

**KAREL**

**2008 Third Quarter Financials**

# KAREL

Contents

Sales

Profitability Margins

P&L, BS and Cash Flow Highlights

Key Ratios

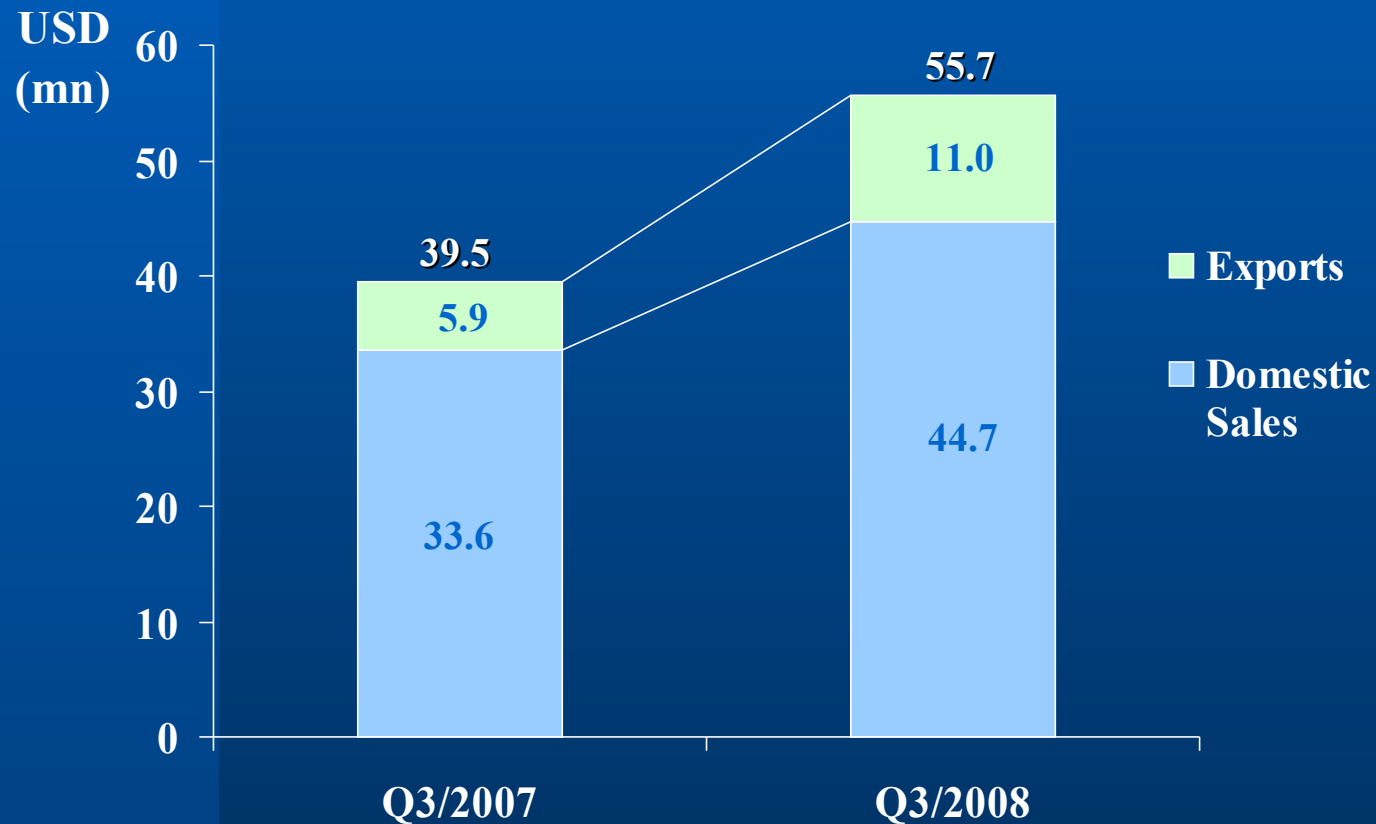
Working Capital & Net Cash Position

Net Foreign Currency Position

Future Outlook

# Consolidated Sales Revenues

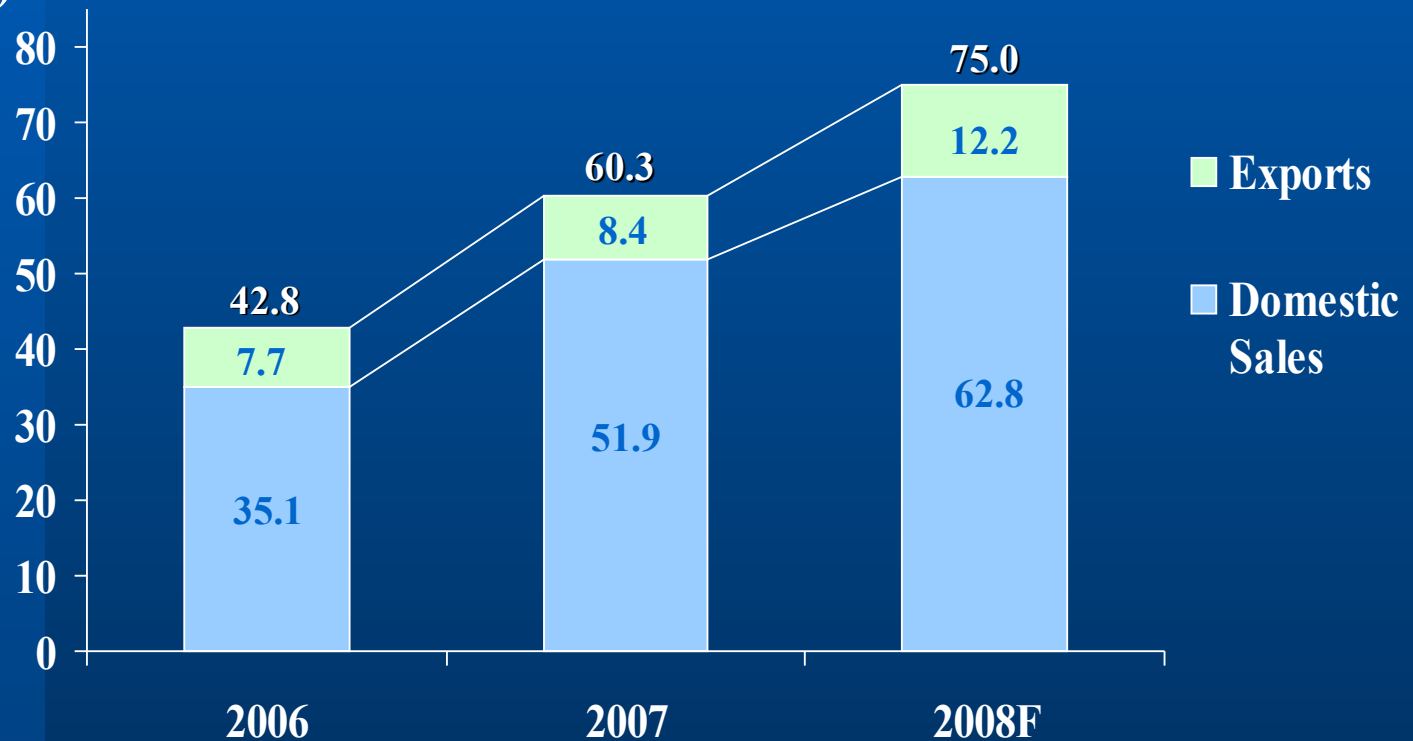
# KAREL



# Consolidated Sales Revenue

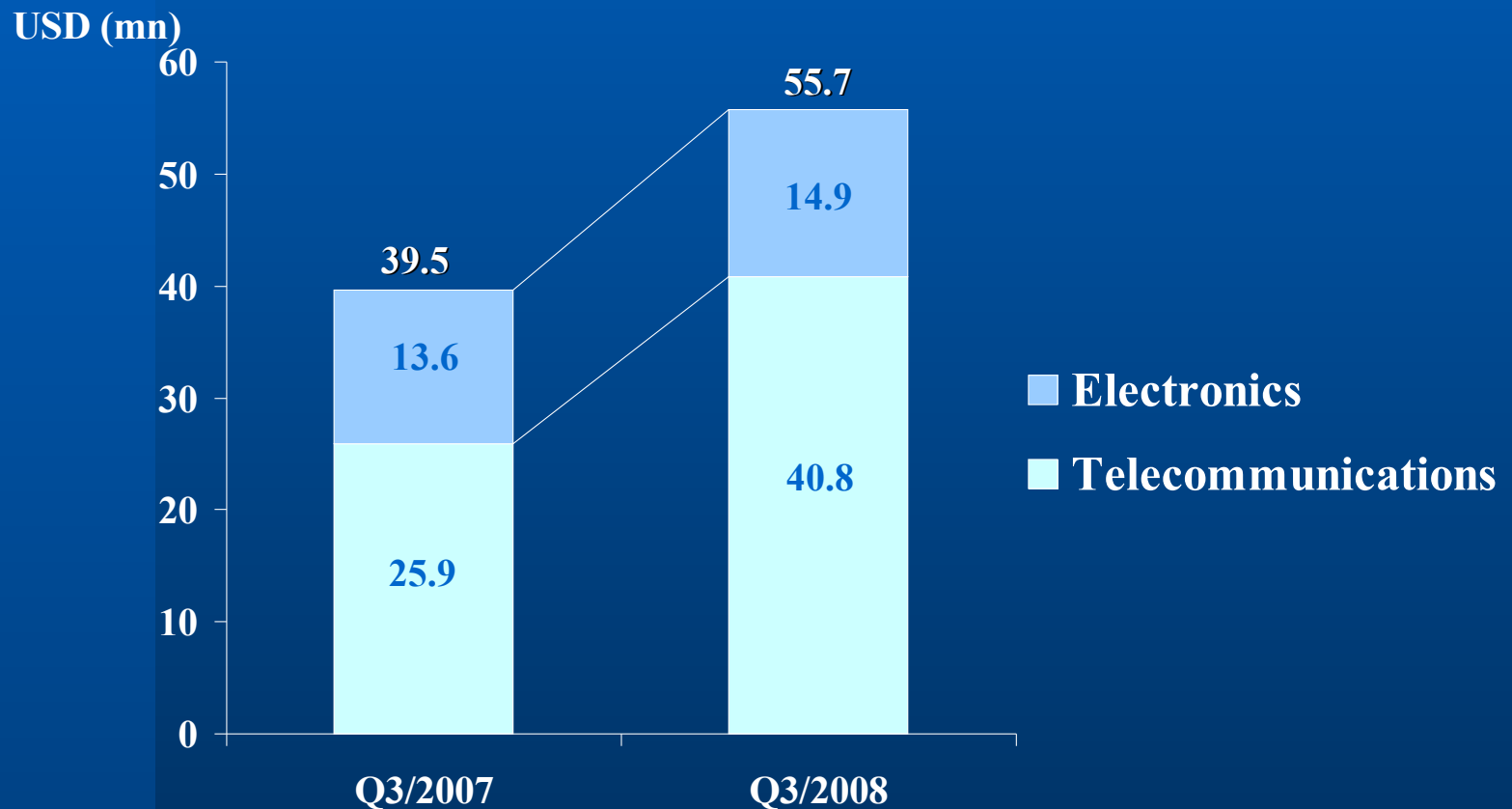
# KAREL

USD (mn)



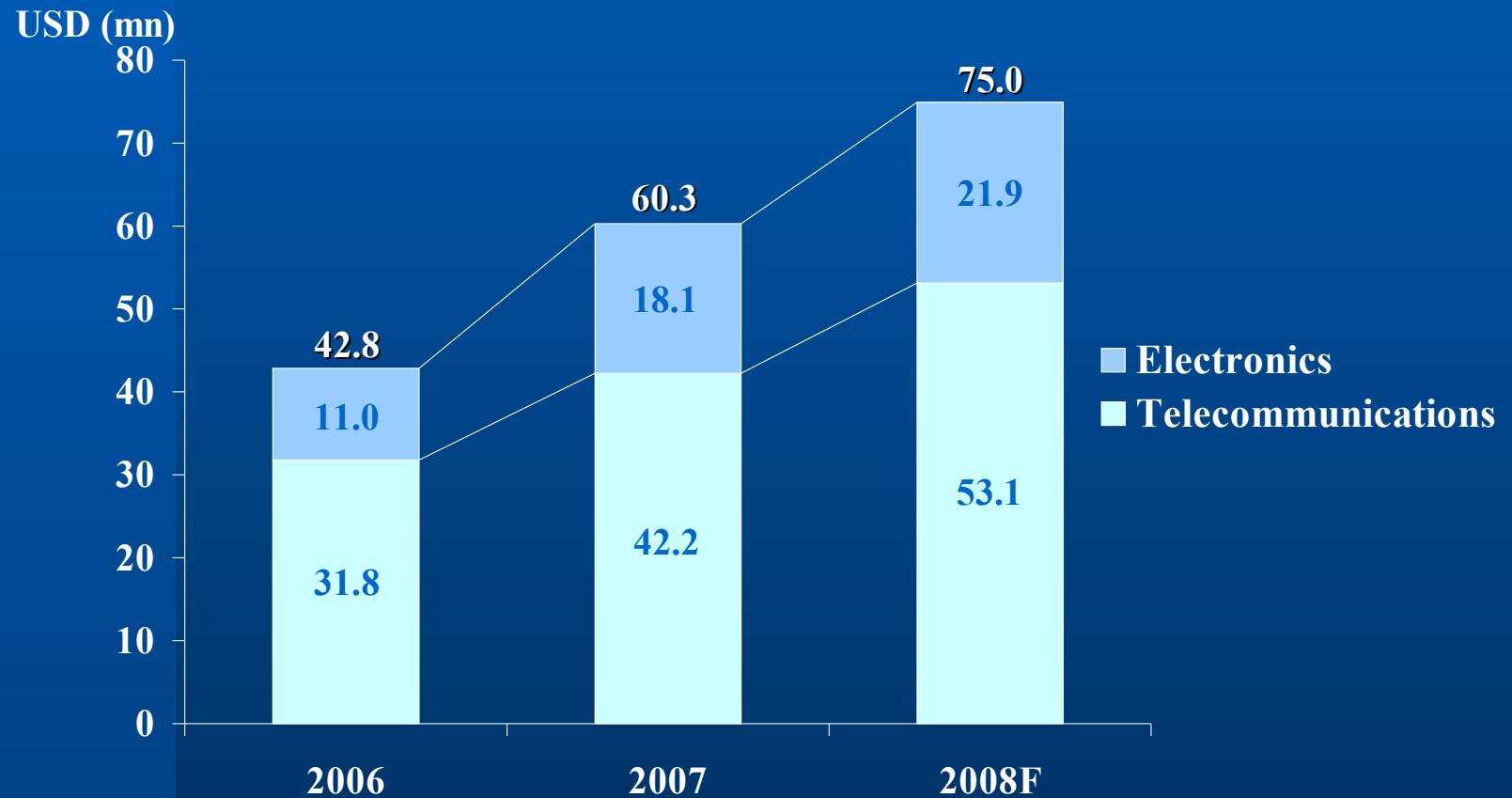
# Consolidated Sales Revenue

# KAREL



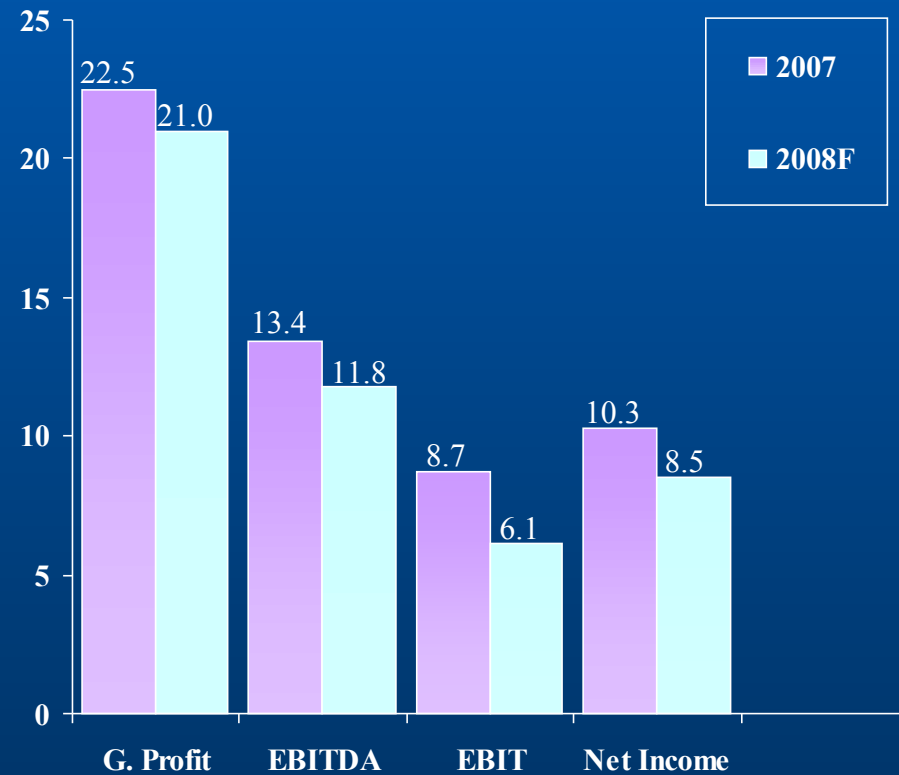
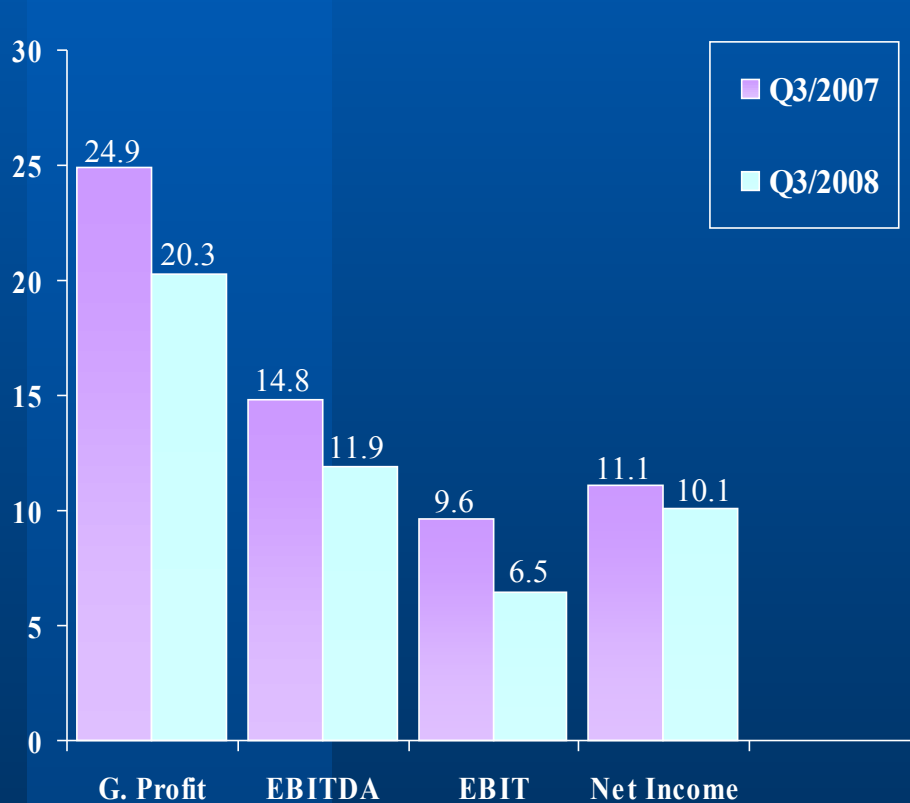
# Consolidated Sales Revenue

# KAREL



# Profitability Margins (%)

# KAREL



# Consolidated Income Statement

# KAREL

USD (mn)	Q3/2007	Q3/2008	2007	2008F
Net Sales	39.5	55.7	60.3	75.0
Gross Profit	9.8	11.3	13.6	15.8
EBITDA	5.8	6.6	8.1	8.9
EBIT	3.8	3.6	5.3	4.6
Net Income	4.3	5.7	6.2	6.4



# Consolidated Balance Sheet Highlights

# KARTEL

USD (mn)	Q3/2007	2007	Q3/2008
Total Assets	78.8	83.8	99.6
Cash & Cash Equivalents	19.1	18.1	24.9
Trade Receivables	14.4	22.4	25.6
Inventories	19.8	16.0	17.2
Trade Payables	7.4	8.7	15.0
Financial Debt	8.5	8.6	15.1
Owners' Equity	56.3	60.2	62.5



# Consolidated Balance Sheet Highlights

# KAREL

<i>%</i>	<i>Q3/2007</i>	<i>2007</i>	<i>Q3/2008</i>
Current Assets	68.5	68.3	71.9
Non-current Assets	31.5	31.7	28.1
Liabilities	28.6	28.2	37.3
Owners' Equity	71.4	71.8	62.7



# Consolidated Cash Flow

# KAREL

USD (mn)	Q3/2007	2007	Q3/2008
Beginning Balance	15.5	15.5	18.1
Operating Activities	7.2	7.6	15.0
Investing Activities	(6.0)	(7.6)	(5.5)
Financing Activities	(0.3)	(0.5)	7.1
Changes in Cash	0.9	(0.5)	16.6
Exchange Rate Differences	2.7	3.1	(1.2)
Ending Balance	19.1	18.1	33.5



# Key Ratios

# KAREL

	Q3/2007	Q3/2008	2007	2008F
Current Ratio	3.0	2.2	3.0	2.1
Debt to Equity Ratio (%)	40.0	59.4	39.4	61.7
Asset Turnover Ratio	0.8	0.8	0.7	0.8
Return on Assets (%)	8.3	8.2	8.6	6.9
Return on Equity (%)	11.1	13.3	11.5	11.4
Net Margin (%)	11.0	10.1	10.3	8.5



# Working Capital

# KAREL

USD (mn)	Q3/2007	2007	Q3/2008
ST Trade Receivables	14.4	22.4	25.5
Other Receivables	0.6	0.6	3.9
Inventories	19.8	16.0	17.2
ST Trade Payables	7.4	8.7	15.0
Other Payables	2.6	1.9	2.6
Working Capital	24.9	28.4	29.1
W.Capital/Net Sales	47.3%	47.1%	39.1%



# Net Cash Position

# KARTEL

USD (mn)	Q3/2007	2007	Q3/2008
Cash & Cash Equiv.	19.1	18.1	24.9
Financial Debt	8.5	8.6	15.1
Net Cash Position	10.6	9.5	9.8



# Net Foreign Currency Position

# KAREL

USD (mn)	Q3/2007	2007	Q3/2008
Foreing Currency Monetary Assets	6.0	8.7	24.2
Foreign Currency Monetary Liabilities	6.3	6.6	19.1
Net Foreign Currency Position	(0.3)	2.1	5.1



# Future Outlook

# KAREL

USD (mn)	2007	2008	2010	2015
Revenues	60.3	~75.0	~ 85.9	~ 120.5

CAGR from 2007 (%)		~ 24.4	~ 12.5	~ 9.0
CAGR from 2008 (%)			~ 7.0	~ 7.0
Gross Profit (%)	22.5	~ 21.0	~ 23.4	~ 23.7
EBITDA (%)	13.4	~ 11.8	~ 16.4	~ 17.7
Net Income Margin (%)	10.5	~ 8.5	~ 11.4	~ 11.5



# KAREL

## Thank You

[www.karel.com.tr](http://www.karel.com.tr)

Mehmet R. Saydı

CFO

[mehmet.saydi@karel.com.tr](mailto:mehmet.saydi@karel.com.tr)

+90 212 2883100

Ahmet Çetin

Finance Specialist

[ahmet.cetin@karel.com.tr](mailto:ahmet.cetin@karel.com.tr)

+90 212 2883100