

# Indeks Computer Inc.

(INDES TI / Bloomberg, INDES.IS / Reuters)

## 2010 3rd Quarter - Financial & Operational Results Analyst Presentation

23 November 2010

## 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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## Evaluation of the 3rd Quarter, 2010

### Market

- Fluctuations of currencies in domestic and global markets.
- Individual demand rise in September after static summer season.

### Indeks Computer

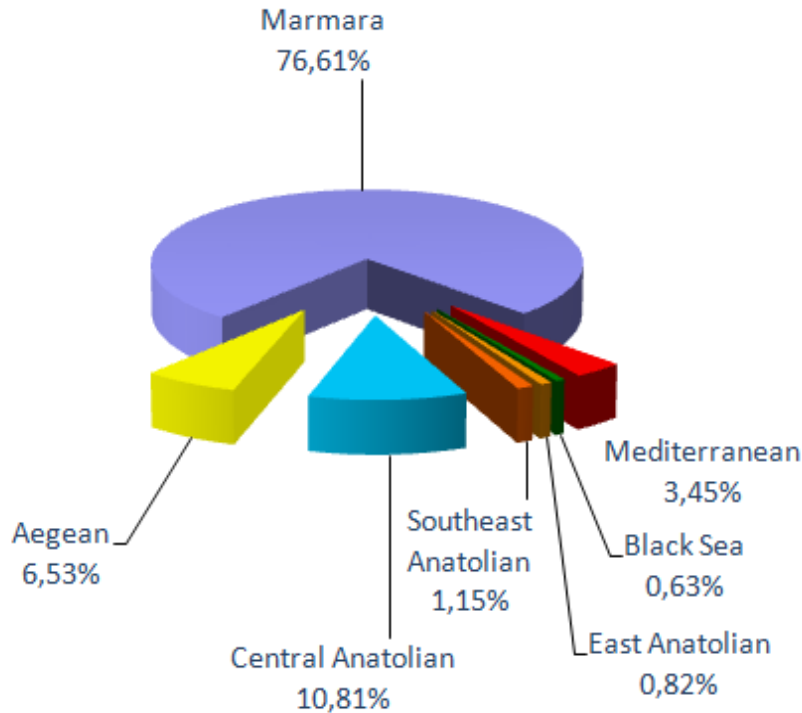
- Parallel results to end of year expectations,
- Increasing activity and penetration in common channel with “Mobile Channel Sales”,
- The product portfolio becoming stronger with added small house hold appliances branded as “Homend”,
- Increasing activity in mobile communication products market,
- Balanced positive development in Revenue / Market Share / Profitability parameters,
- Efficient cost control & stock management,
- Descending financial debt amount,
- Positive cash flow,

## Revenue & Gross Profit (000 TRL )

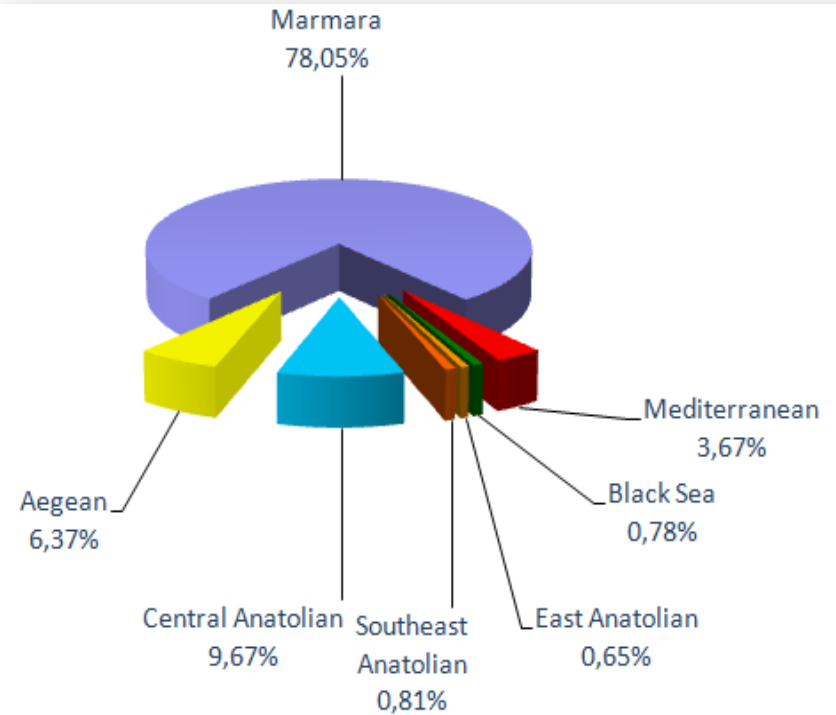
(000) TRL	9 Months 2010	9 Months 2009	Changes (%)
<b>Indeks - Consolidated</b>	<b>841.122</b>	<b>758.024</b>	<b>11,0</b>
Gross Profit	51.478	46.633	10,4
<b>Gross Profitability</b>	<b>6,1</b>	<b>6,2</b>	<b>(0,5)</b>
Indeks - Solo	678.689	639.347	6,2
Datagate	200.705	204.671	(1,9)
Neteks	31.134	39.074	(20,3)
Neotech	74.477	48.014	55,1
Teklos	4.646	3.532	31,6

# Geographical Range of Revenue

9 Months 2010

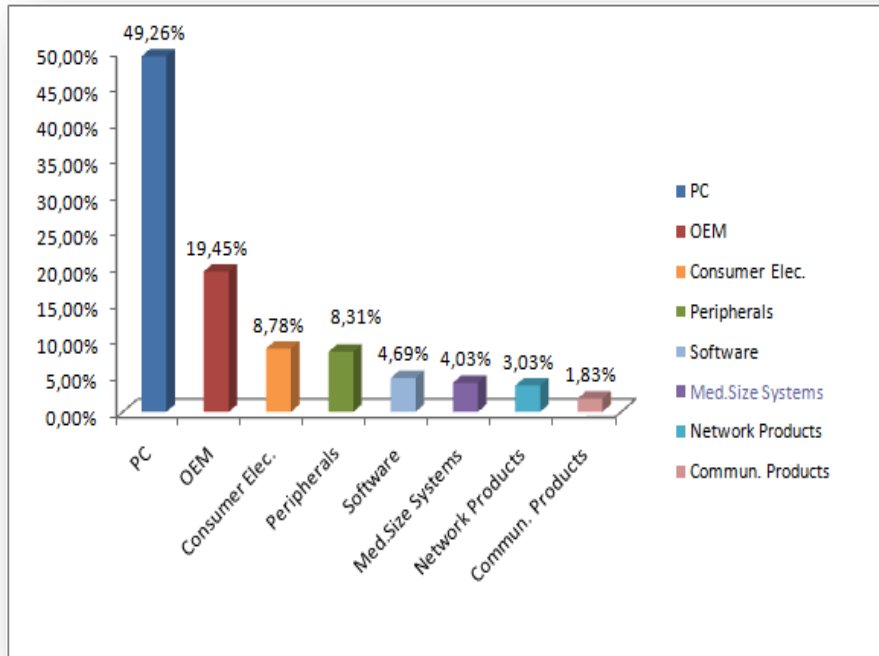


9 Months 2009

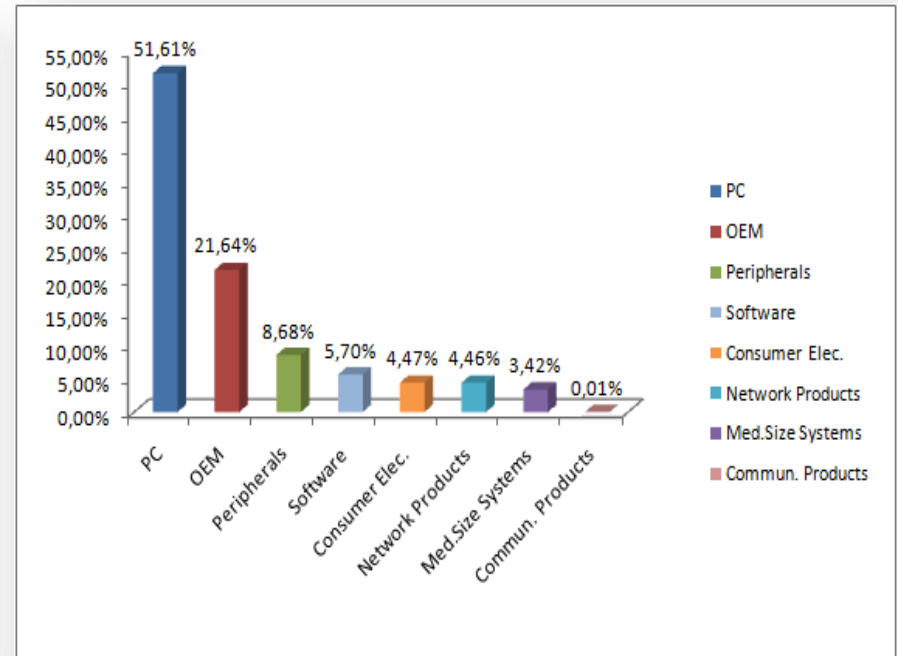


# Product Categories Based Distribution

9 Months 2010



9 Months 2009



## Summarized P/L Account – 2010 1Q (000 TRL)

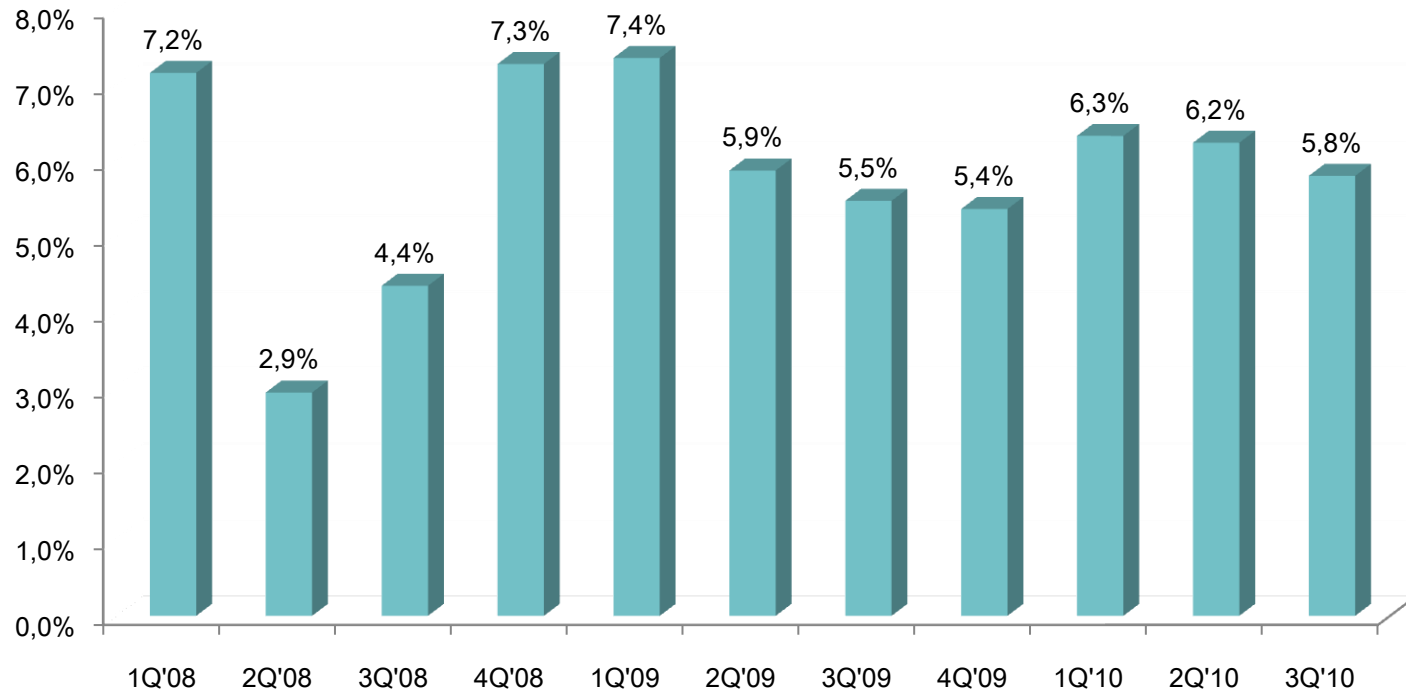
(000) TRL	3.Q 2010	3.Q 2009	Changes (%)
<b>Net Sales</b>	<b>290.987</b>	<b>270.520</b>	<b>7,6</b>
Gross Profit	16.884	14.805	14,0
Gross Profit Margin (%)	5,8	5,5	6,0
EBITDA	9.868	7.855	25,6
EBITDA Margin (%)	3,4	2,9	16,8
Operational Profit	9.647	7.697	25,3
Operational Profit Margin (%)	3,3	2,8	16,5
Net Profit	3.826	4.024	(4,9)
Net Profit Margin (%)	1,3	1,5	(11,6)

## Summarized P/L Account – 2010 1Q (000 TRL)

(000) TRL	9 Months 2010	9 Months 2009	Changes (%)
<b>Net Sales</b>	<b>841.122</b>	<b>758.024</b>	<b>11,0</b>
Gross Profit	51.478	46.633	10,4
Gross Profit Margin (%)	6,1	6,2	(0,5)
EBITDA	31.656	30.206	4,8
EBITDA Margin (%)	3,8	4,0	(5,6)
Operational Profit	31.047	29.679	4,6
Operational Profit Margin (%)	3,7	3,9	(5,7)
Operational Income/(Expenses), Net	(15.338)	(13.870)	10,6
Tax Expenses	(3.335)	(3.261)	2,3
Net Profit	11.356	11.068	2,6
Net Profit Margin (%)	1,4	1,5	(7,5)



## Trends in Gross Profit Margin (%)

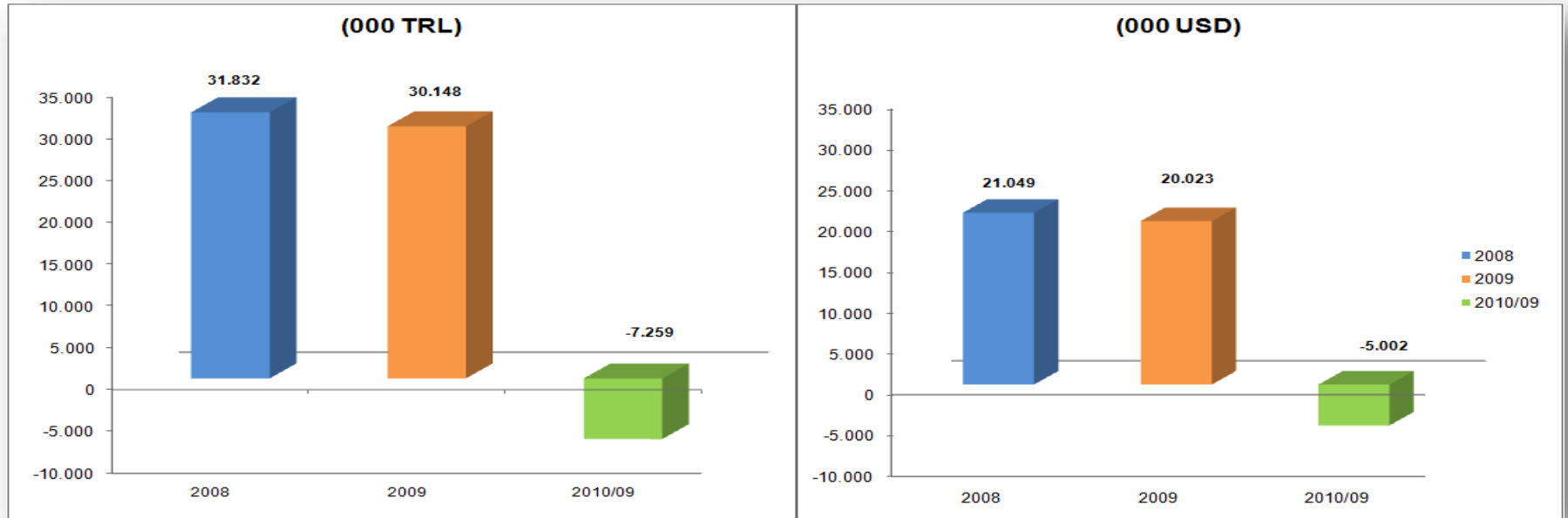


## Summarized Balance Sheet (000 TRL)

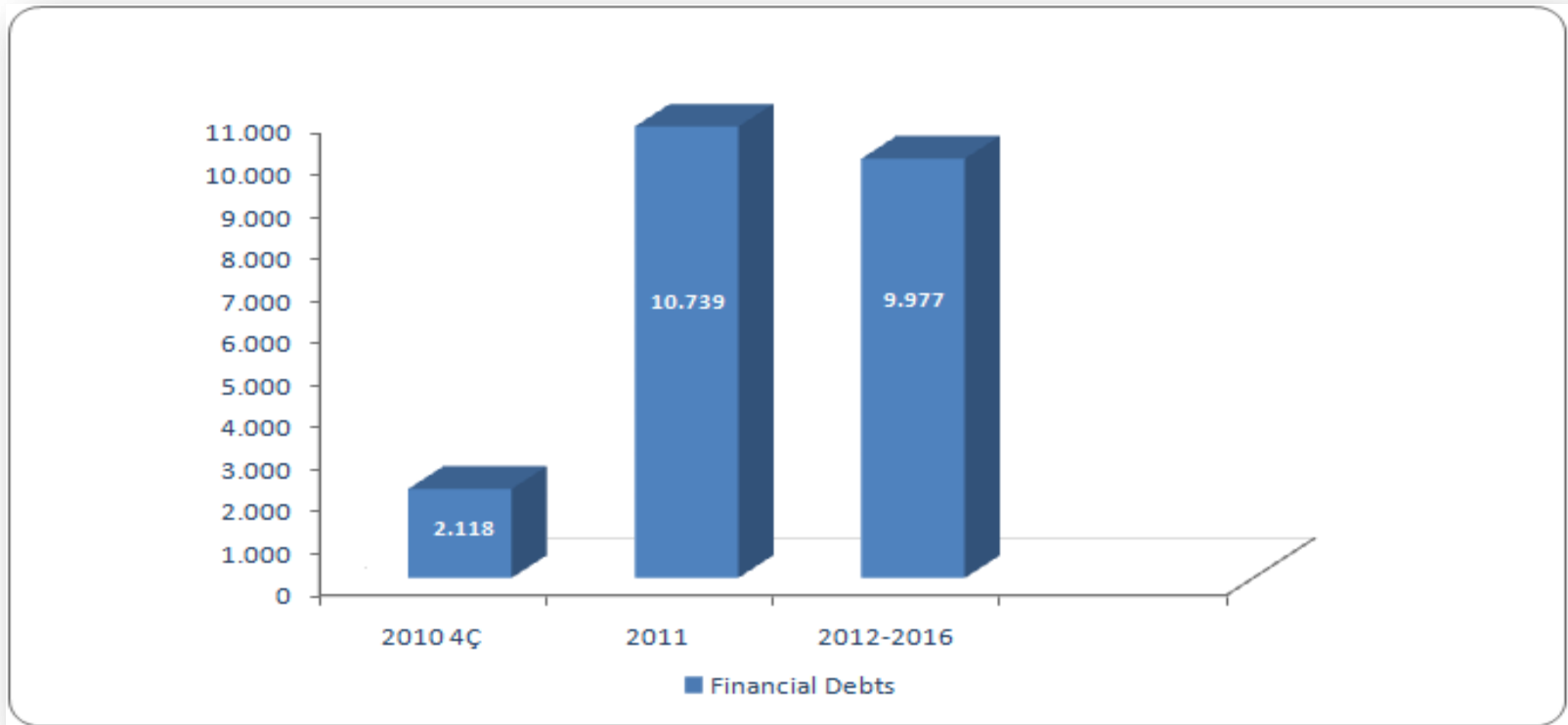
Assests	9 Months 2010	(%)	2009	Changes (%)	(%)	Liabilities & Capital	9 Months 2010	(%)	2009	(%)	Changes (%)
<b>Current Assests</b>	<b>372.414</b>	<b>92,1%</b>	<b>405.654</b>	<b>92,9%</b>	<b>(8,2)</b>	<b>Short Term Liabilities</b>	<b>275.928</b>	<b>68,3%</b>	<b>313.008</b>	<b>71,7%</b>	<b>(11,8)</b>
Cash	27.483	6,8%	2.321	0,5%	1.084,1	Financial Liabilities	11.307	2,8%	22.156	5,1%	(49,0)
Trade Receivables	218.269	54,0%	229.495	52,5%	(4,9)	Trade Payables	244.582	60,5%	265.080	60,7%	(7,7)
Inventories	90.203	22,3%	134.601	30,8%	(33,0)	Provisions for Tax	1.305	0,3%	1.531	0,4%	(14,8)
Inventories in Transit	2.285	0,6%	4.284	1,0%	(46,7)	Prov. for Other Payables	5.468	1,4%	3.383	0,8%	61,6
Other	34.174	8,5%	34.953	8,0%	(2,2)	Other	13.266	3,3%	20.858	4,8%	(36,4)
<b>Non-Current Assests</b>	<b>31.829</b>	<b>7,9%</b>	<b>31.092</b>	<b>7,1%</b>	<b>2,4</b>	<b>Long Term Liabilities</b>	<b>9.782</b>	<b>2,4%</b>	<b>10.962</b>	<b>2,5%</b>	<b>(10,8)</b>
Fixed Assets	28.410	7,0%	28.031	6,4%	1,4	Financial Liabilities	8.918	2,2%	10.313	2,4%	(13,5)
Goodwill	2.467	0,6%	2.467	0,6%	0,0	Prov. for Empl. Term. Indem	864	0,2%	649	0,1%	33,1
Other	952	0,2%	594	0,1%	60,2	<b>Capital</b>	<b>118.533</b>	<b>29,3%</b>	<b>112.776</b>	<b>25,8%</b>	<b>5,1</b>
<b>Total Assests</b>	<b>404.242</b>	<b>100,0%</b>	<b>436.746</b>	<b>100,0%</b>	<b>(7,4)</b>	<b>Total Liabilities &amp; Capital</b>	<b>404.242</b>	<b>100,0%</b>	<b>436.746</b>	<b>100,0%</b>	<b>(7,4)</b>

	9 Months 2010	2009
Net Financial Debt/ Capital	- 0,06	0,27
Current Ratio	1,35	1,30
Gearing Ratio	0,71	0,74
Short Term Financial Debt / Total Fin. Debt	0,56	0,68

## Net Financial Debt (000 TRL & USD)



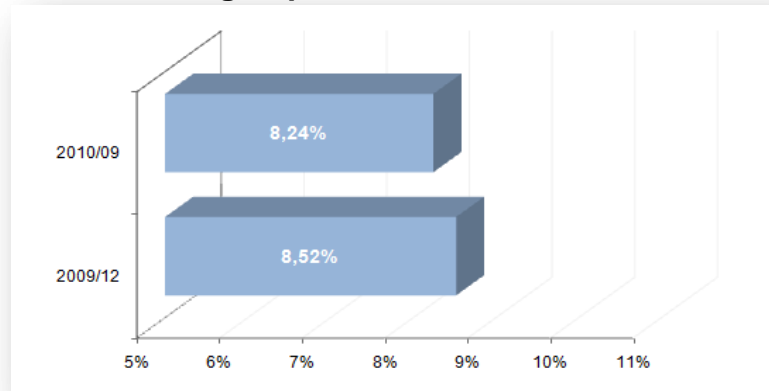
## Range of Loan Payment Terms (000 TRL)



## Working Capital

(000) TRL	9 Months 2010	2009	Changes %	(000) TRL	9 Months 2010	2009	Changes %
Short T. Trade Receivables	218.269	229.495	(4,9)	Short T. Trade Payables	244.582	265.080	(7,7)
Inventories	92.488	138.885	(33,4)	Short T. Financial Debts	11.307	22.156	(49,0)
Cash & Cash Equivalents	27.483	2.321	1.084,1	Other Debts	20.039	25.772	(22,2)
Other Receivables	34.174	34.953	(2,2)	<b>Total Short T. Liabilities</b>	<b>275.928</b>	<b>313.008</b>	<b>(11,8)</b>
<b>Total Current Assets</b>	<b>372.414</b>	<b>405.654</b>	<b>(8,2)</b>	<b>Net Working Capital</b>	<b>96.486</b>	<b>92.646</b>	<b>4,1</b>

Working Capital / Net Sales



## Cash Flow

(000) TRL	30.09.2010	30.09.2009
<b>Beginning of Term Balance</b>	<b>2.321</b>	<b>9.127</b>
Activity of Net Cash Flow	44.993	30.956
Investment Activities	(969)	(215)
Changes in Cash	44.024	30.741
Changes in Financial Debts	(18.862)	(23.350)
<b>End of Term Balance</b>	<b>27.483</b>	<b>16.518</b>

## 2010 Expectations

### Expectations for Sector

- Weak Global Economic Recovery,
- Increase in Market Share of Mobile Products,
- Increasing End User (Home User) Market,
- Continuous implementation by GSM Operator Companies for 3G
- Continuous increase in the Market Share that Retail Shops gain
  - 2009 : ~% 35-38
  - 2010 : ~% 40-42
- Growth in Turkish IT Market
  - 2010 : ~% 9-10,

### Expectations for Index Group

- Increase of Market Share in Turkey,
- Revenue: + ~ % 11 (US \$ Based)
- Gross Profit Margin: ~ % 6.3,
- EBITDA: ~ % 4.0,
- Average Financial Costs to be lower than 2009,
- Continuous Positive Effect of Common Sales Channels and growing IT logistic operations on Profitability,
- Rendering our leadership position more powerful in IT and house electronic products with household appliances as added newly to the product portfolio,

Thank you...



**Think About the Environment**



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