
## Improved Liquidity

Cash and Cash Eq. (TL mn)



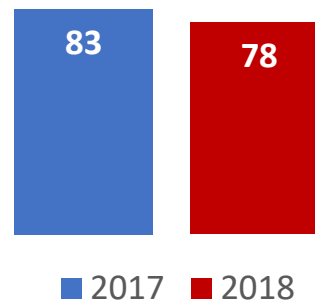
## Operating Cash Growth

Operating Cash (TL mn)



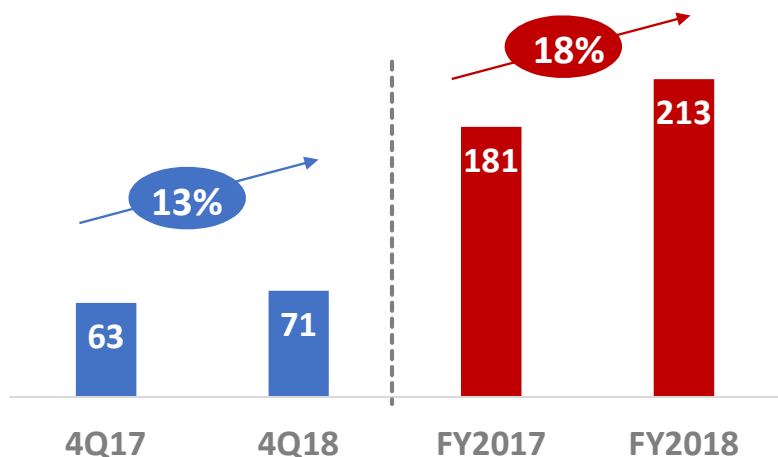
## Decrease in Receivable Days

Rcvb days w/out credit card

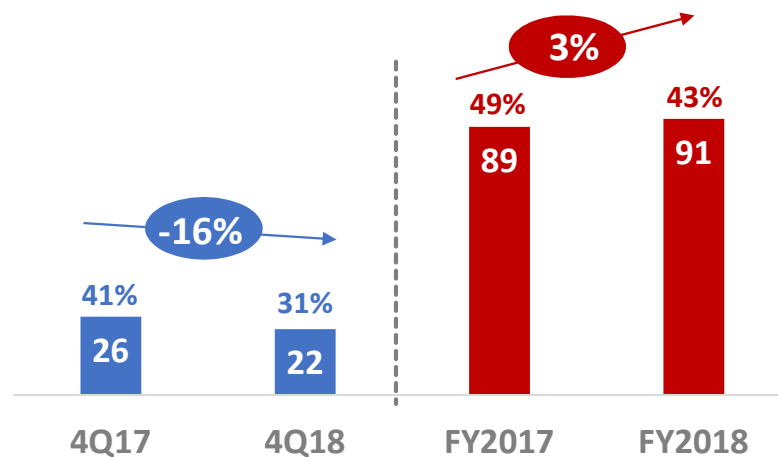


## Robust performance despite challenging macro environment in Turkey

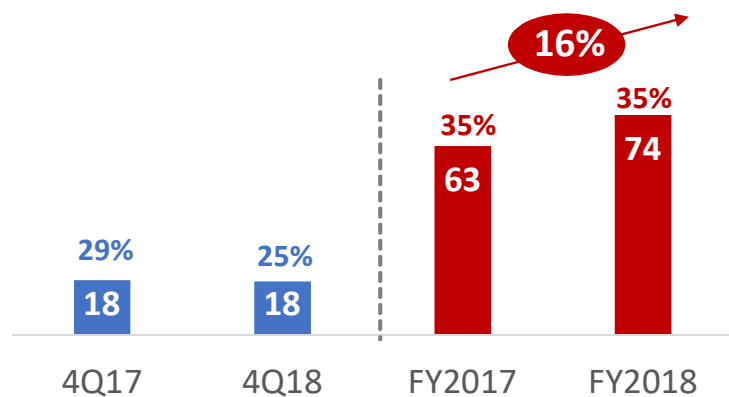
### Logo Turkey Standalone - Revenues



### Logo Turkey Standalone - EBITDA



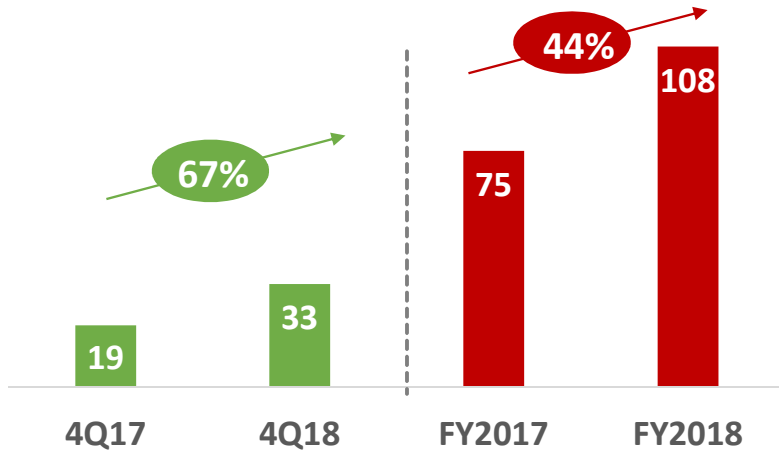
### Logo Turkey Standalone - Net Income



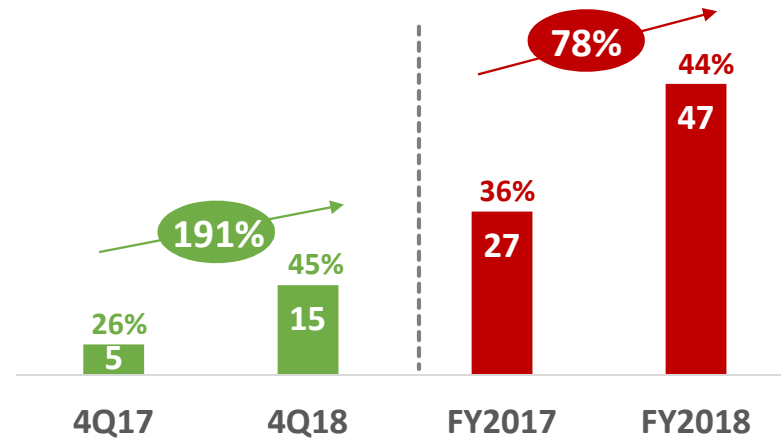
- FY18 EBITDA margin inline with guidance
- 4Q EBITDA margin is lower due to increase in deferred revenue, higher marketing expenses, and higher business partner bonuses

# Romanian operations off to a good start

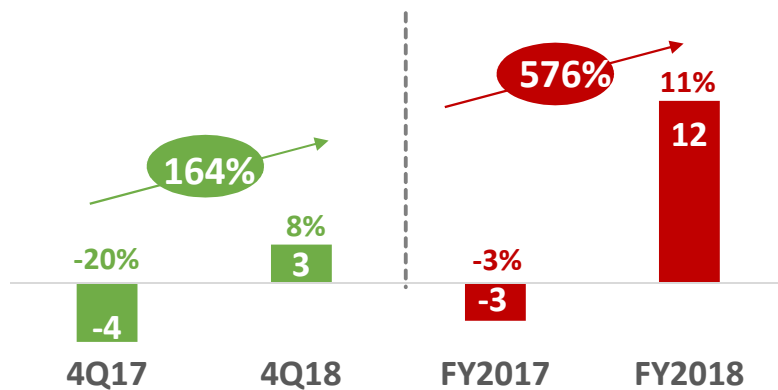
Total Soft - Revenues



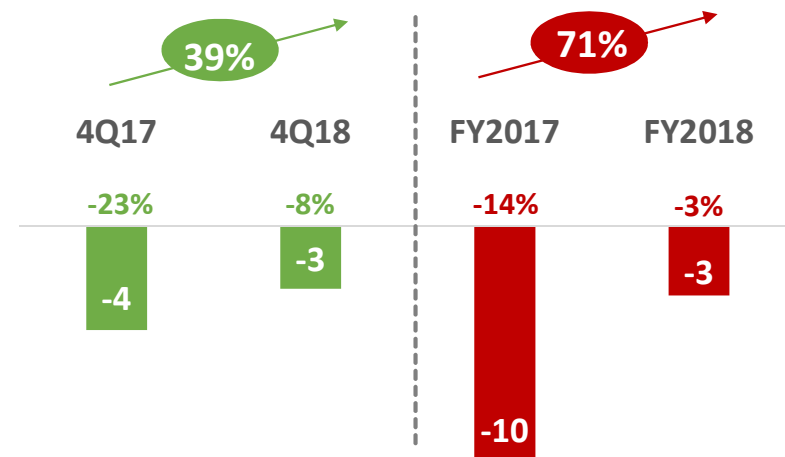
Total Soft – Gross profit



Total Soft - EBITDA



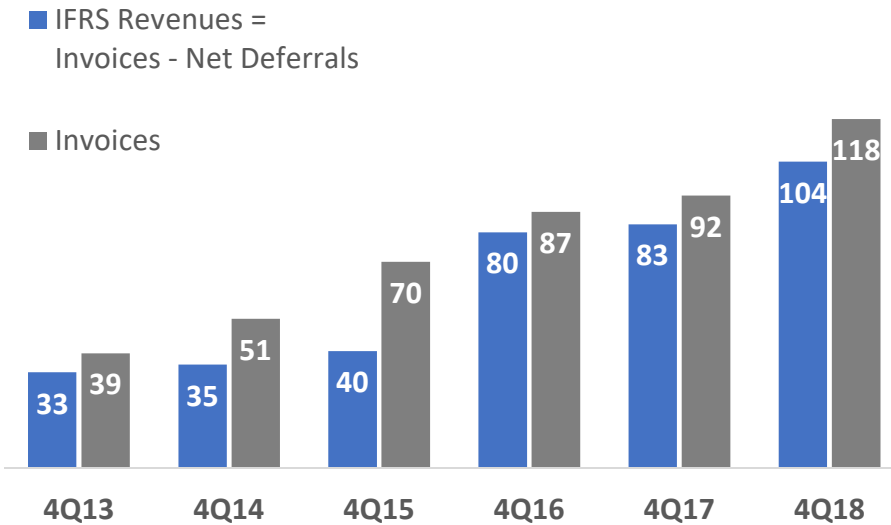
Total Soft - Net Income





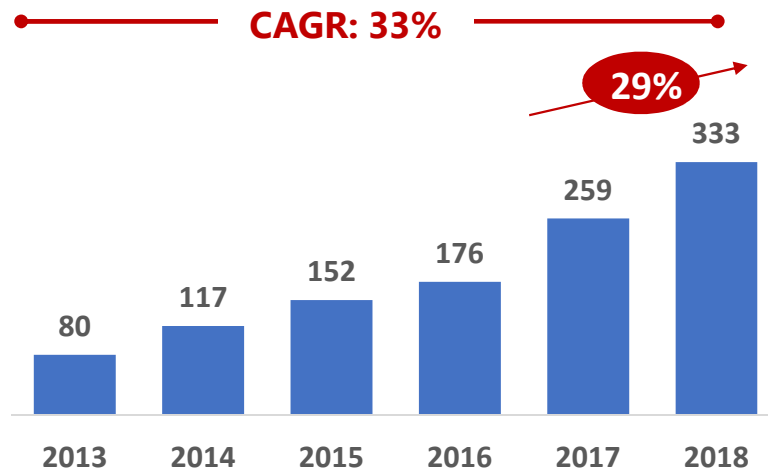
# Invoiced Revenue vs IFRS Revenue (Consolidated)

## Fourth Quarter Invoices & IFRS Revenues (TL mn)



- **4Q sales invoice growth** reached **28% y/y**
- **Revenue growth** was **26%y/y** in 4Q despite a very challenging environment

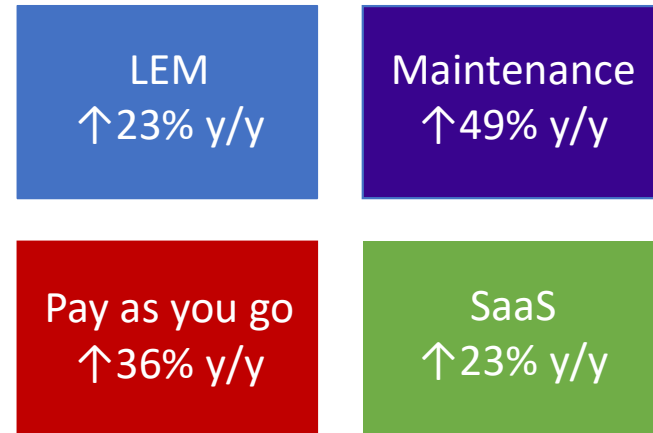
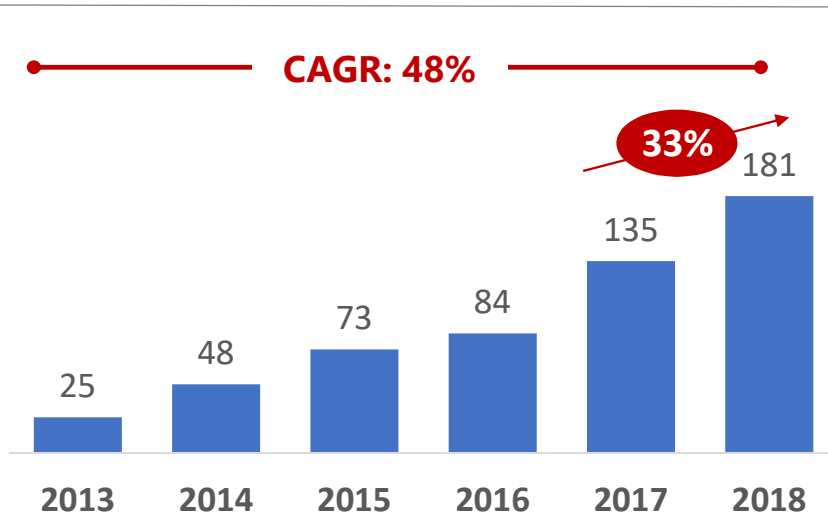
## Invoiced Revenues (TL mn)



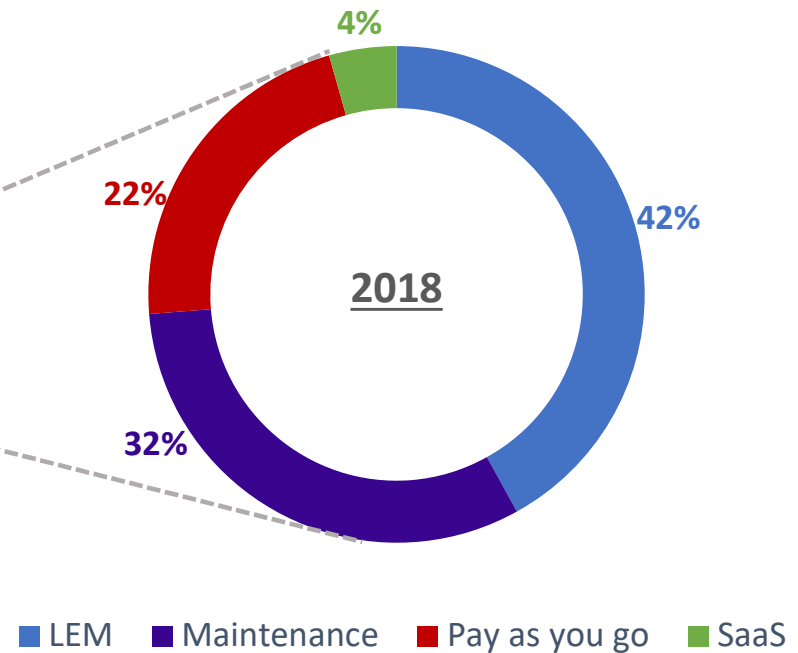
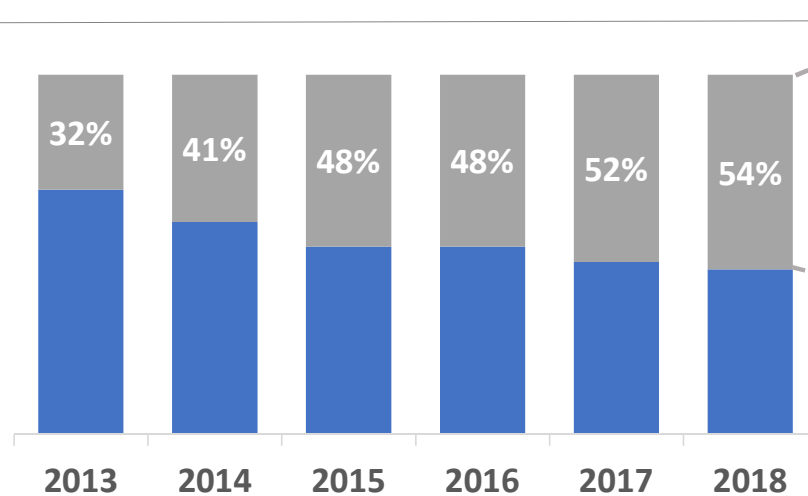
- In **Turkey**, invoiced revenue growth was **21% y/y** in Turkey reaching **225 TL mn**
- **Total Soft's** invoiced revenue increased by 47% and reached **108 TL mn**
- **Recurring** revenues 54% of invoices

# Recurring Revenue Growth Ensuring Predictability

Consolidated Recurring Invoices (TL mn)

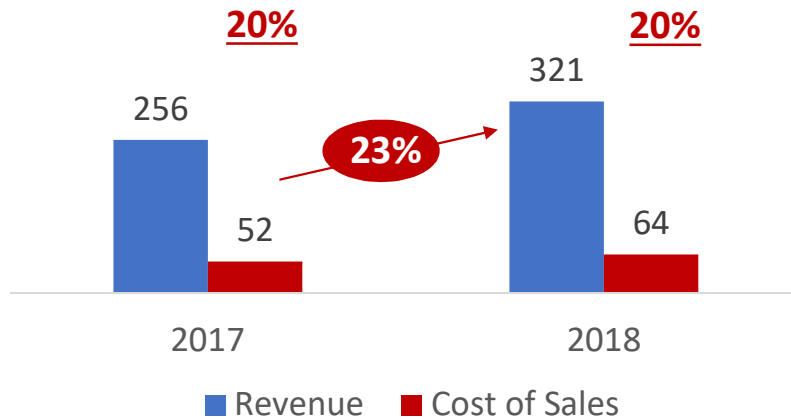


Recurring Invoices/Total Invoices (%)

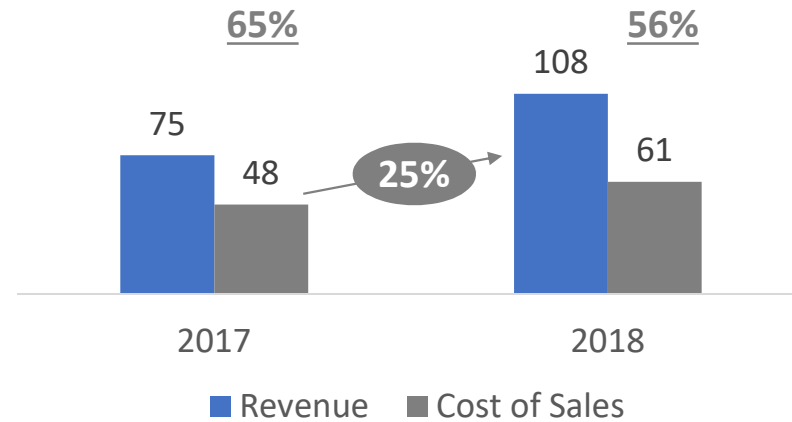


## Cost of Sales

Consolidated (TL mn) – As % of IFRS Revenue



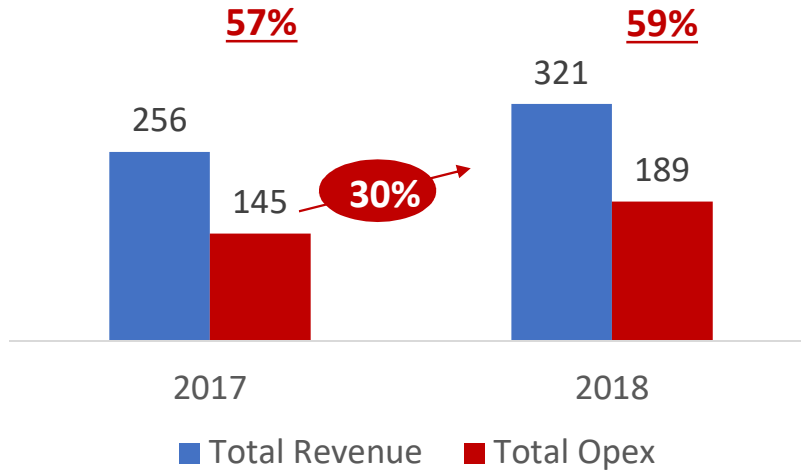
Total Soft (TL mn) – As % of IFRS Revenue



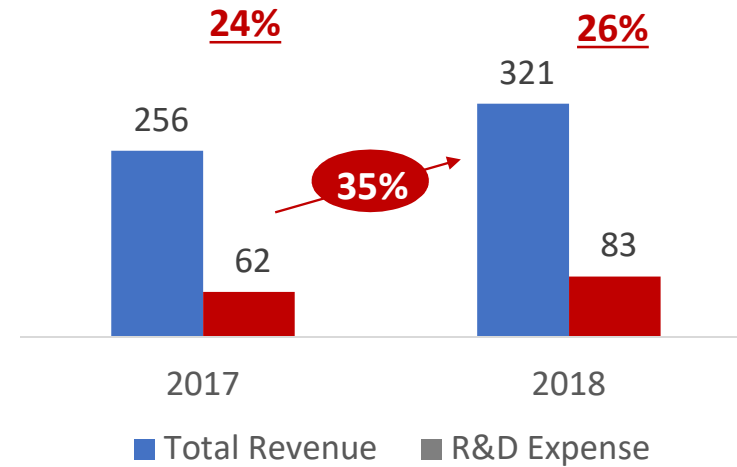
- **New clients** and **new project** additions continue in all solutions
- Successful **project completions** under Financial Services and ERP divisions
- As a result of **higher sales** and more **efficient project implementation** CoS/IFRS Revenue ratio of Total Soft **improved**

# Operating Expenses

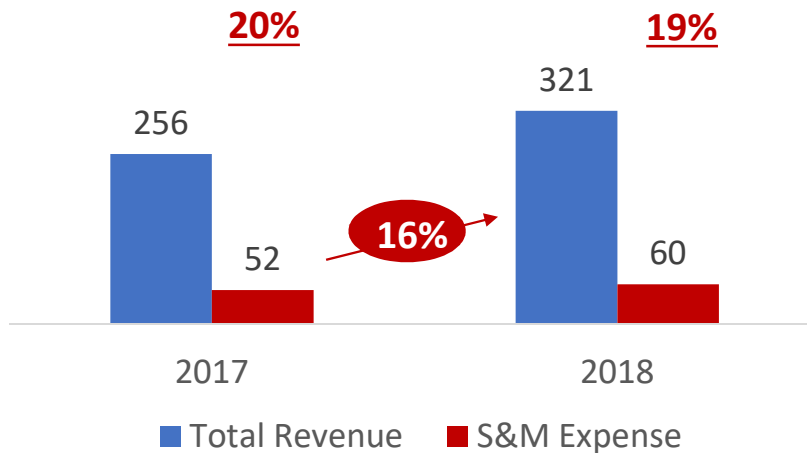
OpEx (TL mn) – As % of IFRS Revenue



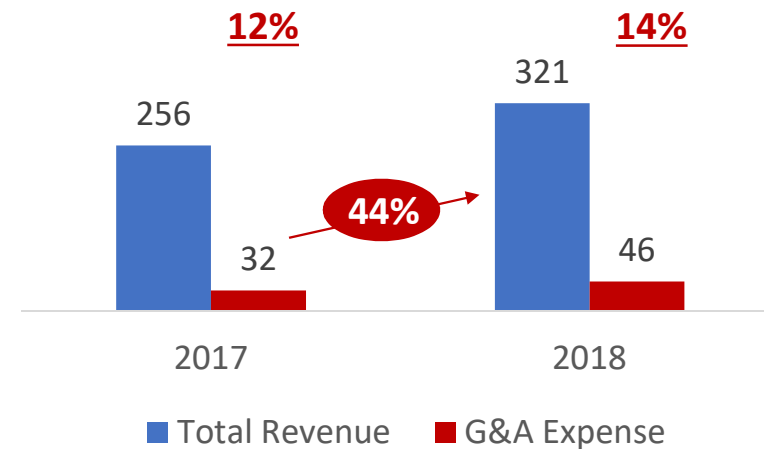
R&D Expenses (TL mn) – As % of IFRS Revenue



S&M (TL mn) – As % of IFRS Revenue

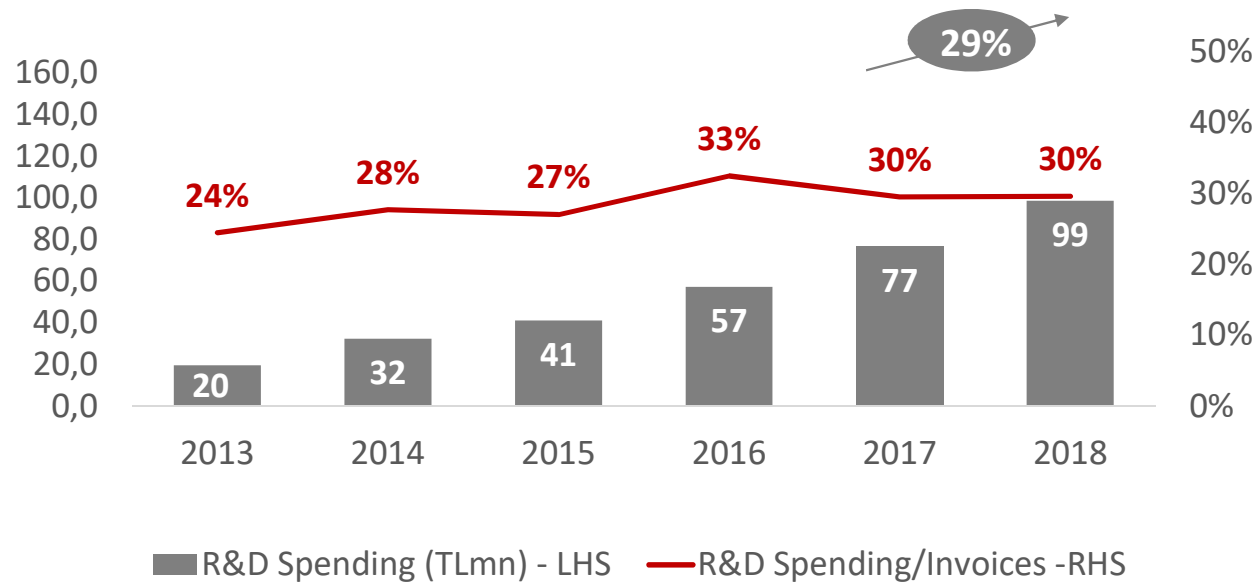


G&A (TL mn) – As % of IFRS Revenue



## Dedicated Investment in Technology

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



# Strong Balance Sheet

## Balance Sheet Highlights (TL mn)

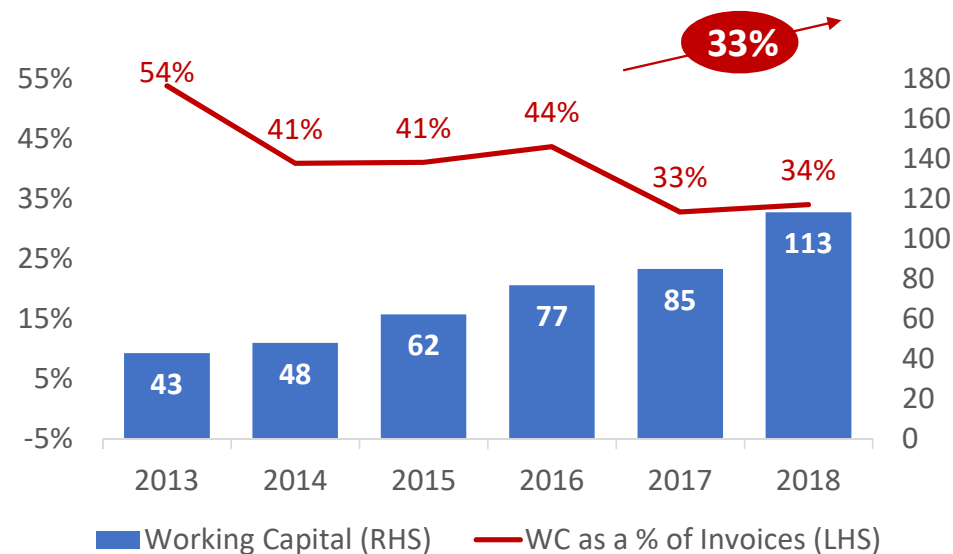
	2017	2018	Δ
Cash & Cash Eq.	51,6	80,9	57%
Trade Receivables	104,5	137,9	32%
Tangible Assets	19,9	20,7	4%
Intangible Assets*	191,9	301,1	57%
Other Assets	15,2	22,5	49%
<b>Total Assets</b>	<b>383,2</b>	<b>563,2</b>	<b>47%</b>
Total Liabilities	173,9	244,6	41%
Total Shareholders' Equity	209,3	318,6	52%
<b>Total Liabilities and Equity</b>	<b>383,2</b>	<b>563,2</b>	<b>47%</b>
Shareholders Equity Ratio	0,55	0,57	4%
Current Ratio	1,41	1,72	22%
EPS**	2,09	2,81	34%

\* Includes goodwill

\*\* Adjusted by 2.77% treasury shares for 2017, and by 3.48% for 2018.

- Further improvement in liquidity despite uncertainties and challenges in the Turkish market
- Net debt 18.6\* TL mn at end-2018 vs 13.8\* TL mn at end-2017
- Total Soft's debt extended with better terms
- Natural hedging, no f/x exposure
- Successful working capital management

## Working Capital (TL mn)



# Guidance

## 2018

## 2019 Guidance

Invoiced Revenue (TL mn)



IFRS Revenue (TL mn)



EBITDA (TL mn)



Margins



EBT (TL mn)



Margins



Logo Standalone    Total Soft    Investments\*    Consolidated    Logo Standalone    Total Soft    Investments\*    Consolidated

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

# CONTENT

Financial Review  
Questions & Answers



**Thank you for joining us today**

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