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# Analyst Meeting

**Erol Bilecik**  
Index Group CEO

4 April 2012  
Divan Hotel, Istanbul

## Disclaimer

This presentation contains information and analysis on financial statements as well as forward-looking statements that reflect the Company management's current views with respect to certain future events. Although it is believed that the information and analysis are correct and expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.

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# Agenda

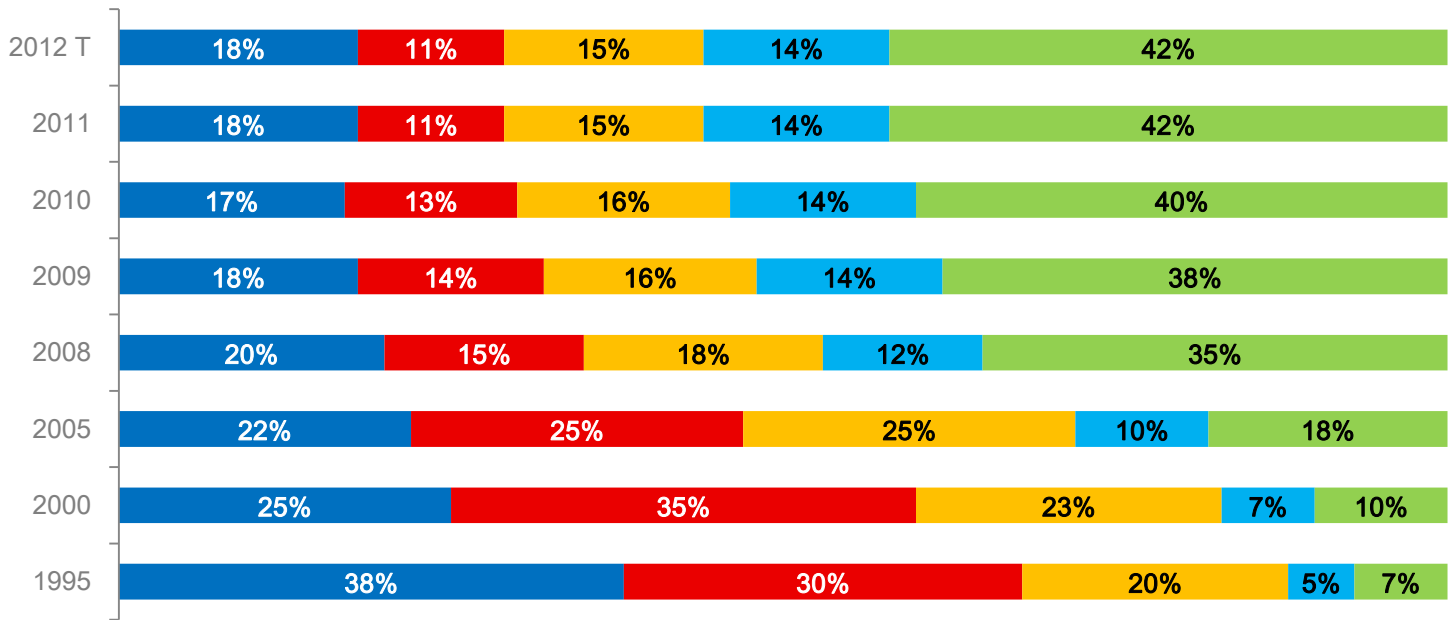
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- IT Sector in Turkey and the World
- Datagate Computer inc.

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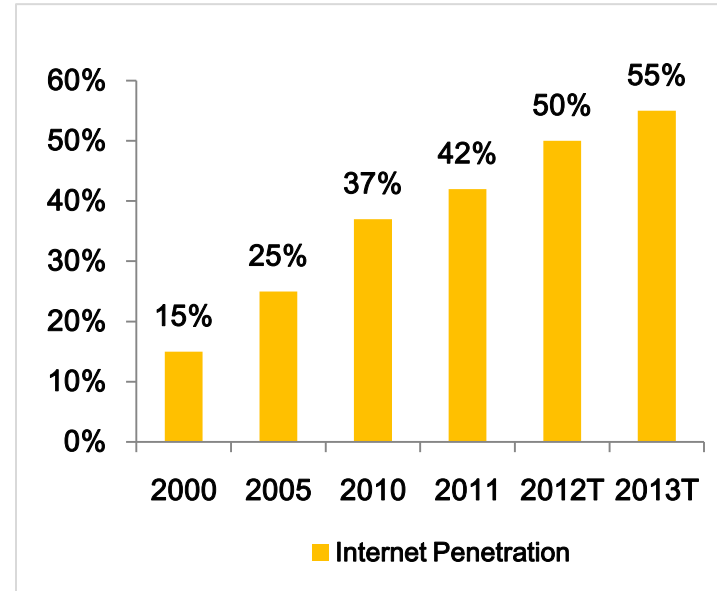
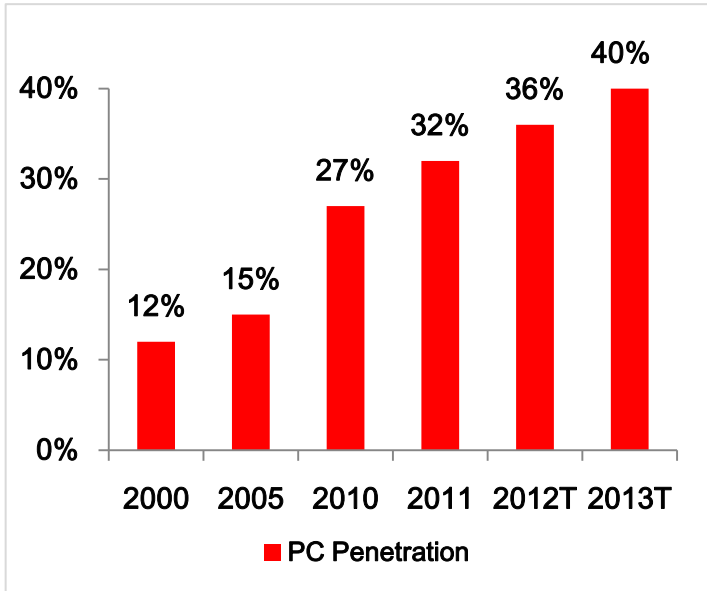
# IT Sector in Turkey & the World

# Changes in the Market Share of End Users



	1995	2000	2005	2008	2009	2010	2011	2012 T
Public Institutions	38%	25%	22%	20%	18%	17%	18%	18%
Financial Sector	30%	35%	25%	15%	14%	13%	11%	11%
Private Sector (Corporate)	20%	23%	25%	18%	16%	16%	15%	15%
SMEs	5%	7%	10%	12%	14%	14%	14%	14%
Individual Users	7%	10%	18%	35%	38%	40%	42%	42%

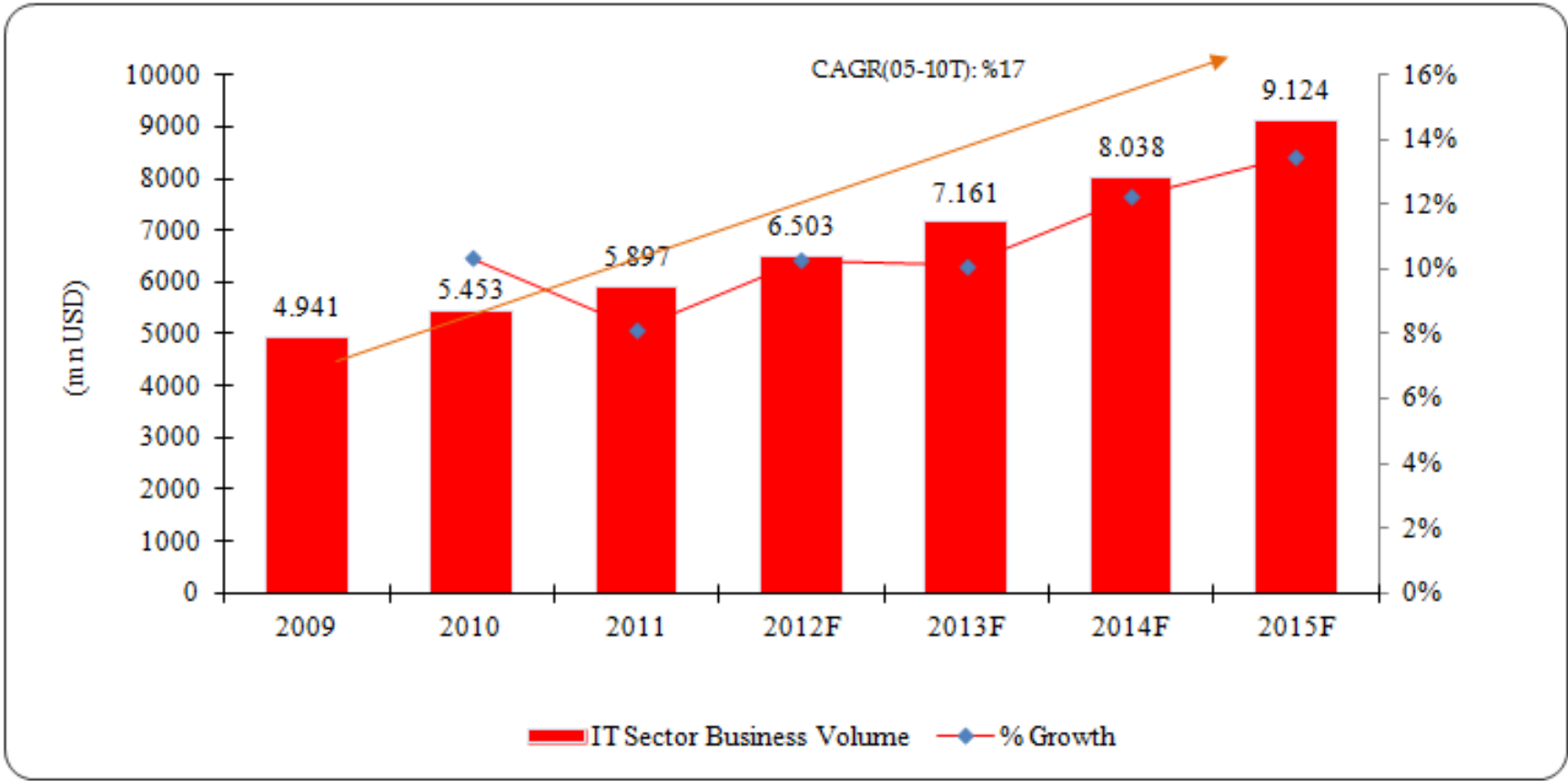
# Trends in PC & Internet Penetration



Source: Index Group



# Turkish IT Market 2009 - 2015 (x m \$)



# Turkish IT Market 2010-2015 (x m \$)

IT Sector Contents (x m \$)	2010	2011	2012 F	2013 F	2014 F	2015 F
Hardware	3.743 \$	3.993 \$	4.383 \$	4.787 \$	5.368 \$	6.124 \$
Software	696 \$	784 \$	874 \$	986 \$	1.120 \$	1.266 \$
Service	1.014 \$	1.121 \$	1.245 \$	1.388 \$	1.551 \$	1.734 \$
<b>Total IT</b>	<b>5.453 \$</b>	<b>5.897 \$</b>	<b>6.503 \$</b>	<b>7.161 \$</b>	<b>8.038 \$</b>	<b>9.124 \$</b>
<b>Growth %</b>		<b>8,1%</b>	<b>10,3%</b>	<b>10,1%</b>	<b>12,2%</b>	<b>13,5%</b>

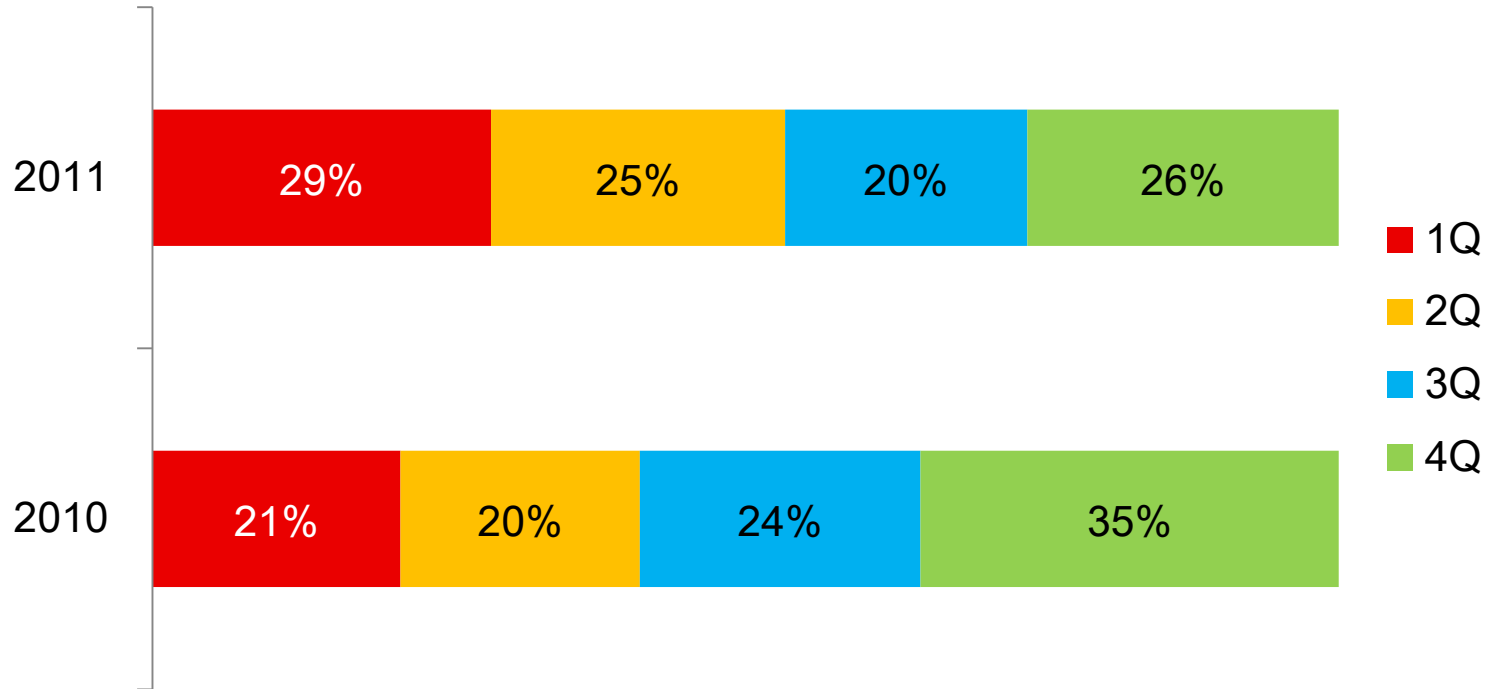
Growth on Segments	2010	2011	2012 F	2013 F	2014 F	2015 F
<b>Hardware</b>		6,7%	9,8%	9,2%	12,1%	14,1%
<b>Software</b>		12,6%	11,6%	12,8%	13,5%	13,1%
<b>Service</b>		10,5%	11,1%	11,5%	11,7%	11,8%

Distribution in Segments	2010	2011	2012 F	2013 F	2014 F	2015 F
<b>Hardware</b>	68,6%	67,7%	67,4%	66,8%	66,8%	67,1%
<b>Software</b>	12,8%	13,3%	13,4%	13,8%	13,9%	13,9%
<b>Service</b>	18,6%	19,0%	19,1%	19,4%	19,3%	19,0%

Source :IDC WW Black Book



# Turkish PC Market / 2010-2011 Analysis (Quantity)

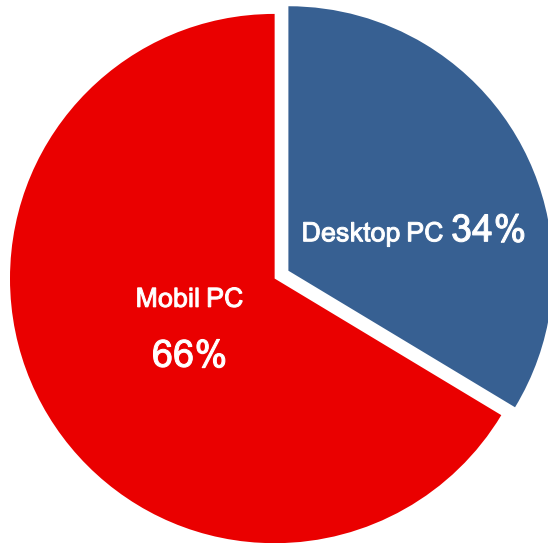


Years	Q1	Q2	Q3	Q4	Total
2010	748.839	721.617	847.215	1.261.735	3.579.406
2011	953.214	827.890	682.117	877.105	3.340.326
Growth	27,3%	14,7%	-19,5%	-30,5%	-6,7%

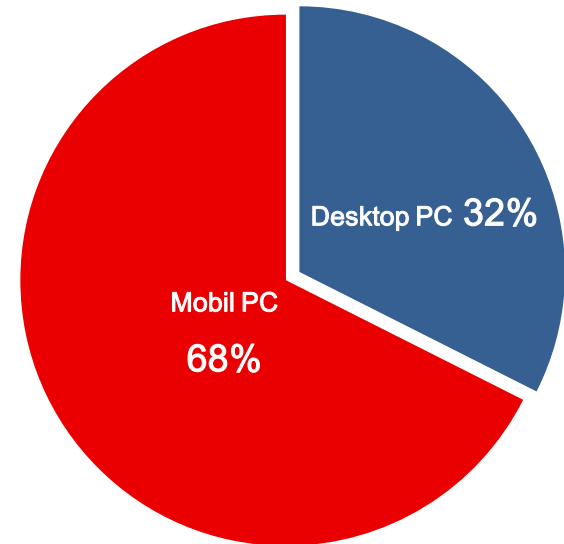
Source : IDC

# Turkish PC Market / Desktop - Mobile Rates (Quantity)

**2010**  
**Total PC Market**  
**3.579.406 (Quant.)**



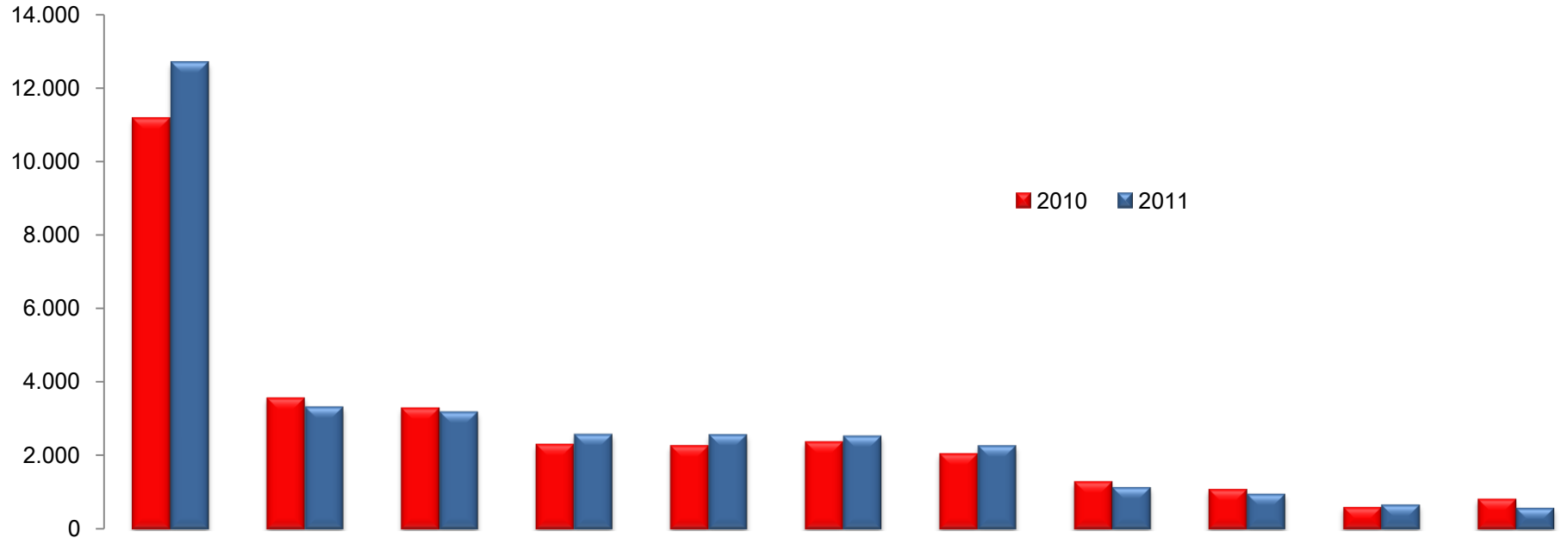
**2011**  
**Total PC Market**  
**3.340.326 (Quant.)**



PC Market Growth	-6,7%
Dekstop Market Growth	-10,0%
Mobile PC Market Growth	-5,0%

Source : IDC

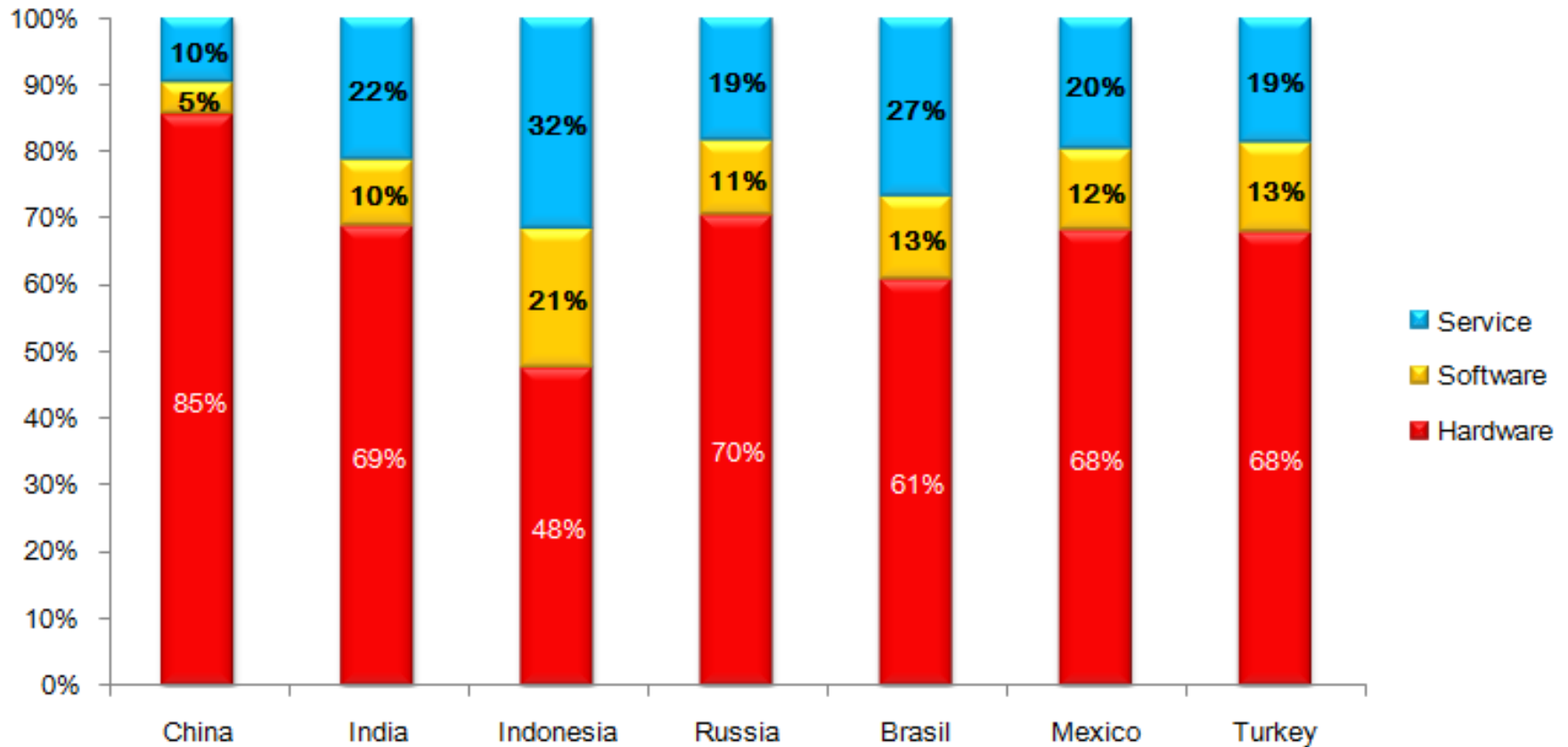
# Multifarious Countries PC Market (x 1.000 Quantity)



Countries	Russia	Turkey	Poland	Saudi Arabia	UAE	Ukraine	South Africa	Czechoslovakia	Israel	Romania	Egypt
2010	11.167	3.579	3.304	2.323	2.283	2.393	2.069	1.306	1.100	613	835
2011	12.699	3.340	3.199	2.597	2.582	2.547	2.283	1.149	974	678	590
Growth	13,7%	-6,7%	-3,2%	11,8%	13,1%	6,5%	10,3%	-12,0%	-11,5%	10,6%	-29,4%

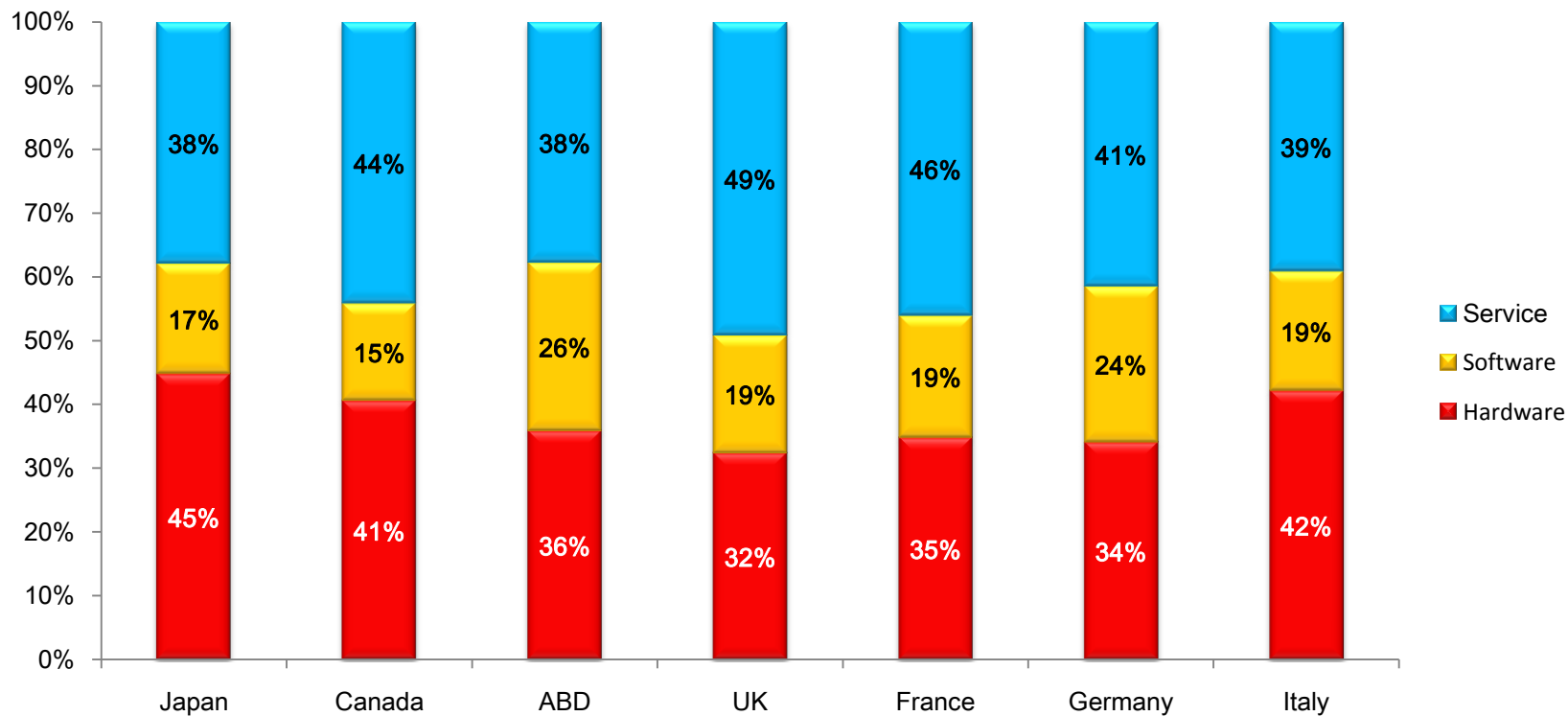
Source: IDC

# Developing Countries IT Market 2011 (x m \$)



	China	India	Indonesia	Russia	Brasil	Mexico	Turkey
Hardware	119.760 \$	25.571 \$	10.995 \$	21.747 \$	29.925 \$	12.652 \$	3.993 \$
Software	6.598 \$	3.710 \$	4.754 \$	3.377 \$	6.177 \$	2.247 \$	784 \$
Service	13.977 \$	8.020 \$	7.338 \$	5.788 \$	13.233 \$	3.726 \$	1.121 \$
<b>Total</b>	<b>140.335 \$</b>	<b>37.300 \$</b>	<b>23.087 \$</b>	<b>30.913 \$</b>	<b>49.334 \$</b>	<b>18.626 \$</b>	<b>5.897 \$</b>

# Developed Countries IT Market 2011 (x m \$)



	Japan	Canada	ABD	UK	France	Germany	Italy
Hardware	65.141 \$	17.444 \$	215.871 \$	32.441 \$	24.159 \$	30.352 \$	14.781 \$
Software	25.195 \$	6.566 \$	158.335 \$	18.533 \$	13.297 \$	21.768 \$	6.562 \$
Service	55.071 \$	18.935 \$	226.773 \$	49.094 \$	31.890 \$	36.827 \$	13.697 \$
<b>Toplam</b>	<b>145.408 \$</b>	<b>42.944 \$</b>	<b>600.979 \$</b>	<b>100.068 \$</b>	<b>69.346 \$</b>	<b>88.947 \$</b>	<b>35.040 \$</b>

# Datagate Computer Inc. 2011 Review 2012 Targets

Salih Bař  
General Manager

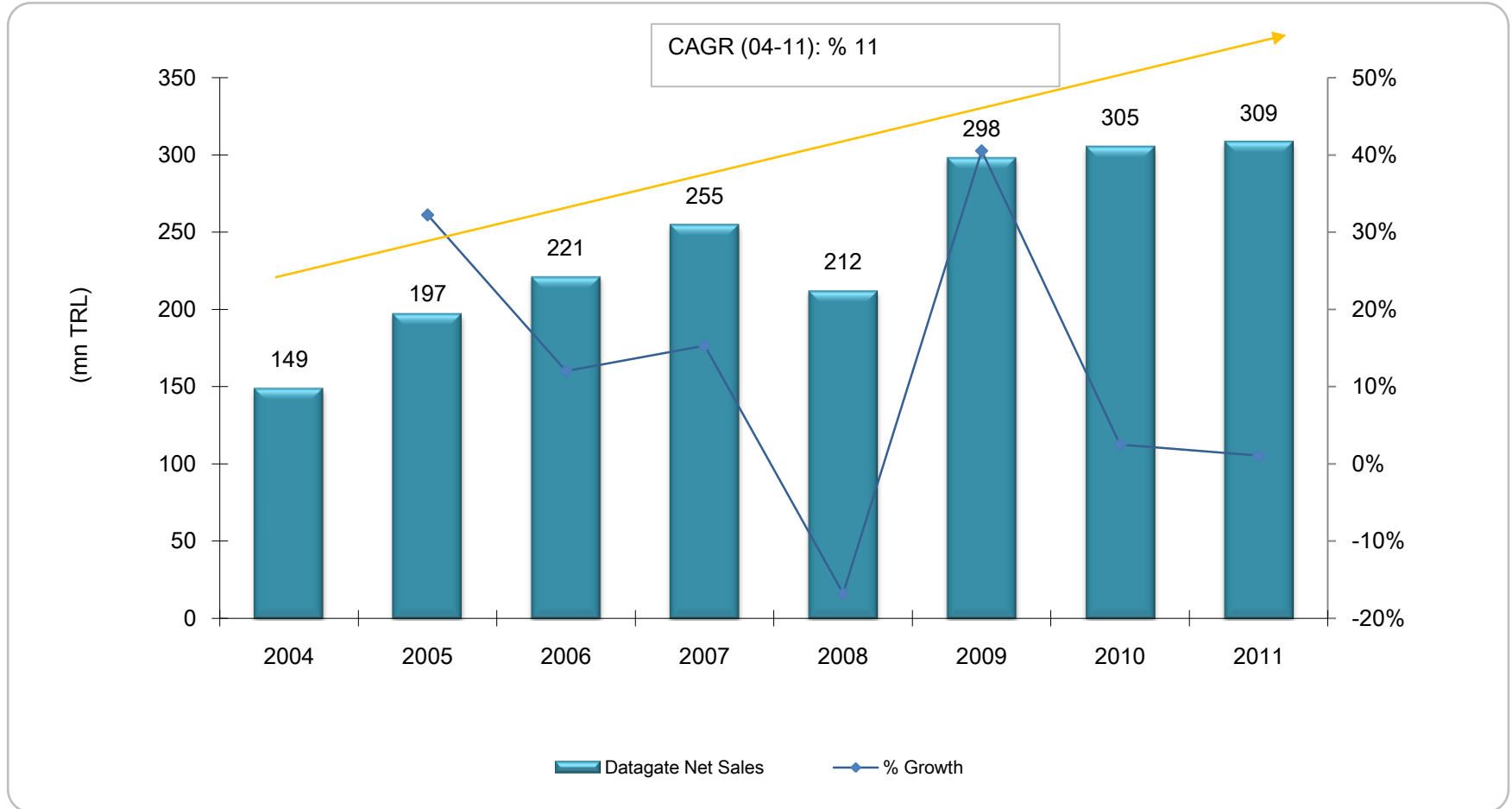
# Company Profile and Our Regions

Name of the Company	Datagate Computer Inc.
Establishment	1992
Legal Status	Public Company– ISE
Chairman	Erol BİLECİK
General Manager	Salih BAŞ



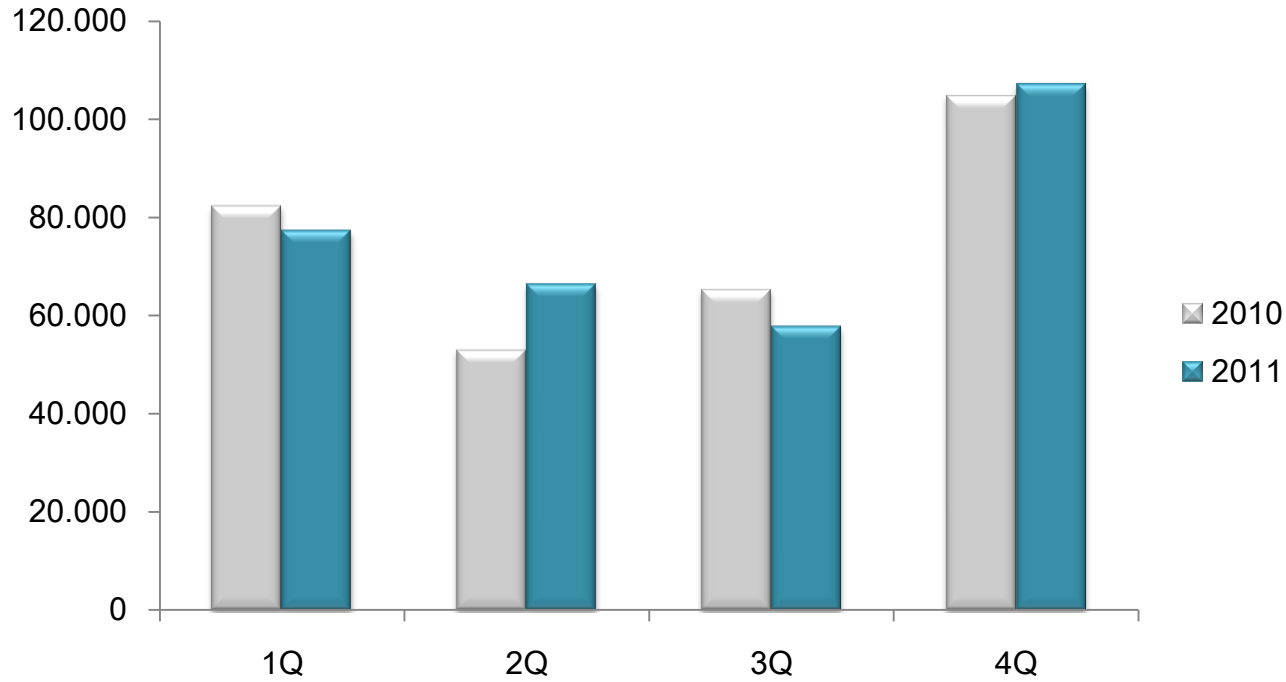
Merkez / Şube	Establishment Date	City	Number of Employees
Head Office	June 92	İstanbul	34
Branch	February 00	Ankara	2
Branch	February 00	İzmir	1
Contact Office	July 98	Elazığ	1
Contact Office	May 99	Diyarbakır	1
Free Zone Branch	July 98	İstanbul Ataturk Airport	2
Free Zone Branch	June 04	Dubai Jebel Ali	1
<b>Total</b>			<b>41</b>

# Datagate Computer Yearly Revenues (Million TRL)





# 2010 - 2011 Revenues (000 TRL)



2010	82,345	53,024	65,336	104,792
2011	77,318	66,445	57,800	107,149
Growth	-6%	25%	-12%	2%

# 2011 Financial Results

(000) TRL	2011	2010	Changes (%)
<b>Net Sales</b>	<b>308.712</b>	<b>305.498</b>	<b>1,1</b>
Gross Profit	16.746	10.067	66,3
Gross Profit Margin (%)	5,4	3,3	64,6
EBITDA	11.807	4.698	151,3
EBITDA Margin (%)	3,8	1,5	148,7
Operational Profit	11.760	4.658	152,5
Operational Profit Margin (%)	3,8	1,5	149,9
Financial Income /(Expenses), Net	(4.881)	(2.366)	106,3
Tax Expenses	(1.381)	(579)	138,7
Net Profit	5.498	1.713	221,0
Net Profit Margin (%)	1,8	0,6	217,7

# Important Product Groups and Status

Product Name	Product Group	# Disty	Status
Intel	CPU, MBD, Server	3	2
Seagate	HDD	3	1
Acer	NB, Monitor, Projector	3	2
Fujitsu	PC, NB Server, Storage	2	1
Belkin	Aksesuar	4	1
Samsung Memory	Memory	1	1
AOC	Monitor	2	2
Optoma	Projector	2	1
Genius	Accessories	3	1
Linksys ( Cisco )	Consumer Network	2	1
Sapphire	VGA	3	2
Aver	CCTV –Security Products	2	2
LG	CCTV -Security Products	2	2

# Targets

Contents	2012
Gross Profit Margin	5%
Revenue Target	300.000.000 TRL
Product Range	New Product Group support profitability
Growth Areas	System Integrators, Chain Shops, Telecom, Security (CCTV)
Sales – Marketing Structuring	Reaching more customers with new Telesales Team
B2B	Selling all products of Index Group online
Efficient Financial Tool Management	Credit card usage & SME loan/credit requirement
New Business Areas	Corporate Products, Tablet, Security Products
Employees	Proficiency training programs, Performance management and awarding

# Datagate Computer Inc.

## 2011 Financial and Operational Results

Halil Duman  
Index Group, CFO

# Summarized P/L Account - 2011 (000 TRL)

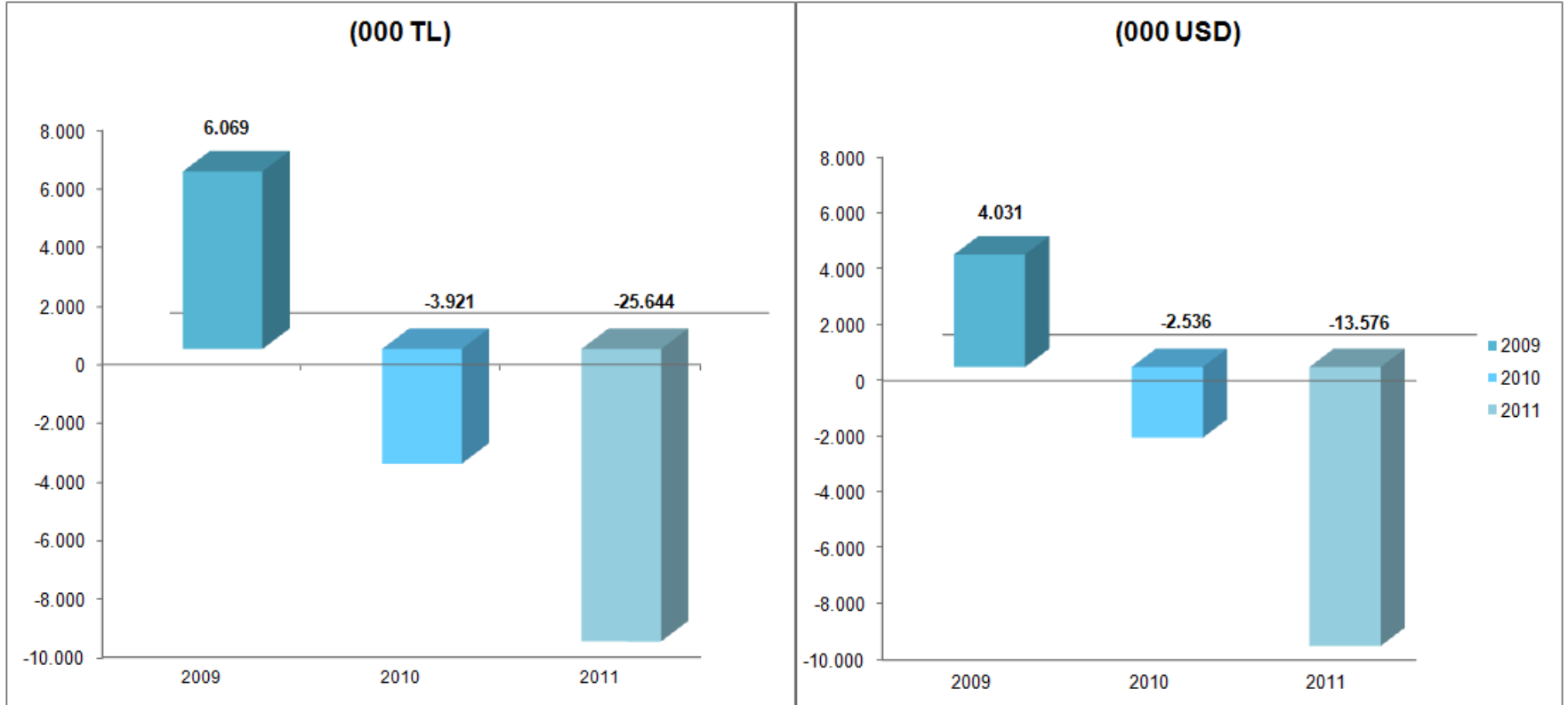
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# Summarized Balance Sheet (000 TRL)

Assets	2011	(%)	2010	(%)	Changes (%)	Liabilities & Capital	2011	(%)	2010	(%)	Changes (%)
<b>Current Assets</b>	<b>111.566</b>	<b>99,8%</b>	<b>81.191</b>	<b>99,4%</b>	<b>37,4</b>	<b>Short Term Lia.</b>	<b>81.739</b>	<b>73,1%</b>	<b>58.482</b>	<b>71,6%</b>	<b>39,8</b>
Cash	34.730	31,1%	3.921	4,8%	785,7	Financial Lia.	7.657	6,8%	0	0,0%	0,0
Trade Receivables	65.991	59,0%	44.979	55,1%	46,7	Trade Payables	63.515	56,8%	52.673	64,5%	20,6
Inventories	7.548	6,7%	21.301	26,1%	(64,6)	Provisions for Tax	836	0,7%	9	0,0%	9.188,9
Inventories in Transit	63	0,1%	60	0,1%	5,7	Prov. for Other Pay.	7.191	6,4%	1.207	1,5%	495,8
Other	3.234	2,9%	10.930	13,4%	(70,4)	Other	2.540	2,3%	4.593	5,6%	(44,7)
<b>Non-Current Assets</b>	<b>279</b>	<b>0,2%</b>	<b>472</b>	<b>0,6%</b>	<b>(40,9)</b>	<b>Long Term Lia.</b>	<b>1.528</b>	<b>1,4%</b>	<b>87</b>	<b>0,1%</b>	<b>1.662,0</b>
Fixed Assets	113	0,1%	132	0,2%	(14,4)	Financial Lia.	1.429	1,3%	-	0,0%	0,0
Goodwill	-	0,0%	-	0,0%	0,0	Prov. for Empl. Trm. Ind.	99	0,1%	87	0,1%	14,0
Other	166	0,1%	340	0,4%	(51,2)	<b>Capital</b>	<b>28.579</b>	<b>25,6%</b>	<b>23.095</b>	<b>28,3%</b>	<b>23,7</b>
<b>Total Assets</b>	<b>111.845</b>	<b>100,0%</b>	<b>81.664</b>	<b>100,0%</b>	<b>37,0</b>	<b>Total Lia. &amp; Capital</b>	<b>111.845</b>	<b>100,0%</b>	<b>81.664</b>	<b>100,0%</b>	<b>37,0</b>

	2011	2010
Net Financial Debt/ Capital	- 0,90	- 0,17
Current Ratio	1,36	1,39
Gearing Ratio	0,74	0,72
Short T. Fin. Debt / Total Fin. Debt	0,84	1,00

# Net Financial Debt (000 TRL & USD)

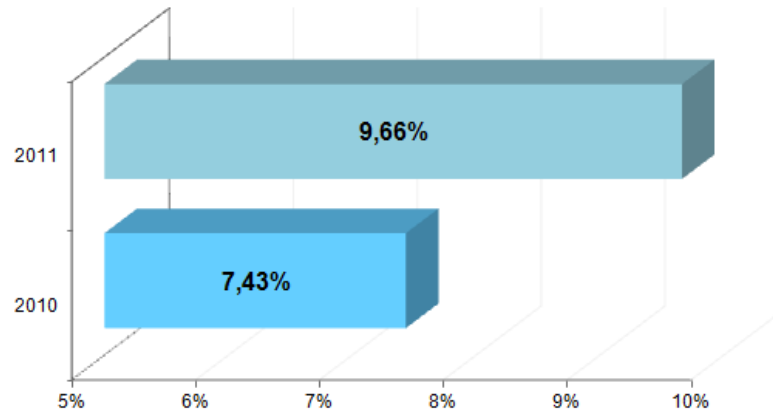




# Working Capital (000 TRL)

(000) TRL	2011	2010	Changes %	(000) TRL	2011	2010	Changes %
Short T. Trade Receivables	65.991	44.979	46,7	Short T. Trade Payables	63.515	52.673	20,6
Inventories	7.611	21.361	(64,4)	Short T. Financial Debts	7.657	0	0,0
Cash & Cash Equivalents	34.730	3.921	785,7	Other Debts	10.567	5.809	81,9
Other Receivables	3.234	10.930	(70,4)	<b>Total Short T. Liabilities</b>	<b>81.739</b>	<b>58.482</b>	<b>39,8</b>
<b>Total Current Assets</b>	<b>111.566</b>	<b>81.191</b>	<b>37,4</b>	<b>Net Working Capital</b>	<b>29.828</b>	<b>22.709</b>	<b>31,3</b>

## Working Capital / Net Sales



# Cash Flow (000 TRL)

(000) TRL	2011	2010
<b>Beginning of Term Balance</b>	<b>3.921</b>	<b>519</b>
Activity of Net Cash Flow	20.768	10.366
Investment Activities	127	(247)
Changes in Cash	20.895	10.119
Changes in Financial Debts	9.913	(6.717)
<b>End of Term Balance</b>	<b>34.729</b>	<b>3.921</b>

# Financial Ratios

<b>LIQUIDITY RATIOS</b>	<b>31.12.2011</b>	<b>31.12.2010</b>
Current Ratio	1,36	1,39
Quick Ratio	1,27	1,02
<b>THE WORKING CAPITAL RATIOS (*)</b>	<b>31.12.2011</b>	<b>31.12.2010</b>
Receivables Days	56	39
Payables Days	73	47
Inventory Days	28	24
<b>FINANCIAL STRUCTURE RATIOS</b>	<b>31.12.2011</b>	<b>31.12.2010</b>
Capital / Total Liabilities & Capital	26%	28%
Short T. Debts / Total Liabilities & Capital	73%	72%
Long T. Debts / Total Liabilities & Capital	1,4%	0,1%
Financial Debts / Total Debts	10,9%	0%
<b>PROFITABILITY RATIOS</b>	<b>31.12.2011</b>	<b>31.12.2010</b>
Gross Profit Margin	5,42%	3,30%
Operational Profit Margin	3,81%	1,52%
Net Profit / Sales	1,78%	0,56%
Profit Margin Before Tax	2,23%	0,75%

(\*) Quarterly prepared financial sheets were taken into consideration for calculations.

Thanks...

