



**SAN-EL ENGINEERING ELECTRICAL
CONTRACTING INDUSTRY&TRADE INC.CO.**

[SAN-EL MÜHENDİSLİK ELEKTRİK TAAHHÜT SANAYİ VE TİCARET A.Ş.]

-----INITIAL PUBLIC OFFERING PRESENTATION -----

OVERVIEW

IPO SUMMARY	
➤ IPO Date (Offer Opening-Closing)	.././....
➤ Offer Price	TL 3.98
➤ Security Code	...
➤ Method of IPO	Sale through the stock Exchange : Book Building and Sale with a Fixed Price Method (Fixed Price Method)
➤ Total Days of IPO	Total 3 Days
➤ New Shares/Existing Shares	New shares by raising capital (3,000,000 Nominal Shares) & Existing shares by Shareholders (only 300,000 Nominal Shares)
➤ Total Shares Issued	3,300,000 Nominal Shares
➤ Type of Shares Issued	Nominal B Type Shares
➤ Broker	Piramit Menkul Kıymetler A.Ş.
➤ Brokerage Type	Standby Underwriting
➤ IPO Commitment	No capital increase through rights issues for one year after IPO
➤ IPO Incentives	The share price was discounted at a rate of 35% for IPO
➤ Lock-up Period	360 Days
➤ Listing /Trading Method after IPO	II. National Market / Continuous Auction
➤ Free Float Rate	28.7%
➤ Authorized Capital	TL 50,000,000
➤ Paid-in/Issued Capital	TL 8,500,000
➤ After IPO Paid-in/Issued Capital	TL 11,500,000
➤ After IPO Market Capitalization	TL 45,770,000

Disclaimer: This booklet does not constitute a recommendation to buy shares under Initial Public Offering (IPO). It is intended solely for your general information. It does not claim to contain all advice or information on the subject matter, nor is it a substitute for legal or investment advice. You are strongly recommended to read prospectus published on the website of SAN-EL Mühendislik Elektrik Taahhüt A.Ş. (www.san-el.com) with regard to the risks associated with investing in IPO before you make that investment. Without permission of Piramit Menkul Kıymetler A.Ş., this booklet could not be disseminated, copied, altered or distributed and could not be used for trading purposes neither with referring to this booklet nor without referring



COMPANY PROFILE & OPERATIONS

SAN-EL is an engineering company providing electrical project and contracting services and solutions to many medium and large facilities, factories, heavy industries, shopping malls, hotels, public housing etc domestic and abroad



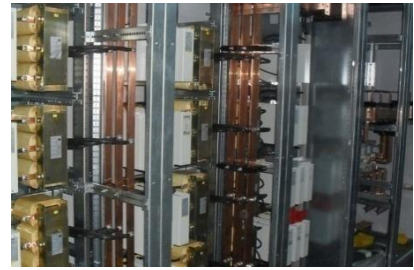
Since its founding in year of 2005, **SAN-EL** Engineering has been materializing design, manufacture and in some cases, undertaking establishment of the power distribution, checking and control and control panels required by all plants having installed electricity power between 1000 kVA and 100,000 kVA.



Installing SVC In Industrial Facilities



Panel Systems



Harmonic Filter Systems

As of the end of 2012, the Company has reached at annually TL 47 million sales and TL 3,7 million net income by actualizing 3,000 cell electric panel manufacture with 60 staff at a 2,000 m² indoor area

Products

1- Low Voltage (LV) and Medium Voltage (MV) Systems	2- Switching Materials
Project Designing, Manufacturing and Sales	Sales
L.V. Compensation Panels	L.V. Power Capacitors
L.V. Harmonic Filter Panels	L.V. Harmonic Filter Reactors
L.V. Distribution Panels	L.V. Circuit Breakers
L.V. Tier and MCC Panels	L.V. Electrical Control Products
M.V. Compensation Systems	L.V. DIN Rail Product
M.V. Harmonic Filter Systems	L.V. Speed Control Devices
Project Designing and Sales	M.V. Power Capacitors
SVC Static Var Compensator System	M.V. Harmonic Filter Reactors
M.V. Metal-Clad Switchboards	M.V. Circuit Breakers





COMPANY PROFILE & OPERATIONS

Company operations

- **Electrical Panels Production**
- **Engineering and Design**
- **Maintenance & Services**

The basic electrical equipment used in the electrical panels are extremely technological products. The path through which these technologic products reach at the user in line with its requirements is the electrical panel systems. Therefore, manufacture of the electrical panel systems is at the same time a branch of business in which the sale of high – tech products used therein is accomplished as well.



The Business Segment Advantages

- Like engineering, it is of high value added and high-endorsement business segment.
- The organizations to/from which it effectuates purchase and sales are usually large and institutional companies.
- Electric energy being a matchless energy for the facilities has made it universal.
- The obligation of rendering the services like commissioning and service ensures establishment of long -term relations between its customers and it and advantage happens in new competition situations.

Position of the Company in the Sector

The company is in position of being one of the most important electric panel manufacturing companies within the country.

Successful career of the company has turned a lot of operations which have ranked among the first 500 firms of the Republic of Turkey into its customers. As a result of satisfactory service rendered to its customers in question, the receiving regular and recurring orders from the same companies is another substantial value of the company.



By increasing its 2005 anniversary endorsement reading TL 400,000 by approximately 120 times, it has reached at billing turnover amounting to TL 47 millions in year 2012.



Why SAN-EL ?

- High growth potential
- Engineering & High value added products
- Customer portfolios consisting of well known Turkish companies
- Ability to do business and having partnership with global giants like GE, ABB ...
- Successful risk management
- Healthy Financials & Low debt rate

Five Year Projections

Revenues (X 1000 TL)	2011	2012	2013E	2014E	2015E	2016E	2017E
SALES	38,595.5	47,179.0	40,766.3	53,857.1	63,820.7	73,074.7	81,112.9
GROSS PROFIT	4,976.2	8,500.1	8,589.1	9,586.6	11,041.0	12,386.2	13,748.6
OPERATING PROFIT	2,661.0	4,757.6	5,188.0	6,400.4	7,384.1	8,257.4	9,165.8
EBITDA	2,937.7	5,048.3	5,467.3	6,957.8	7,958.4	8,848.8	9,774.1
NET INCOME	2,231.1	3,678.5	4,124.5	5,120.3	5,907.2	6,606.0	7,332.6
Ebitda margin	7.60%	10.70%	13.41%	12.92%	12.47%	12.11%	12.05%

Targets

The target of SAN-EL Engineering Inc. Co. at the end of next 5 year is to be able to realize manufacture and direct sale of annually 6,500 – pieces of electric panels.



Once reached at this target, it would have 125 blue/white – collared personnel, 4,500 m² - indoor space, annually TL 81 million – endorsement and approximately TL 7.5million - net income.

**SHAREHOLDERS**

Shareholders	Before IPO		After IPO	
	Share in Capital (TL)	Share in Capital (%)	Share in Capital (TL)	Share in Capital (%)
Bahadır Yalçın	3,825,000	45%	3,690,000	32.08%
Serkan Dinçbaş	3,825,000	45%	3,690,000	32.08%
Zeynel Abidin Erdaloğlu	850,000	10%	820,000	7.13%
Free Float	-	-	3,300,000	28,7%
Total	8,500,000	100%	11,500,000	100%

USE OF PROCEEDS

It is estimated that SAN-EL Mühendislik A.Ş. will receive net proceeds (after deducting the estimated offering expenses) of approximately TL 11 million from the sale of the shares of common stock offered in this offering. The Company intends to use the net proceeds from this offering for working capital and to fund new investment as detailed below.

Working Capital

While the Company is growing at very high rate, it needs of additional working capital to make their position strong on the market. Undertaking new electrical project and contracting means purchasing additional materials and equipments. Buying this materials and equipments for cash, the company will be able to receive very high rate of discount from suppliers thus the operation profit will be higher. The company intend to allocate (at least) TL 6 million of approximately TL 11 million of the net proceeds to working capital.

**Establishing New Production Facility**

One of the production facilities of the company in Ümraniye/Istanbul with 2.000 m² indoor area has not enough capacity to meet demands . The company needs a new production facility with 4,000 m² indoor area. Estimated cost of new factory building will be TL 5 million.

(If the company find a good deal on a financial lease, allocated funds of TL 5 million of the net proceeds to this project also will be used for working capital)

**FINANCIALS****Assets**

- Current assets of the company reached TL 16.3 million (mn), increasing by 7%, in 2012 compared to TL 15.2mn in 2011. As of 1H 2013, current assets of the company increased to TL 16.5 mn by 1.6% Year-to date
- Total assets of the company increased to TL 17.6 million by 3% in 2012 compared to total assets of TL 17.1 mn in 2011. As of 1H 2013, total assets of the company decreased to TL 17.4 by 1.4% Year-to date

BALANCE SHEET (TL)	30.06.2013	31.12.2012	31.12.2011	31.12.2010
ASSETS				
Current Assets	16,548,930	16,286,925	15,225,282	8,537,927
Cash and Cash Equivalents	891,743	1,535,972	1,337,285	358,824
Financial Investments	-	-	-	-
Short-Term Trade Receivables	4,397,899	8,246,674	7,005,551	6,419,048
<i>Due from Related Parties</i>	-	199,035	-	-
<i>Other Trade Receivables</i>	4,397,899	8,047,639	7,005,551	6,419,048
Other Receivables	2,395,780	1,794,373	1,113,788	642,252
Inventories	4,440,801	3,725,773	3,328,678	152,776
Other Current Assets	4,422,707	984,133	2,439,980	965,027
<i>Prepaid Expenses</i>	3,898,374	775,855	599,986	846,710
<i>Other</i>	524,333	208,278	1,839,994	118,317
Long Term Assets	858,606	1,371,001	1,917,035	1,111,956
Trade Receivables	-	-	-	-
Other Receivables	-	-	-	-
Financial Investments	-	-	25,000	25,000
Investment – Purpose Properties	-	356,388	889,014	0
Tangible Fixed Assets	774,543	889,783	898,320	964,748
Intangible Fixed Assets	30,600	34,622	32,472	22,487
Long Term Deferred Tax Assets	53,418	90,208	70,048	94,469
Other Fixed Assets	45	-	2,181	5,252
Total Assets	17,407,536	17,657,926	17,142,317	9,649,883

As seen balance sheet, current assets which can either be converted to cash or used to pay current liabilities within 12 months of the firm constitute a relatively high percentage of total assets



Resources

- Short-Term Liabilities dropped to TL 8.4 mn (3 mn, down by 26.8%) in 2012 from TL 11.5 mn in 2011. As of 1H 2013, short-term liabilities decreased to TL 6.5 mn by 23.1% year-to date
- Shareholders' Equity of the company reached TL 9.0 mn, increasing TL 3.7 mn, by 71.0% in 2012 from TL 5.3 mn in 2011. As of 1H 2013, shareholders' equity increased to TL 10.7 mn by 18.3% year to date.
- Paid-in/Issued Capital of the company reached TL 8.5 mn, by raising TL 4.0 mn on 05/03/2013. (previously Paid-in Capital raised to TL4.5 mn from TL 20,000 on 29.01.2013) After IPO, the company's capital will be TL 11.5 mn

BALANCE SHEET (TL)	30.06.2013	31.12.2012	31.12.2011	31.12.2010
RESOURCES				
Short – Term Liabilities	6,467,625	8,409,597	11,491,589	5,985,496
Short-Term Financial Loans	101,131	353,331	398,011	181,087
Trade Payables	4,801,974	5,655,782	8,858,752	3,970,126
<i>Due to Related Parties</i>	-	487,821	3,019,966	2,133,660
<i>Other Trade Payables</i>	4,801,974	5,167,961	5,838,786	1,836,466
Other Liabilities (for Employee Benefits)	211,469	85,823	91,654	59,767
Other Payables	60,780	79,178	121,812	199,246
Deferred Revenue (Advance Payments)	1,168,769	1,751,003	1,910,076	1,529,214
Periodical Income Tax Liability	123,502	476,673	111,284	46,056
Debt Provisions	-	7,807	-	-
Long-Term Liabilities	253,278	218,240	370,200	232,218
Long-Term Financial Loans	25,318	28,624	104,831	114,064
Trade Payables	-	-	-	-
Other Payables	-	-	-	-
Debt Provisions	141,798	136,392	52,371	22,266
<i>Provision for Employee Benefits</i>	141,798	136,392	52,371	22,266
Deferred Tax Liabilities	86,162	53,224	212,998	95,888
Other Long – Term Liabilities	-	-	-	-
Shareholders Equity	10,686,633	9,030,089	5,280,528	3,432,169
Paid-in Capital	8,500,000	20,000	10,000	10,000
Accumulated other comprehensive income not to be reclassified under profit and loss	9,048	3,375	1,284	-1,002
Revaluation Funds	-	-	182,476	-
Income Reserves	141,750	141,750	58,250	60,793
Retained Earnings /(Acc. Losses)	384,964	5,186,476	2,797,378	3,362,180
Current Year Income /(Losses)	1,650,871	3,678,488	2,231,140	198
Total Resources	17,407,536	17,657,926	17,142,317	9,649,883

As seen balance sheet, The company has very little financial debt and its financials are very healthy



Other Financial Data & Ratios

Other Financial Data (TL)	30.06.2013	31.12.2012	31.12.2011	31.12.2010
Working Capital	10,081,305	7,877,328	3,733,693	2,552,431
Change in Working Capital	2,203,977	4,143,635	1,181,262	2,203,977
Operations Expenses	-2,188,152	-4,027,372	-2,632,940	-1,972,267
Net Operating Profit	1,682,292	4,472,678	2,343,234	988,643
Amortization	139,677	290,723	247,755	187,903
EBITDA*	1,821,969	4,763,401	2,590,989	1,176,546
Net Cash	765,294	1,154,017	834,443	63,673

(* Ebitda , excluding other Income/expenses from main operation)

Revenues

- The company generated revenues of TL 47.2mn, up by 22.2% in 2012 compared to TL 38.6 mn in 2011. Net sales of the company decreased by 50 % YoY to TL 14.8 mn as of 1H13. As a contracting and engineering firm, it undertook TL 24.8 mn of new projects in that period but it will be seen in next half sales
- The company's EBITDA reached TL4.9 mn, increasing TL2.25 mn, by 83.6% in 2012 compared to an EBITDA of TL2.7 mn in 2011. As of 1H13, the company generated an EBITDA of TL 1.8 mn up by 10% YoY
- The company generated a net profit of TL 3.7 mn, increasing TL 1.5 mn, up by 65.6% in 2012 compared to a net profit of TL 2.2 mn in 2011. The company's net income reached TL 1.7 mn , increasing by 8.6 % YoY as of 1H13

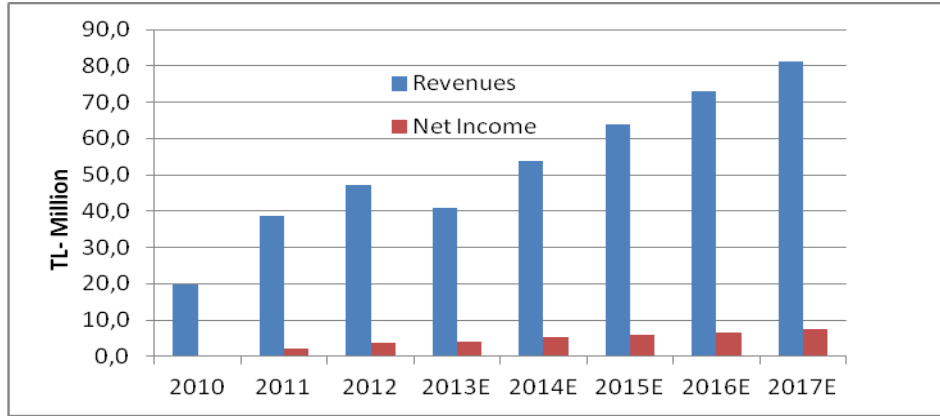
INCOME STATEMENT (TL)	30.06.2013	30.06.2012	31.12.2012	31.12.2011	31.12.2010
CONTINUING OPERATIONS					
Net Sales	14,752,194	29,526,402	47,178,968	38,595,532	19,679,308
Cost Of Sales (-)	-10,881,750	-26,117,707	-38,678,918	-33,619,358	-16,718,398
Gross Profit (Loss)	3,870,444	3,408,695	8,500,050	4,976,174	2,960,910
Marketing Selling & Distrib. Expenses	-1,332,585	-1,434,994	-3,051,571	-1,893,082	-1,376,902
General Administrative Expenses	-855,567	-507,952	-975,801	-739,858	-595,365
Research & Development Expenses	-	-	-	-	-
Other Operating Income	113,192	233,829	308,339	562,179	91,434
Other Operating Expenses	-5,347	-9,146	-23,429	-244,393	-1,084,372
Operating Profits / Loss	1,790,137	1,690,432	4,757,588	2,661,020	-4,295
Investment Income	78,255	303,254	263,732	-	100,826
Investment Expenses	-14,757	-22,801	-16,326	-3,016	-3,632
Operating Profits / Loss before Financial Income/Expenses	1,853,635	1,970,885	5,004,994	2,658,004	92,899
Financial Income	571,919	480,336	632,700	651,226	266,582
Financial Expenses	-306,321	-646,698	-1,072,125	-479,395	-241,007
Pre-tax profit / loss on continuing operations	2,119,233	1,804,523	4,565,569	2,829,835	118,474
Taxation on Continuing Operations					
Taxation on Income (Expenses)	-400,052	-301,559	-1,058,862	-457,735	-150,888
Income (Expenses) of Deferred Tax	-68,310	-5,887	171,781	-140,960	32,612
Profit From Continuing Operations	1,650,871	1,497,077	3,678,488	2,231,140	198



Projection

the estimated CAGR of revenues from 2012 to 2017 : 11.5%

the estimated CAGR of net income from 2012 to 2017 : 14.8%



Financial Ratios

RATIO ANALYSIS	2013/6	2012	2011	2010
1. Liquidity Ratios				
Current Ratio	2.56	1.94	1.32	1.43
Liquidity Ratio	1.87	1.49	1.04	1.4
Cash Ratio	0.14	0.18	0.12	0.06
2. Financial Structure Ratios				
Leverage Ratio	0.39	0.49	0.69	0.64
Short – Term Liabilities / Total Assets	0.37	0.48	0.67	0.62
Long – Term Liabilities / Total Assets	0.01	0.01	0.02	0.02
Shareholders' Equity / Assets	0.61	0.51	0.31	0.36
Total Liabilities / Shareholders' Equity	0.63	0.96	2.25	1.81
Financial Debts / Shareholders' Equity	0.01	0.04	0.1	0.09
Total Financial Debt / Total Assets	0.01	0.02	0.03	0.03
Fixed Assets / Shareholders' Equity	0.08	0.15	0.36	0.32
Fixed Assets / Capital Employed	0.08	0.15	0.34	0.30
3. Activity ratios				
Receivables Turnover Rate (average)	4.67	6.19	5.75	4.43
Receivables conversion period (Day)	77.1	58.2	62.6	81.0
Payables Turnover Rate (average)	4.16	5.33	5.24	5.66
Payables conversion period (Day)	86.5	67.6	68.7	64.0
Net Working Capital	10,081,305	7,877,328	3,733,693	2,552,431
Net Working Capital Turnover Rate	2.93	5.99	10.34	7.71
Inventory conversion ratio	5.33	10.97	19.31	40
Asset Turnover Rate	1.69	2.67	2.25	2.04
4. Profit Margins				
Gross Profit Margin	26.2%	18.0%	12.9%	15.0%
Operating Profit Margin	12.1%	10.1%	6.9%	0.0%
Net Income Margin	11.2%	7.8%	5.8%	0.0%



Company Financial Metrics & Valuation

The share price was discounted at a rate of 35% for IPO

SAN-EL Engineering (TL)	Net Income	Shareholders' Equity	EBITDA	Net Cash
2012 Year-end Financials	3,678,488	9,030,089	4,941,171	1,154,016
30.06.2013 - 30.06.2012 Financials	3,832,282	10,686,633	4,985,369	765,294
Calculated Market Value of the Company	52,074,190			
Paid-in/Issued Capital	8,500,000			
The Share Price	6.13			
Paid-in/Issued Capital	8,500,000			
New Shares by Raising Capital	3,000,000			
Existing Shares	300,000			
Free Float Rate (%)	28.7			
Discount Rate for IPO	35.0%			
Market Capitalization Before IPO	33,830,000			
Offer Price	3.98			
Paid-in/Issued Capital	8,500,000			
Paid-in/Issued Capital After IPO	11,500,000			
Net Proceeds	11,086,434			
Market Cap. after IPO	45,770,000			
EV after IPO	33,918,272			
P/E Before IPO	8.83			
P/E After IPO	11.94			
MC/BV Before IPO	3.17			
MC/BV After IPO	2.10			
EV/EBITDA Before IPO	6.63			
EV/EBITDA After IPO	6.80			



METHOD OF IPO

Sales Method

The sales of **SAN-EL's** shares will be conducted with the method of "Sale Through the Stock Exchange" by Piramit Menkul Kıymetler A.Ş. on the primary market of The ISE (Borsa İstanbul A.Ş.)

Book Building and Sale with a Fixed Price Method (Fixed Price Method)

Book Building Stage: Book building period is one business day minimum and three business days maximum. The fixed price of new issued shares are known by the system. The other orders which different price level could not be accepted by the system.

Screens containing order information of the stock are closed during the Book Building Stage as in the opening and single price session applications. No information is released regarding orders entered until the distribution of that stock is made

The hours of primary market session : **10:30- 12:30** Book Building Phase : **10:30 – 12:00**

Distribution Phase : **12:15 – 12:30**

Distribution Stage: Provided that an announcement has been made prior to the sale, distribution can be made without waiting the expiry of the book building period (e.g. at the end of the first day primary market session or the second day primary market session).

Orders are ranked according to time priority. One lot is distributed each time until the amount to be sold is exhausted, taking time priority into account. Trades are finalized only after the distribution is completed (after what portion of each order has been filled is ascertained). Orders entered with the same account number from each institution are treated collectively and each account number can only take one lot in each distribution round starting from the first order entered.

How to apply for Shares

A foreign institutional or individual investor should use a Turkish intermediary institution for securities activities. To buy shares issued by IPO, someone must apply and give orders via brokerage firms which are authorized by Capital Market Board of Turkey, you can find the list of brokerage firms on the web page of CMB (www.spk.gov.tr), on the web page of ISE (www.borsaistanbul.com.tr) and ISE bulletins

Distribution Date and Time / Settlement

After the end of each Primary Market session, it can be started until the end of that session. The shares are registered with the Central Registry Agency (CRA) system in dematerialized form

Settlement takes place in 2 business days (T+2) that succeeds the day on which the distribution took place and all the trades are done (T). The settlement of securities and cash in the Equity Market is realized on the second business day following the transaction (T+2) and on DvP (Delivery versus Payment) principle by the Borsa İstanbul A.Ş. Settlement and Custody Bank Inc. (Takasbank).