

Ulusoy Electric

1Q17 Results



May 2017

ULUSOY
electric

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Board Member & Deputy General Manager



Table of Contents

<u>1Q17 Highligts</u>	<u>1</u>
<u>Sector and Ulusoy Elektrik</u>	<u>6</u>
<u>Financials</u>	<u>19</u>



1Q17 Highlights



1Q17 Highlights

- Domestic & Export Growth & Record High 1Q Sales
- Increased margins (Q to Q)
- Stronger Position in the domestic market with new competition environment
- New and renewed contracts with Electricity Distribution Companies
- Diversified Exports
- Strong Order Book for the upcoming quarters



Sector and Ulusoy Elektrik



Local & Int'l Competition

Local Players

~~Elko (BANKRUPTED)~~

- Family-run business
- HQ in Ankara
- Region: Turkey, Turkmenistan, Iraq
- ~20% Market Share

Elimsan (CAPACITY PROBLEM)

- Owned by Saudi Cable
- HQ in Ankara
- Region: Turkey, Qatar
- ~15% Market Share

Ulusoy Electric

Market Share

from 40%

Reached to 60%

Global Players

Schneider

- HQ in France
- Publicly listed
- Region: Global

Siemens

- HQ in Germany
- Publicly listed
- Region: Global

ABB

- HQ in Switzerland
- Publicly listed
- Region: Global

Ormazabal

- HQ in Spain
- Family-run business
- Region: Global

Strong Orderbook

- YEŞİLIRMAK EDAŞ 18.600.000 TL
- ENERJİSA 7.800.000 USD
- UNDP IRAQ 1.840.000 USD
- EDCO JORDAN 5.941.000 USD

More than **100M TL** order book as of
May 1st 2017

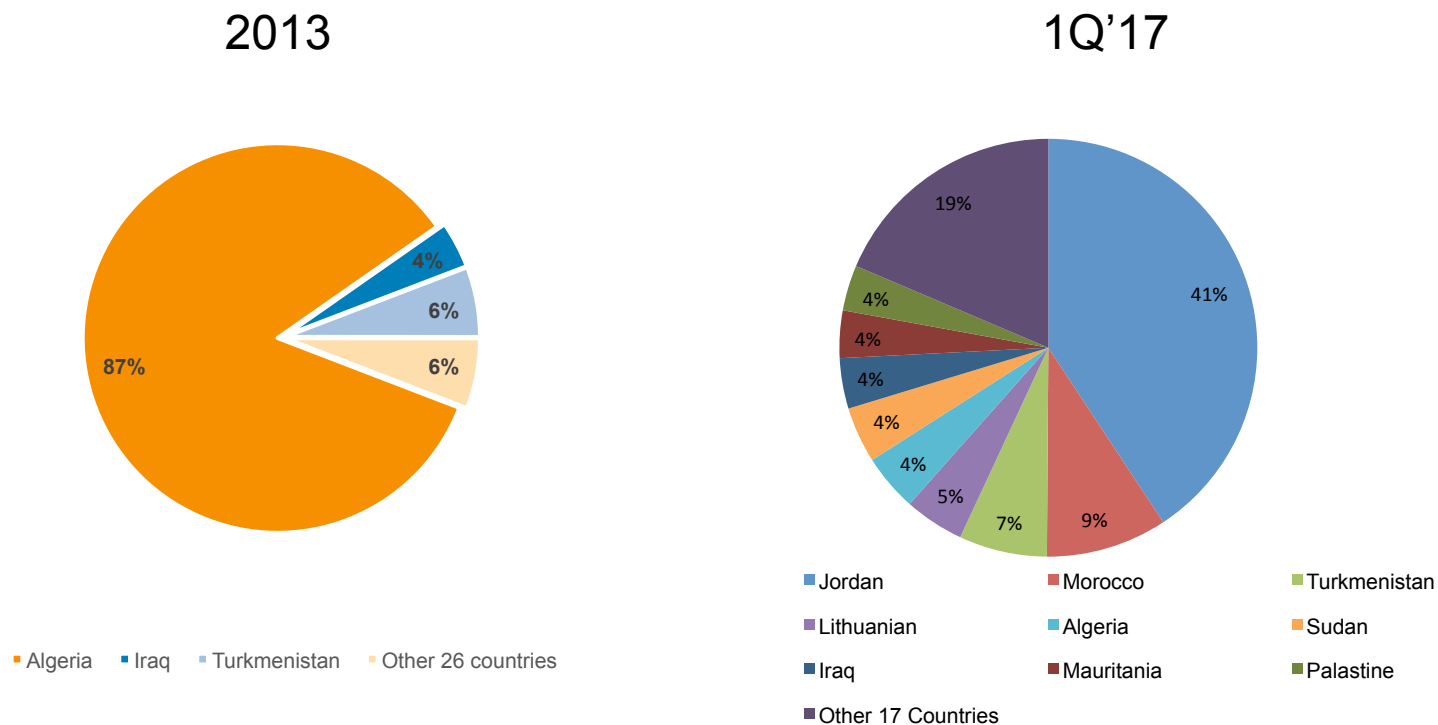


Revenue Breakdown

TL mn	1Q'17	1Q'16	change
Cable Accessories	2,0	0,6	229%
Concrete Compact Substations	6,6	4,0	67%
Distribution Transformers	4,2	0,8	432%
Metal Clad	4,8	2,4	105%
Metal Enclosed	30,5	18,1	68%
Other Sales(Trade Goods, Auxilary Materials)	7,0	4,9	45%
Railway Overhead Line Equipments	0,4	0,1	183%
RMU	6,2	2,8	125%
Metal Compact Substations	0,4	0,9	-52%
Total	62,2	34,5	91%

Export Breakdown

- Export diversification increases significantly.
- 41% exports depends on a single country in 1Q17 compared to 87% in 2013.



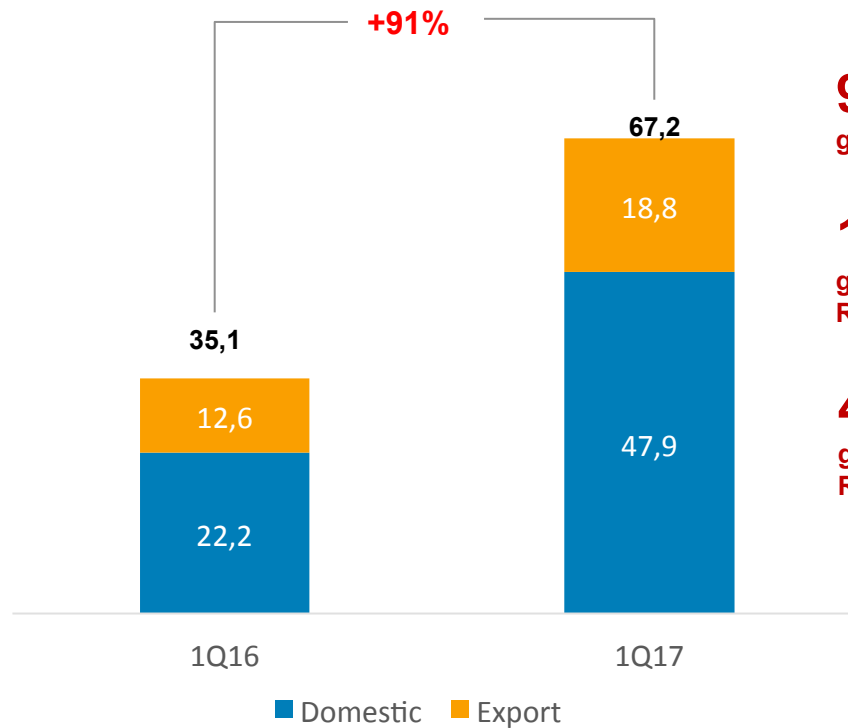
Financials



Financial Statements

TL mn	1Q'17	1Q'16	change
Revenues	67,2	35,1	91%
Domestic	47,9	22,2	115%
Export	18,8	12,6	49%
Gross Profit	15,4	7,1	116%
Operating Profit	10,8	3,4	217%
EBITDA	12,0	4,5	164%
Net Income	9,1	3,1	194%
Gross Margin	22,9%	20,3%	260 bps
Operating Margin	16,2%	9,8%	640 bps
EBITDA Margin	17,8%	12,9%	490 bps
Net Margin	13,6%	8,9%	470 bps
Depreciation&Amortization	1,1	1,1	0%
Financial Income/(Expense)	-0,5	0	n.a.
CAPEX	1,3	3,1	-58%

Revenue (TL mn)



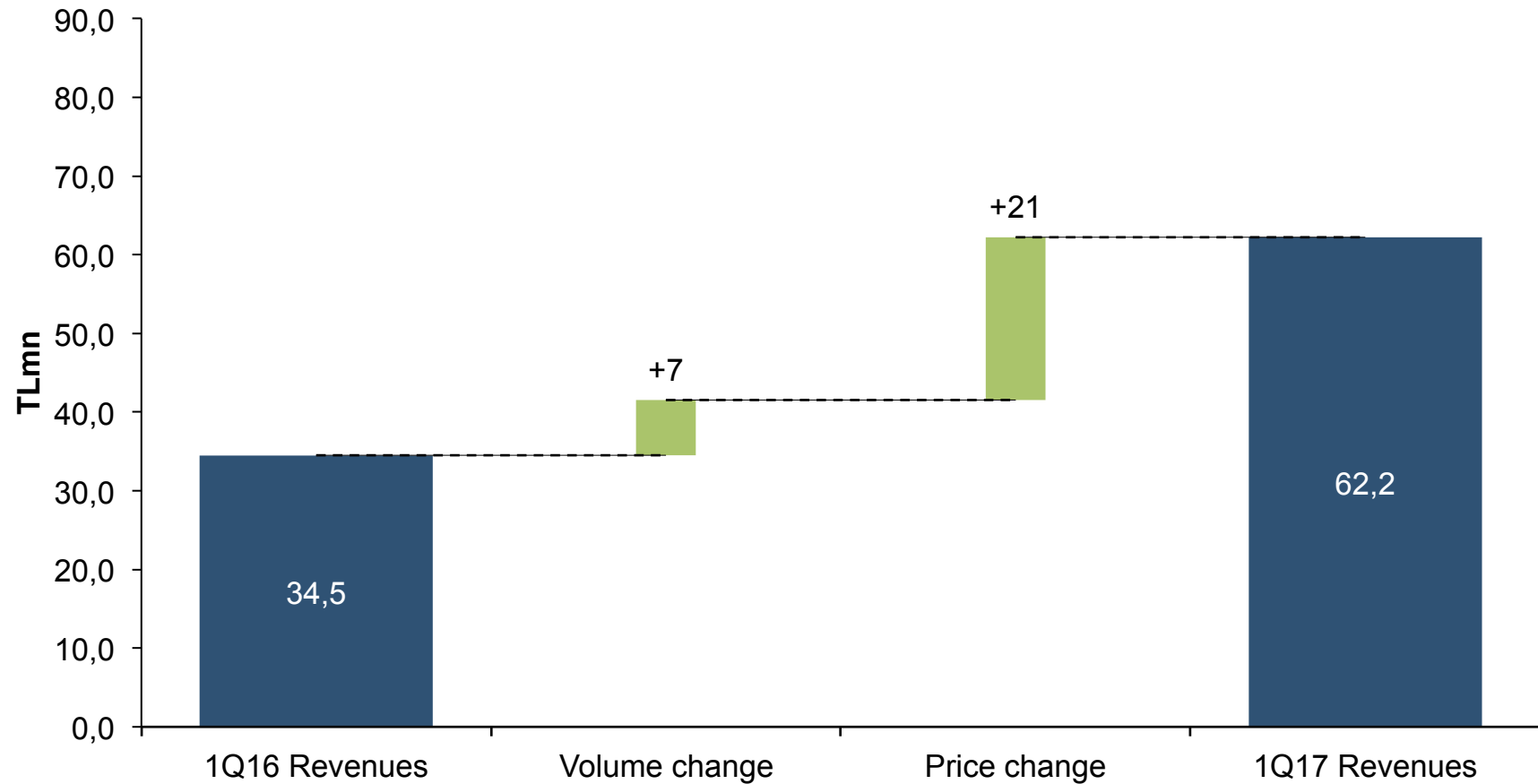
91%
growth in Revenues

115%
growth in Domestic Revenues

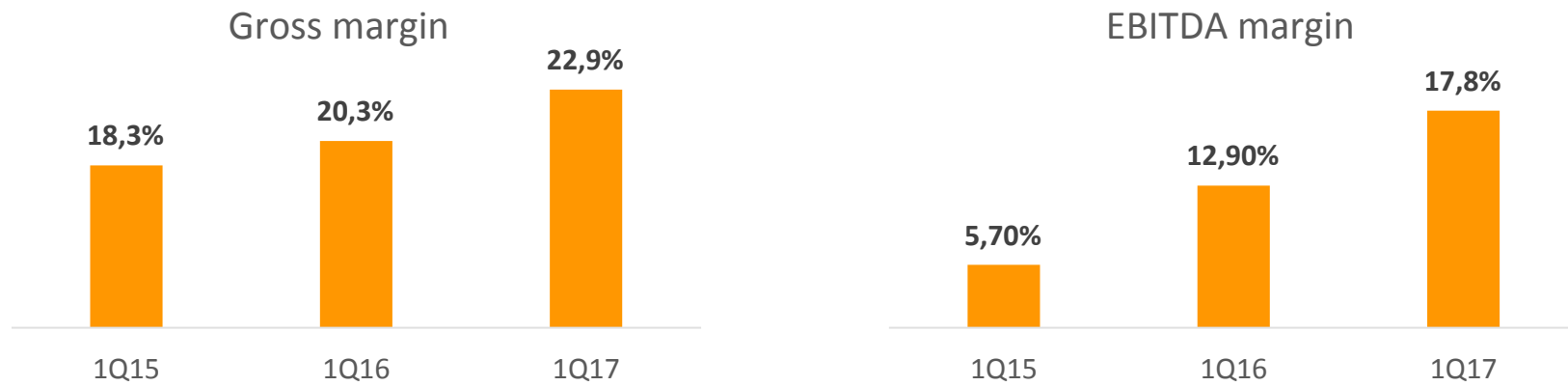
49%
growth in Export Revenues

Targeting double digit growth both in local and int'l markets.

Revenue (TL mn) price vs volume



Margin Evolution (%)



Financial Ratios

TL mn	1Q'17	1Q'16
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Net Debt Position

Cash&Equivalents	21,7	13,8
Financial Debt	7,4	7,6
Net Debt	-14,3	-6,2

Financial Ratios

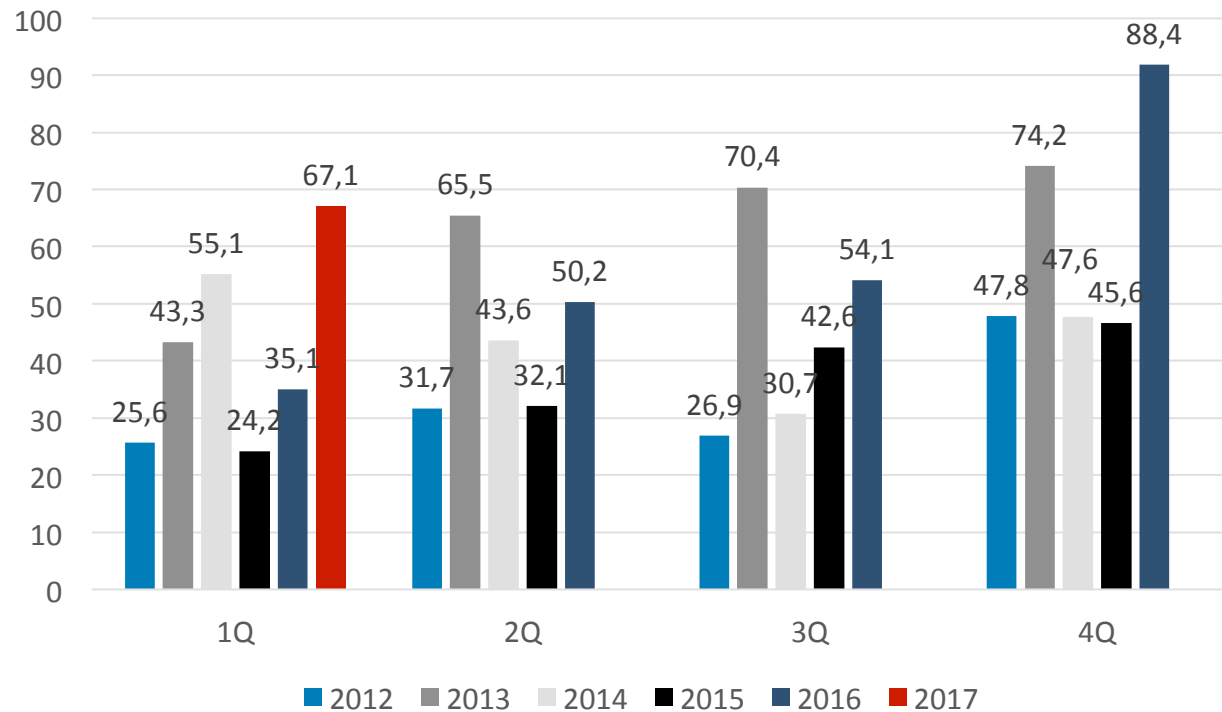
Current Ratio	2,43	2,24
Net Debt/Equity	-0,10	-0,05
Current Assets/Total Assets	0,64	0,62
Current Liabilities/Total Liabilities	0,95	0,95
Total Liabilities/Total Assets	0,28	0,29
ROE	29,0%	10,8%

Margins

Gross Margin	22,9%	20,3%
Operating Margin	16,2%	9,8%
EBITDA Margin	17,8%	12,9%
Net Margin	13,6%	8,9%

Quarterly Revenues Breakdown since 2012

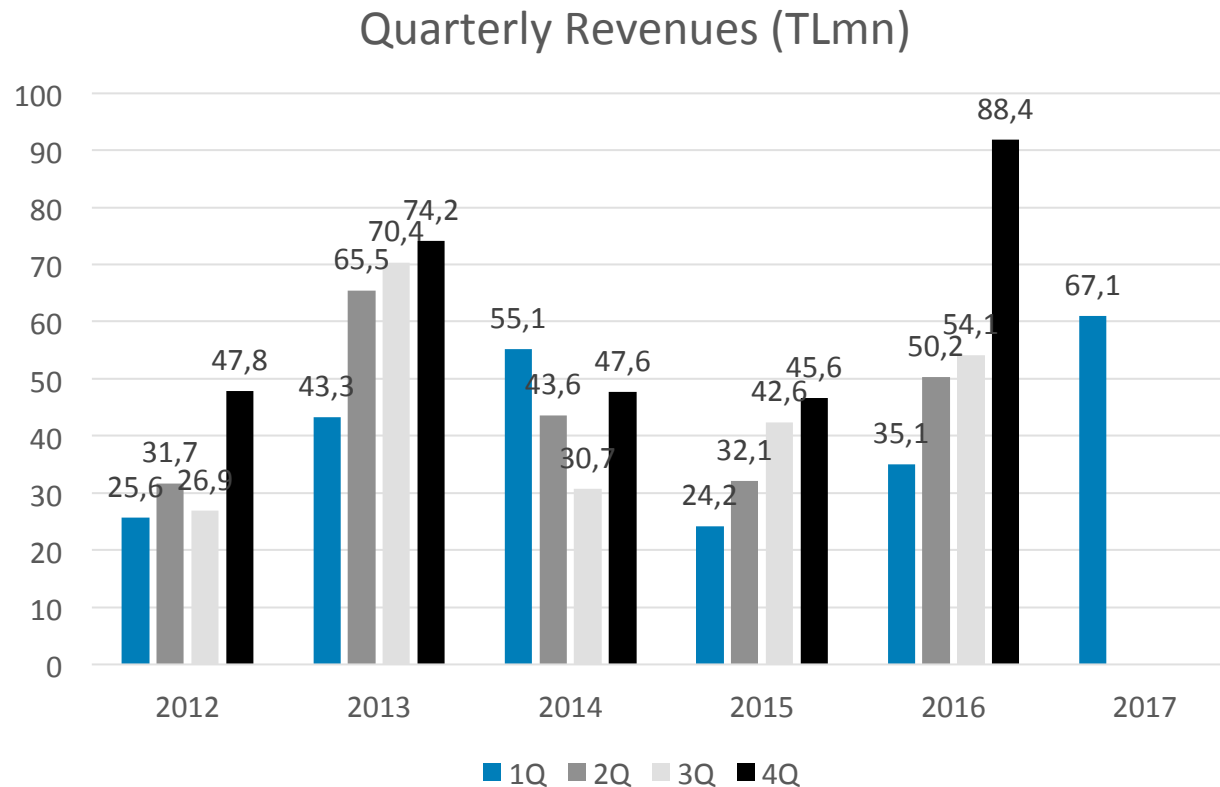
Quarterly Revenues (TLmn)



1Q is the weakest while 4Q is the strongest quarters

- Since 2012, 1Q revenues constituted 19.9% of total sales during the year.
- Since 2012, 4Q revenues constituted 32.8% of total sales during the year.

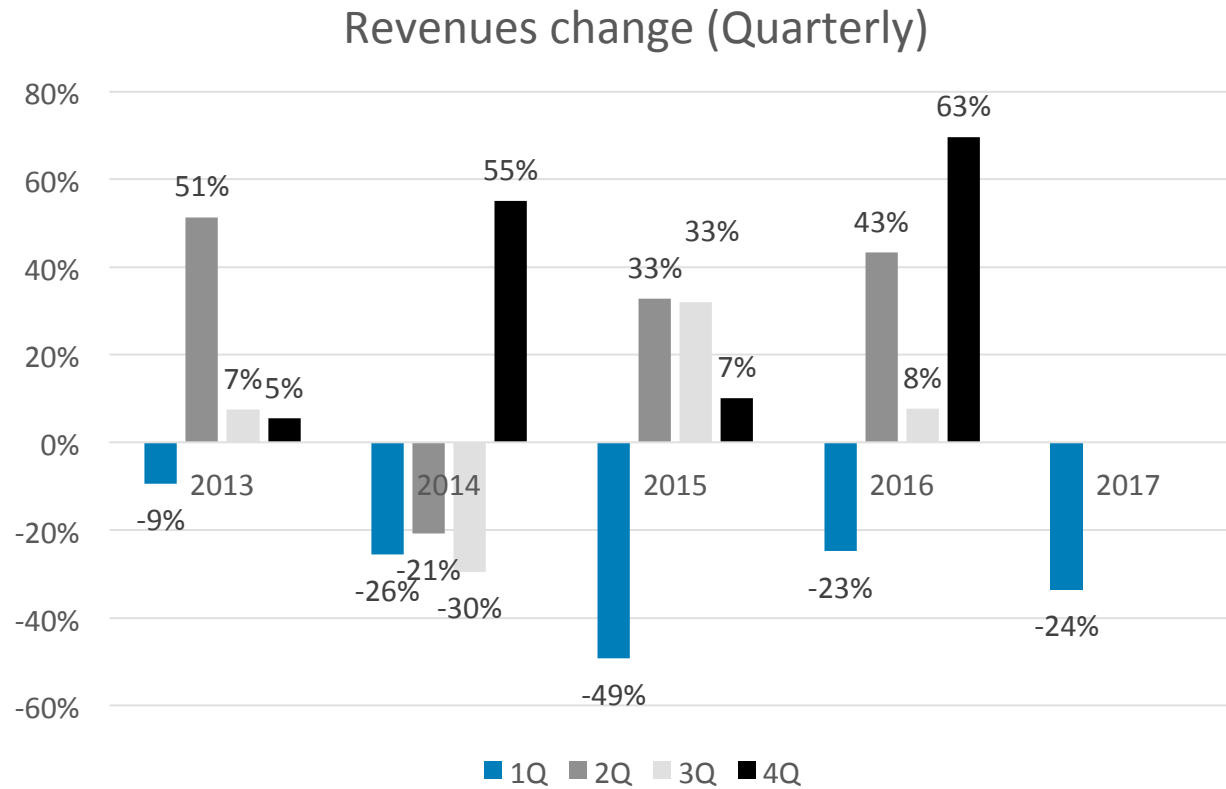
Quarterly Revenues Breakdown since 2012



Despite high base effect (the historically highest revenues in 4Q16), QoQ change was modest, thanks to favorable domestic market dynamics.

- Since 2012, 1Q revenues constituted 19.9% of total sales during the year.
- Since 2012, 4Q revenues constituted 32.8% of total sales during the year.

Quarterly Revenues Changes since 2012



Despite seasonality factor, growth momentum remained strong...

- On average, 1Q revenues declined by 27% QoQ since 2012.
- On average, 4Q revenues increased by 35% QoQ since 2012.

Thank You

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The logo for Ulusoy Electric is located in the bottom right corner. It consists of a dark blue rectangular background. On the left side of the rectangle, there is a white graphic element resembling a stylized electrical plug or a line with a diagonal segment. To the right of this graphic, the word "ULUSOY" is written in a bold, white, sans-serif font. Below "ULUSOY", the word "electric" is written in a smaller, white, lowercase sans-serif font.

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