



Everywhere you live in...

Investor Presentation, March 2018

Founded in	: 1962
Location	: İzmit / Turkey
Open Area	: 57.000 m ²
Covered Area	: 50.000 m ²
Total Area	: 107.000 m ²
Production Capacity	: 70.000 Tons / Year
Products	: Steel wire ropes, prestressed : concrete strand, spring wire
Listed in Borsa Istanbul	: 1986 (free-float 21%)



Majority of shares (79.1%*) owned by Doğan Holding since 1997

(*as of FY17-end; but as of March 12, 2018, the share is 78%)

- Domestic market leader & strong customer loyalty.
- Experience and know-how as being the first company in the sector with more than 55 years of commitment, since establishment.
- Well known brand worldwide; exports to 40+countries.
- Specialized in mining, petroleum exploration, fishing, marine, elevator and crane ropes sectors.
- Doğan Group, anchor shareholder, is one of the leading conglomerates in Turkey.
- Commitment for growth: R&D center, established in 2017, will improve efficiency and new product development.
- By being publicly traded company since 1986, committed to develop effective, transparent & accountable corporate governance practices.



Doğan Holding is the major shareholder of Çelik Halat since 1997

Doğan Group, founded by Aydın Doğan in 1959, is one of the leading groups in Turkey with almost 60 years of experience.

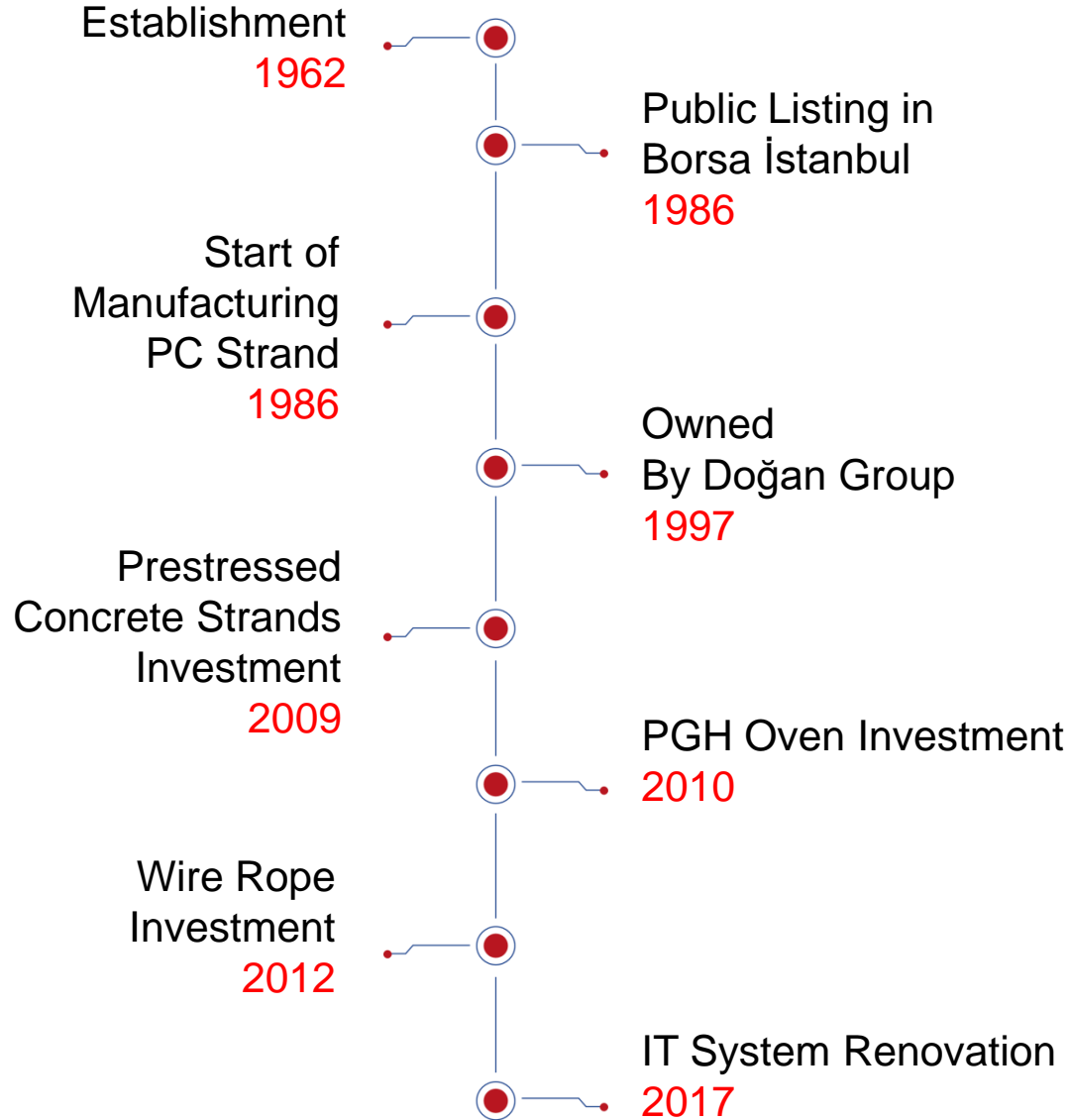
Doğan Holding, owned by Doğan Family,:

- Operates in wide range of sectors, including: Media, Energy, Retail, Industry, Trade & Financial Services
- Has an attractive portfolio with well-known brands
- The leading media group in Turkey; fully integrated and almost 40 years of dedication
- Listed on Borsa Istanbul since 1993; and currently BIST 30 & BIST Sustainability Index member.

Doğan Group at a glance



**The first company in the sector with
more than 55 years of experience**



| Product Showcase

Market leading position & well-known brand



Steel
Wire Rope



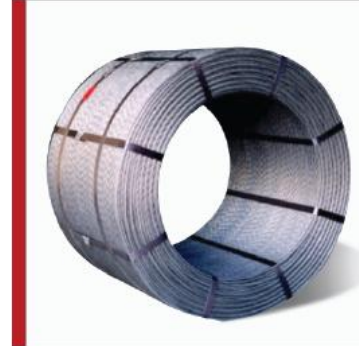
Patented
Wire



Mechanical
Spring Wire



Galvanized
Spring Wire



Prestressed
Concrete Strand



Wide range of products to suit requirements of mining, petroleum exploration, fishing, marine, lifting, elevator industries and general engineering



Product Diameter Range:
6 - 83 mm

Surface:
Bright or Galvanized

Core:
FC or IWRC



Production according to any international standards such as API, EN, Fed. Spec., BS, JIS.

Regular, Compacted, Swaged, Premium Swaged, Plastic Impregnated



MECHANICAL SPRING WIRE

Widely used in various industries including automotive and agriculture

Dia. range: 0,35 – 13,00 mm



GALVANIZED SPRING WIRE

Widely used in white goods and in automotive sectors

Dia. range: 0,35 – 3,80 mm

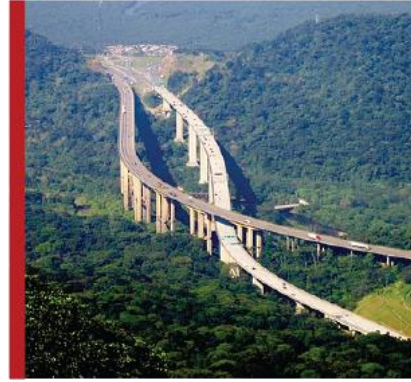
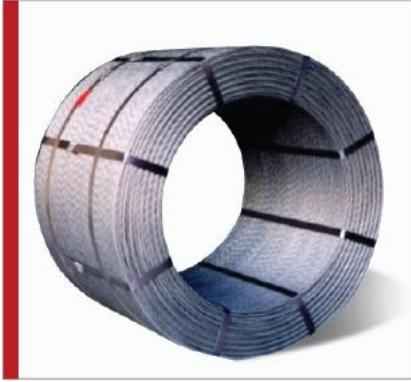


PATENTED WIRE

Medium and high tensile grades

Patented bright & galvanized wires to be further drawn

| Prestressed Concrete Strand



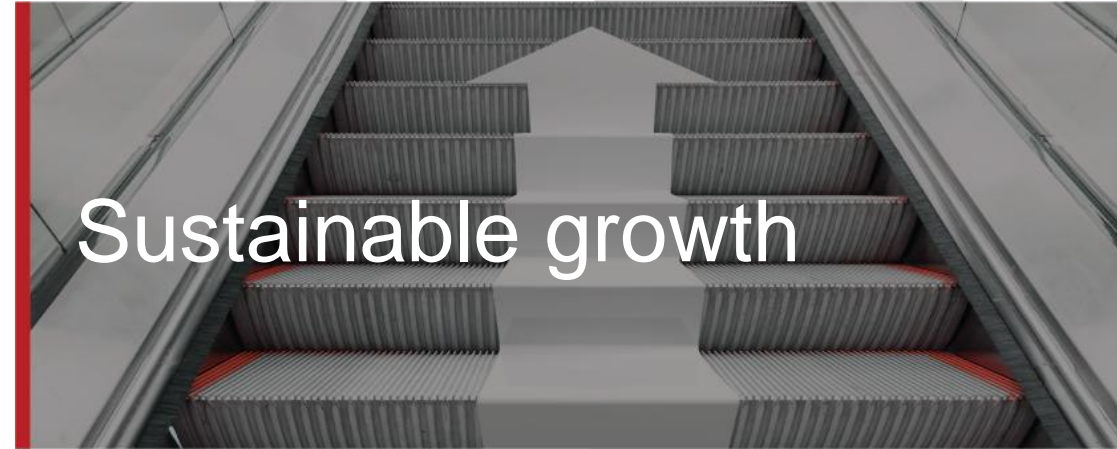
- Production according to international standards

Packing: In coils around 3300 kg

- Prestressed Concrete Strands are mainly used in bridge girders, constructions, anchorages and prefabricated structures.

- R&D center *, established in 2017, will improve efficiency and new product development. R&D projects will include:
- Developing a new product class of galvanized wire rope
- Developing wire rope with plastic coated core
- Die design and die engineering
- Producing high tensile compact wire rope

*applied to become R&D Center in Feb 2018.



- Investment in wire rope production sector, expected to be operational in 3Q2018, consists of purchasing of 11 wire rope machines.

This will lead to:

- Diversifying wire rope production and increasing the share of technological wire:
 - Max.18 tons range wire rope
 - Non rotating ropes with 24-35 strands
 - Pre stretched elevator wire rope
- A capacity increase in wire production & anticipated to have a positive impact on gross and EBITDA margins in 2018.



Environmental Responsibilities

- Obtained ISO 14001 Environmental Management System Certification
- Weather emission permit was renewed on December 18, 2014, and valid for five years.
- TSE 18001-2014 & TSE 14001-2004 Audits are completed successfully without any inconvenient matter.
- Scrubber of Surface Cleaning was renewed to neutralize acid vapor.
- Received 18001 (OHSAS) Occupational Health and Safety Management Systems



Certificates

- API (American Petroleum Institute)
- Lloyd's Register
- ISO 9001 / 2008
- ISO 14001 / 2004
- ISO 18001 / 2008

Memberships

- EWRIS (European Federation of Steel Wire Rope Industries)
- CET (European Wire Manufacturers Committee)
- ESIS (European PC Strand Manufacturers Association)
- TAYSAD (Turkish Automotive Supply Industry Association)
- AWRF (Associated Wire Rope Fabricators)



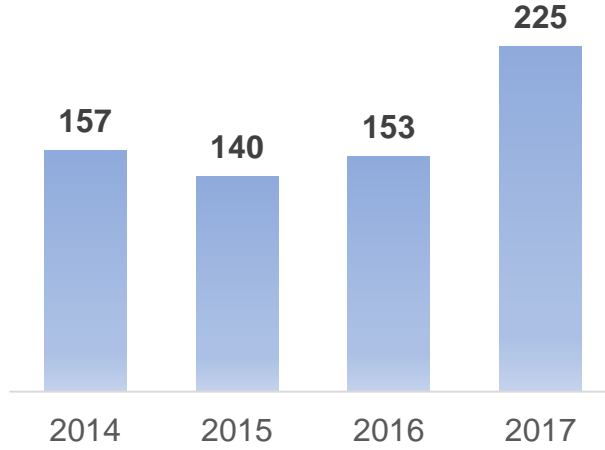
Certificates and Memberships



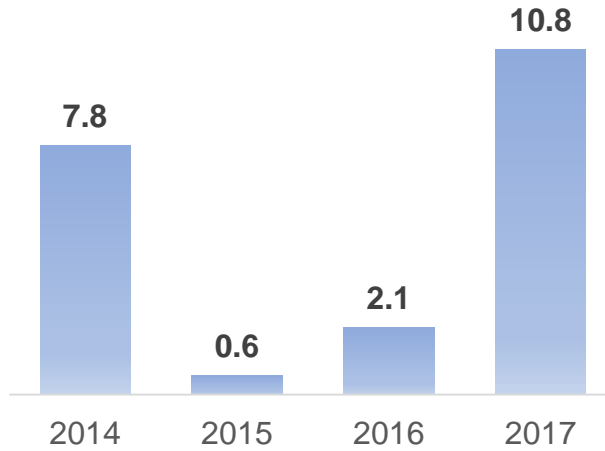


Financials & Outlook

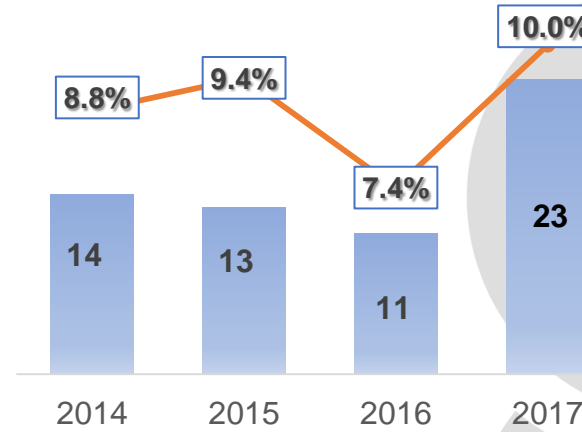
Revenues (TL mn)



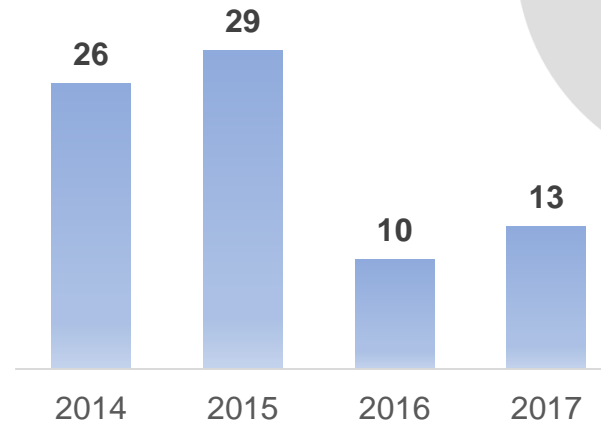
Net Income/(Loss) (TL mn)



EBITDA (TL mn) § EBITDA Margin (%)

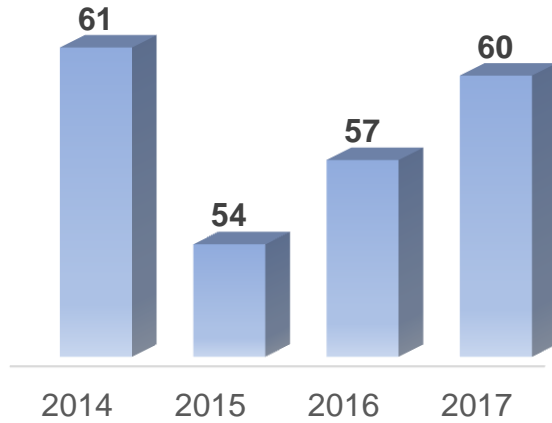


Net Debt (TL mn)

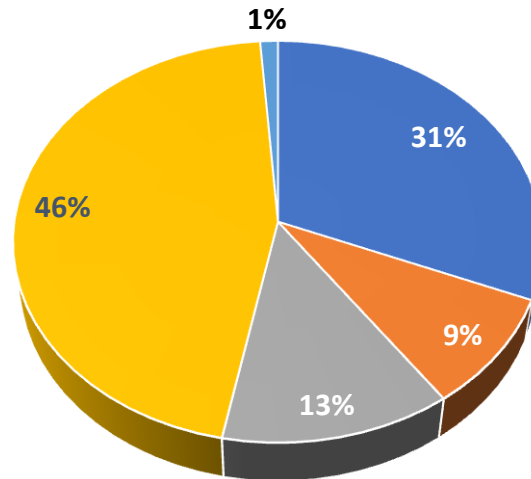


Exports constitute one-third of revenues

Sales Volume (000 TONS)

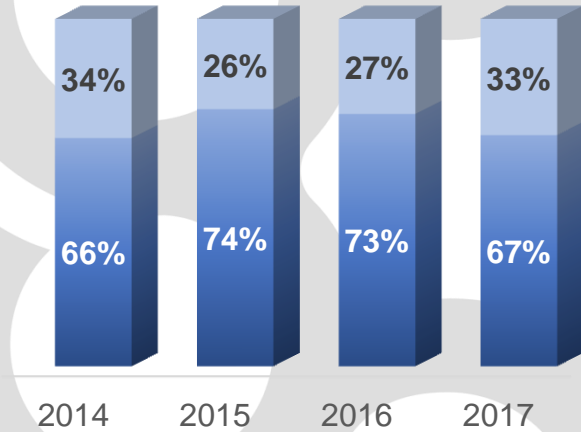


REVENUES BY PRODUCT (2017)



- Steel Wire Rope
- Galvanized Spring Wire
- Spring Wire
- Prestressed Concrete Strand
- Others

REVENUE BREAKDOWN



■ Local ■ Exports

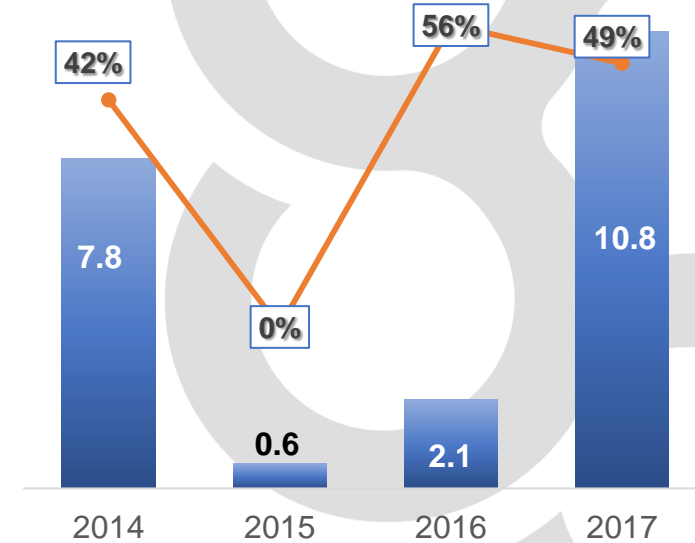
* Breakdown of gross revenues

CELHA Stock Info & Dividend History

Market Data	as of March 8, 2018
Share price	5.50 TL (1.44 US\$)
MCap	91 mn TL (24 mn US\$)
52 week low/high share price	2.65 TL/6.55 TL
Share price perf.* (in TL)	%42
BIST100 performance*	%1

*YTD performance

Net Income (TL mn) & Dividend Pay-out Ratio



* TL5.3 mn gross cash dividend from FY17 earnings will be proposed at the General Assembly (March 27, 2018)

| Why Çelik Halat?

| Market-Leading Position; and well-known brand

- Domestic leader with 55 years of experience & strong customer profile
- Globally well-known brand with exports to more than 40 countries
- Powerful brand that is also used as the generic name.

| Strong Operational Performance

- Top-line and EBITDA growth attained both in 2016 & 2017
- Around 85% of revenues based in Euro; support against currency fluctuations
- Ability to reflect raw material price hikes to its prices

| Further Growth Potential

- New Investment will support revenues & EBITDA
- Ongoing public infra-structure investments and construction sector expected to support demand
- R&D investment will lead to further product developments & efficiency

| Solid Financial Structure & Cash inflow

- Negligible Net debt
- Minimum receivable risk as most of the receivables insured by Euler Hermes
- Minimum working capital need

| Anchor Shareholder «Doğan Group»

- One of leading conglomerates in Turkey & leading media player



- Focus on maintaining sales volumes in main business lines
- Growth in revenues owing to high value added sales mix, price improvement and currency impact
- Better operational performance expected with the contribution of new investment
- R&D division *, will help productivity and effectiveness
- Solid financial structure expected to continue

*applied to become R&D Center in Feb 2018.

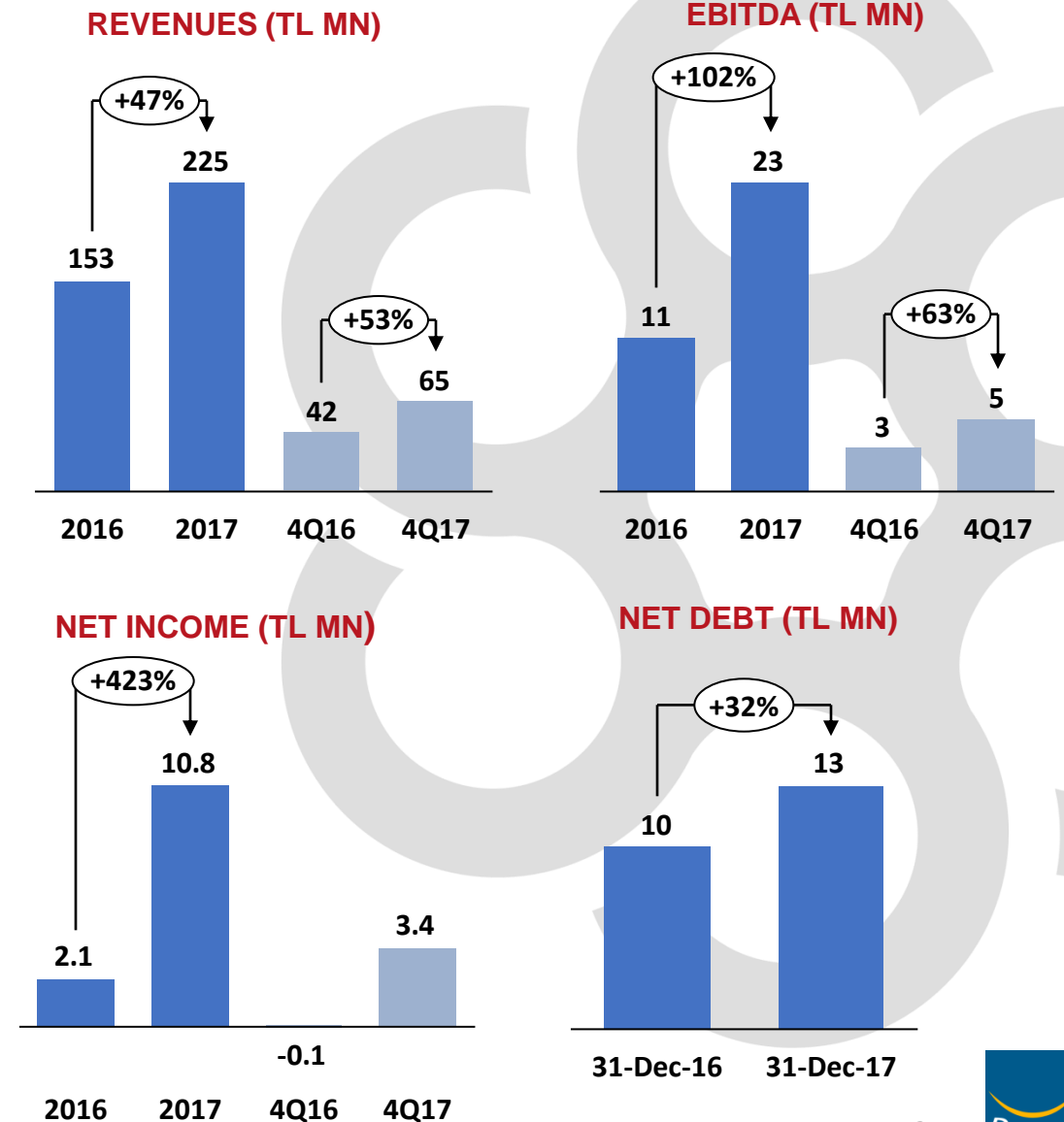
Commitment
for growth
and
sustainable
value
creation



4Q17 Financial Review

FY17 Results in Brief

- Revenues increased by 47% in FY17, yoy.
- EBITDA more than doubled to TL23 mn in FY17; while increased by 63% yoy in 4Q17.
- Net debt at TL13 mn (US\$3.55 mn) vs. TL10 mn (US\$2.87 mn) at FY16-end.
- Net income surged TL11 mn, vs. 2 mn in FY16, thanks to higher revenues and profitability.
- TL5.3 mn gross cash dividend will be proposed at the General Assembly that will take place on March 27, 2018.



Summary Balance Sheet (TL)	Dec 31, 2016	Dec 31, 2017
Current Assets	96,240,548	110,214,023
Non-Current Assets	29,762,300	40,144,194
Total Assets	126,002,848	150,358,217
Current Liabilities	86,425,890	100,942,488
Non-Current Liabilities	5,994,192	6,799,059
Equity	33,582,766	42,616,670
Total Liabilities	126,002,848	150,358,217

Cash & Equivalents	17,854,212	11,225,922
ST Liabilities	27,962,323	24,603,251
LT Liabilities	0	0
Net Debt	10,108,111	13,377,329

Summary Income Statement (TL)	FY16	FY17	Chg YoY	4Q16	4Q17	Chg YoY
Revenues	152,904,029	225,121,382	47%	42,141,839	64,611,435	53%
Cost of Sales (-)	-131,329,542	-187,106,280	42%	-34,631,209	-52,884,579	53%
Gross Profit	21,574,487	38,015,102	76%	7,510,630	11,726,856	56%
General Administrative Expenses (-)	-7,050,760	-8,663,241	23%	-2,435,616	-3,085,995	27%
Marketing Expenses (-)	-6,526,312	-9,442,786	45%	-1,698,454	-2,685,269	58%
Other Income From Operating Activities	7,735,166	28,552,945	269%	2,895,721	10,652,809	268%
Other Expense From Operating Activities	-9,261,382	-30,894,769	234%	-4,258,807	-11,359,332	167%
Operating Profit (Loss) Before Finance Exp.	6,471,199	17,567,251	171%	2,013,474	5,249,069	161%
Finance Expense (-)	-3,857,901	-4,165,118	8%	-2,112,153	-981,147	-54%
Profit (Loss) Before Taxation	2,613,298	13,402,133	413%	-97,679	4,267,922	n.m
Tax Expense	-554,762	-2,637,063	375%	-11,093	-846,239	n.m
Net Profit (Loss)	2,058,536	10,765,070	423%	-108,772	3,421,683	n.m
EBITDA	11,387,797	22,958,415	102%	3,230,805	5,270,984	63%

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US Dollar and/or Euro amounts shown in the presentation have been included solely for the convenience of the reader and are translated from TL as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rates

| Disclaimer

Thank You

For Further Information
E-mail: info@celikhalat.com.tr

ÇELİK HALAT ve TEL SANAYİİ A.Ş.
Ertuğrul Gazi Mahallesi Şehitler Cad. No:2 Kartepe,
41180 İZMİT / TÜRKİYE
T: +90 262 371 12 80

www.celikhalat.com.tr

