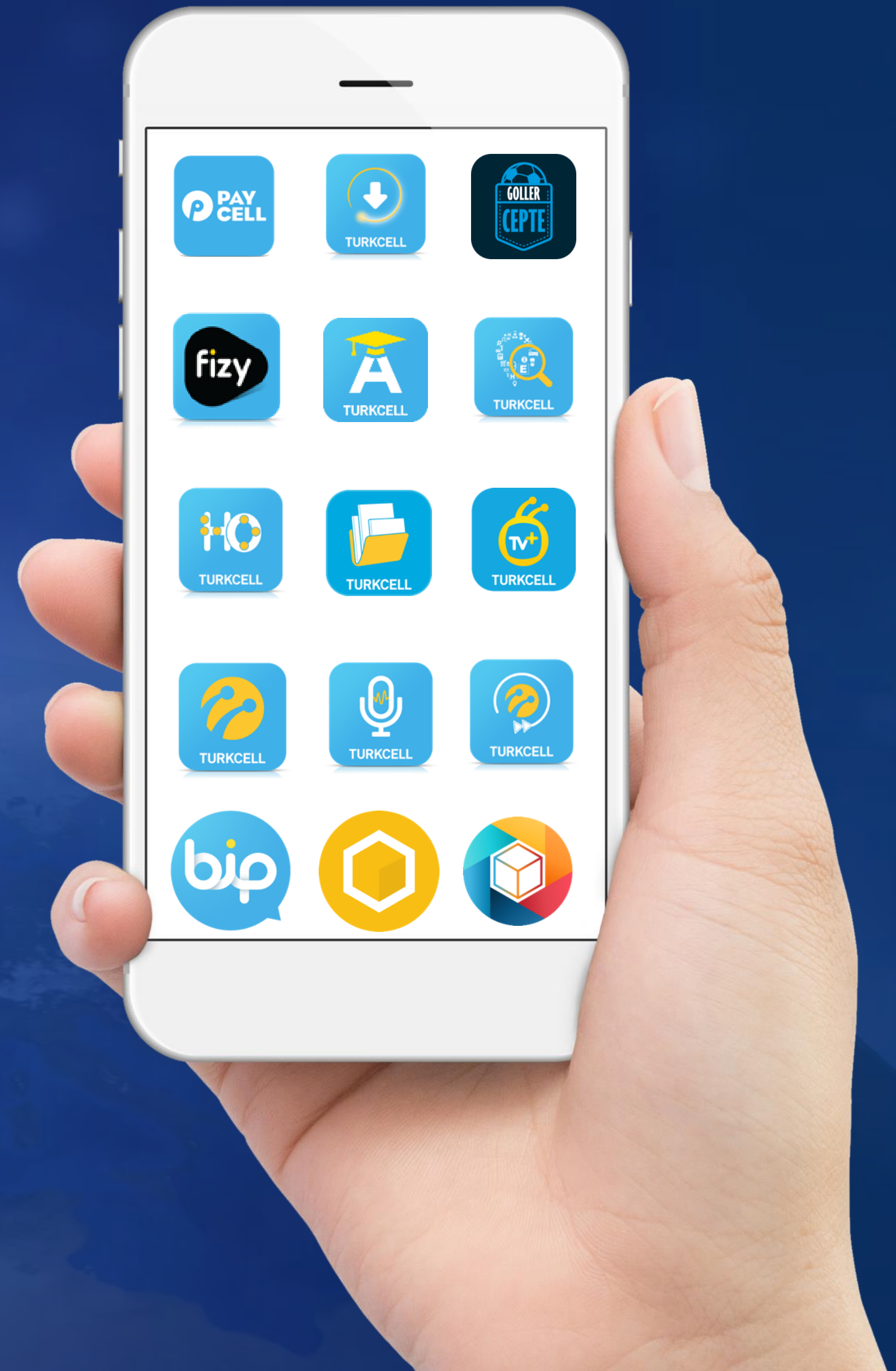
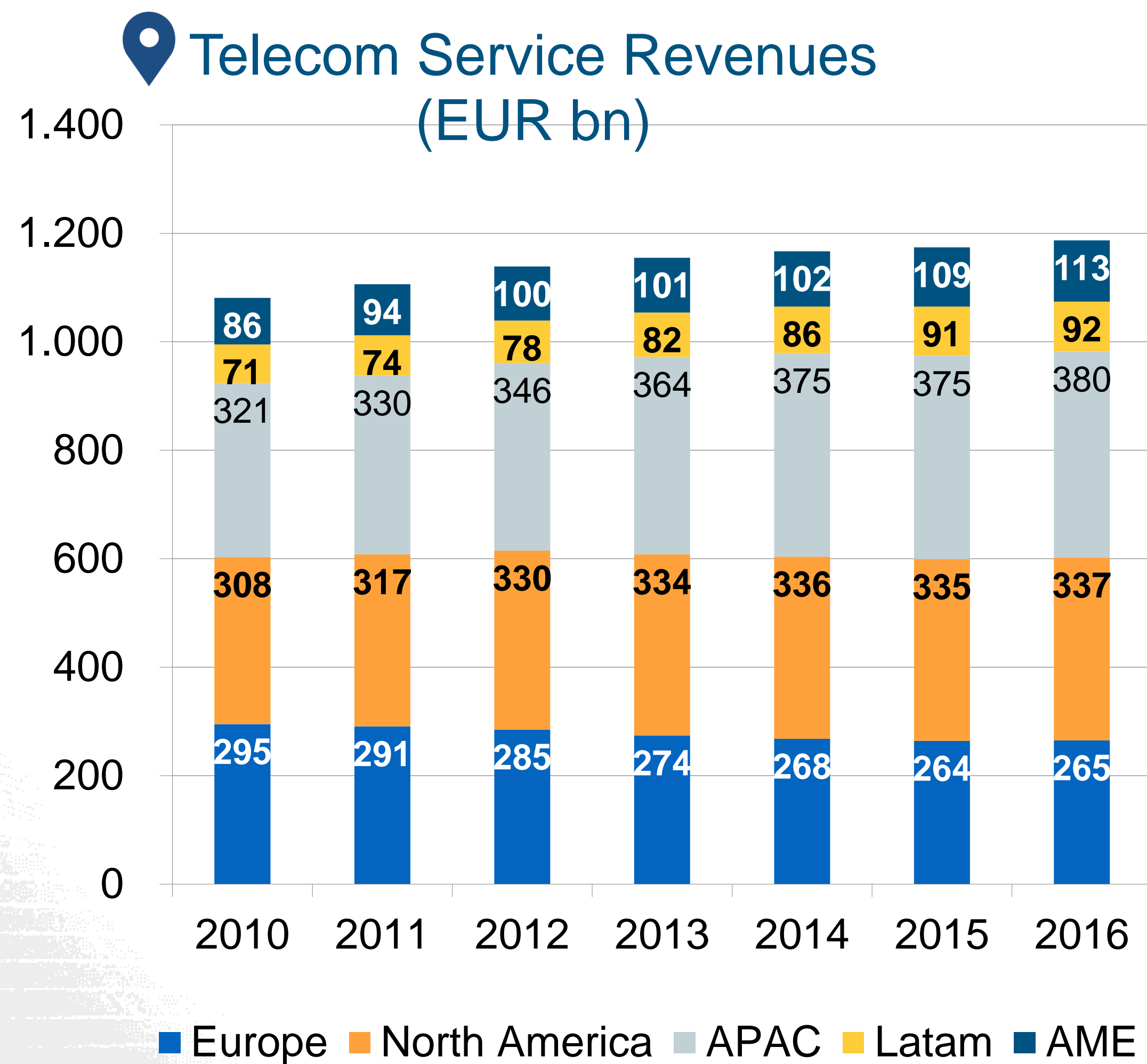


# TELCOS TRANSFORMATION TO DIGITAL EXPERIENCE PROVIDERS

**Yorgos Ioannidis**

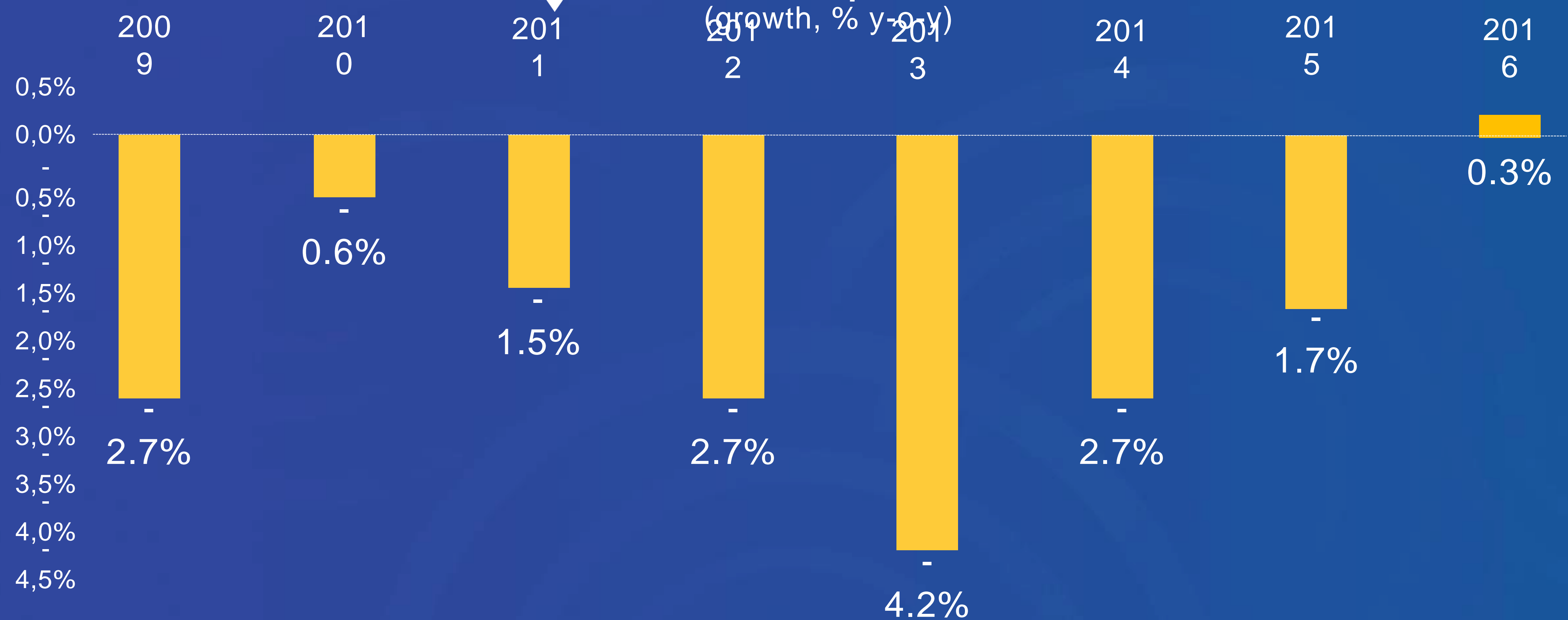
CEO, Lifecell Ventures





Telecom service revenues growth (EUR bn)	2011	2012	2013	2014	2015	2016
Europe	-	-	-	-	-	0,3%
North America	2,9%	4,0%	1,3%	0,4%	-	0,8%
APAC	2,9%	5,0%	5,1%	3,0%	-	1,5%
Latam	3,6%	5,8%	4,6%	5,7%	5,1%	1,5%
AME	8,8%	6,4%	1,8%	0,7%	7,2%	2,8%
Global	2,3%	3,0%	1,5%	1,0%	0,5%	1,2%

## Telecom service revenues in Europe



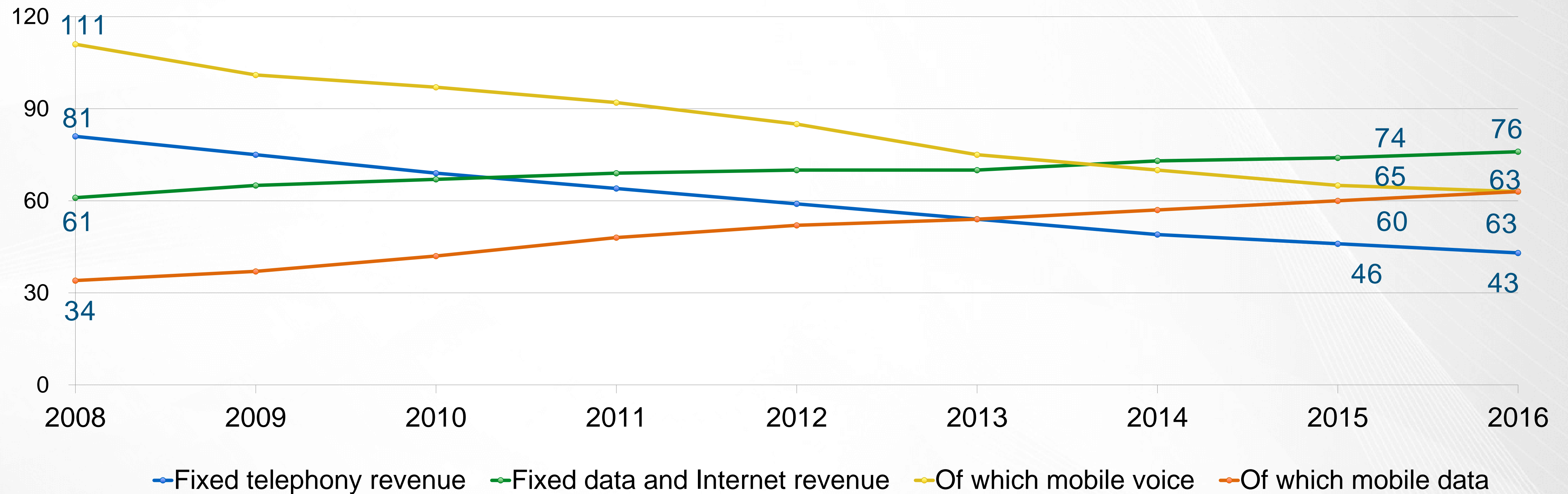
ETNO perimeter  
This includes both ETNO & non - ETNO companies in the countries in which ETNO members operate.

	2009	2010	2011	2012	2013	2014	2015	2016
ETNO perimeter	-2,7%	-0,6%	-1,5%	-2,7%	-4,2%	-2,7%	-1,7%	0,3%
EU 28	-3,0%	-1,2%	-1,9%	-3,1%	-4,6%	-3,3%	-1,2%	10%

Source: ETNO Annual Economic Report 2016



## Revenues by type of service (ETNO perimeter, EUR bn)

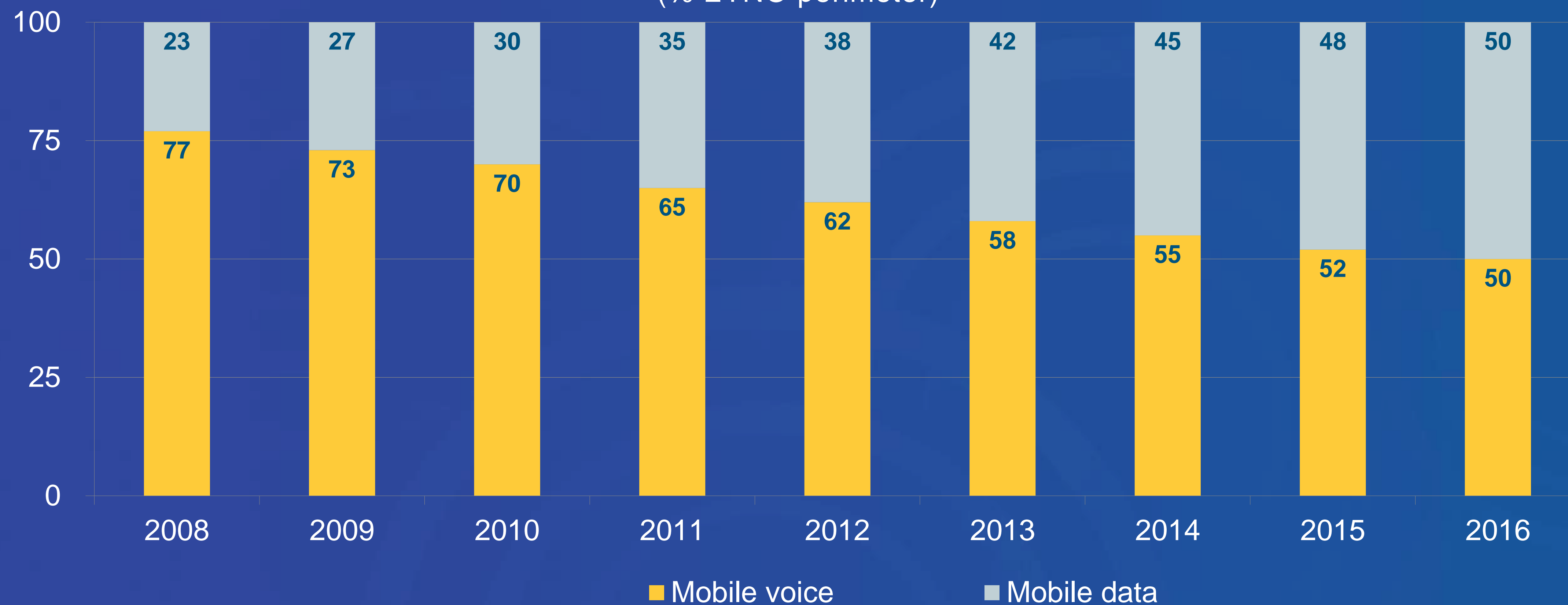


Revenues EUR bn	2008	2009	2010	2011	2012	2013	2014	2015	2016
Fixed telephony	81	75	69	64	59	54	49	46	43
Fixed data and internet	61	65	67	69	70	70	73	74	76
Mobile voice	111	101	97	92	85	75	70	65	63
Mobile data	34	37	42	48	52	54	57	60	63

Source: ETNO Annual Economic Report 2016



# Data as share of mobile revenues (% ETNO perimeter)



Share of mobile revenues	2008	2009	2010	2011	2012	2013	2014	2015	2016
voice	77%	73%	70%	65%	62%	58%	55%	52%	50%
data	23%	27%	30%	35%	38%	42%	45%	48%	50%

Source: ETNO Annual Economic Report  
2016



# Any Growth Areas?

“I think as a general rule, most of us are in markets that are **booming**.

They are **not in decline**. Even the newspaper business is in a growth industry. It's not in decline.

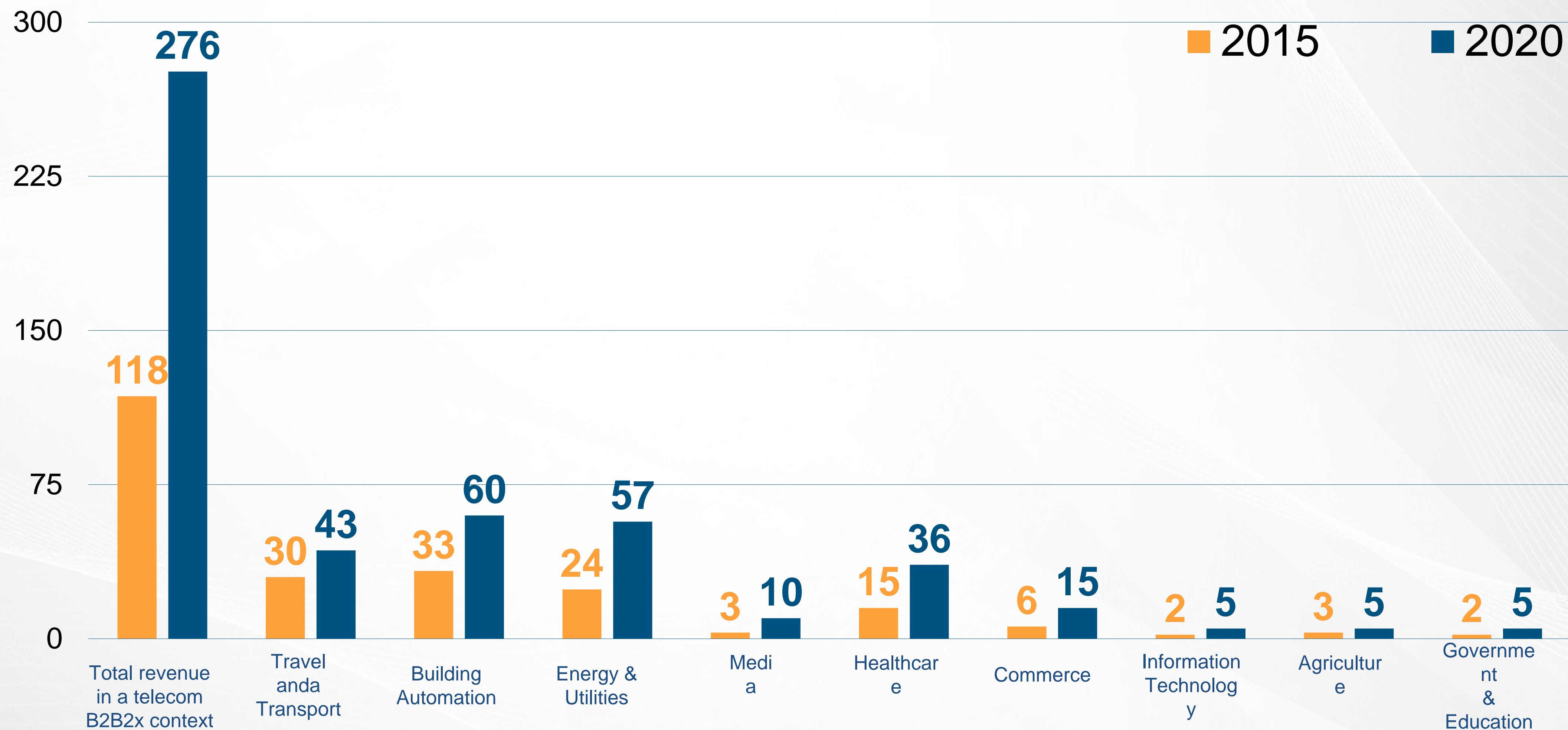
**It's just their way of thinking about the industry that is in decline.”**

Clayton Christensen  
Harvard Business School Professor





# Global B2B2X Opportunity By Industry (USD bn)



Source: Arthur D. Little  
Report on the telecommunication industry of 2016



# Learn to **INNOVATE** Everywhere !! Change the Rules !!!



“Disruptive innovation changes industries not because it is radical but because it makes complicated and expensive processes simple and opens them up to a wider audience”

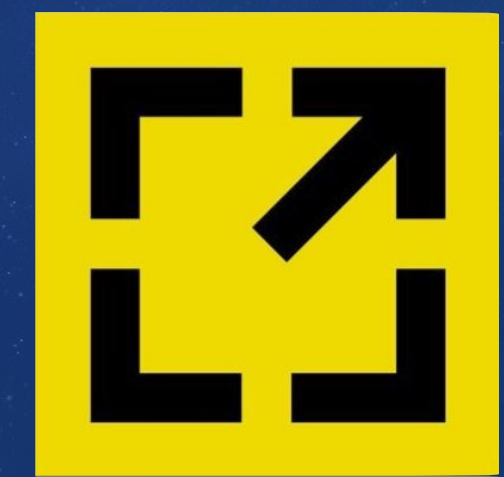
Clayton Christensen  
Harvard Business School Professor



OUR BUSINESS IS CONNECTION  
IT IS CONNECTIVITY TO EXPERIENCE



lifebox





# SNAPSHOT

# TURKCELL GROUP

- A MULTINATIONAL COMPANY
- CONVERGED COMMUNICATION AND TECHNOLOGY SERVICES PL
- 9 COUNTRIES
- 50,4 MILLION TURKCELL GROUP SUBSCRIBERS
- 2 MILLION FIXED SUBSCRIBERS
- LISTED ON NYSE & BORSA ISTANBUL WITH A \$7.7 BILLION MARKET CAP

Shareholder	Percentage of Share Capital
Turkcell Holding A.Ş.	51.00%
Çukurova Holding A.Ş	0.05%
Other (Publicly Traded)	48.95%
TOTAL	100.00%



As of  
30.03.2017



# Turkcell Group provides almost 100 attractive high growth customer friendly services

## DIGITAL COMMUNICATION SERVICES



## DIGITAL MEDIA & ENTERTAINMENT



## SMART PLACES & BUSINESS APPLICATIONS



**53.3 Million**  
2017 Q1

For overall Digital Services Number of Subscriptions








**94.2%**  
2017 Q1  
When compared  
Q1 2016

For overall Digital Services Combined Data Revenue growth

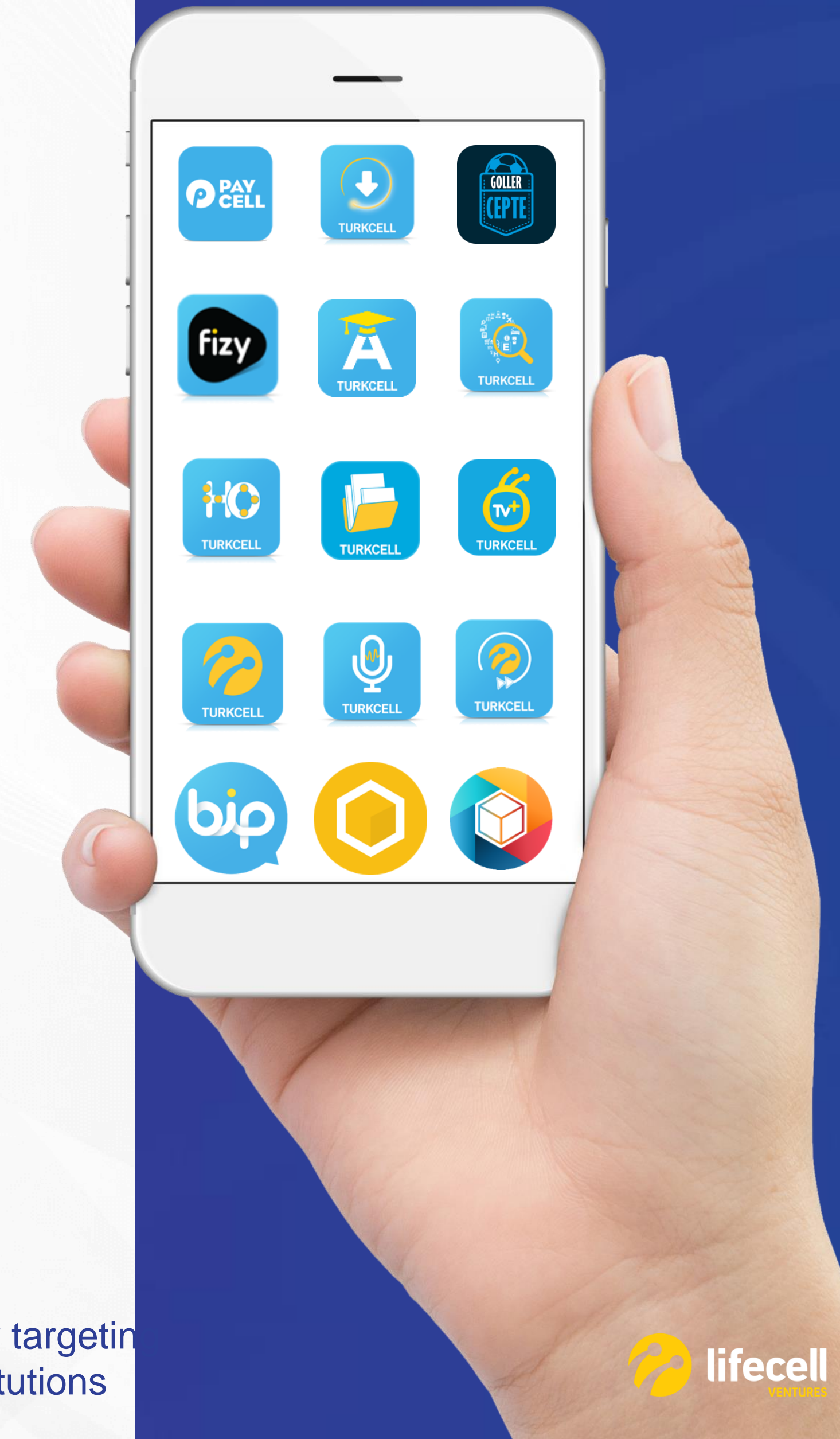
**180%**  
2017 Q1  
When compared  
Q1 2016

For overall Digital Services increase in Revenue

# Turkcell Group differentiates itself by providing innovative and pioneering digital services and solutions to address diverse needs of its customers

Service	Description	Subscribers in million
 <b>My Account</b>	An application for customers to track bill & usages and make transactions & purchase	17.4
 <b>BiP</b>	An integrated IP-based communication platform	12.9
 <b>fizy</b>	Digital music platform to stream and download music	9.1
 <b>Lifebox</b>	A cloud service to facilitate data storage	4.3
 <b>TV+</b>	A platform that allow subscribers to watch live TV and on-demand content	2.9
 <b>Turkcell Academy</b>	Digital learning platform with various content	1.4
 <b>Dergilik</b>	Digital publishing platform which enables access to more than 250 magazines	1.3

Turkcell Group has also other services mainly targeting corporate customers and government institutions





TURKCELL GROUP

***DELIVERING ON OUR STRATEGY***

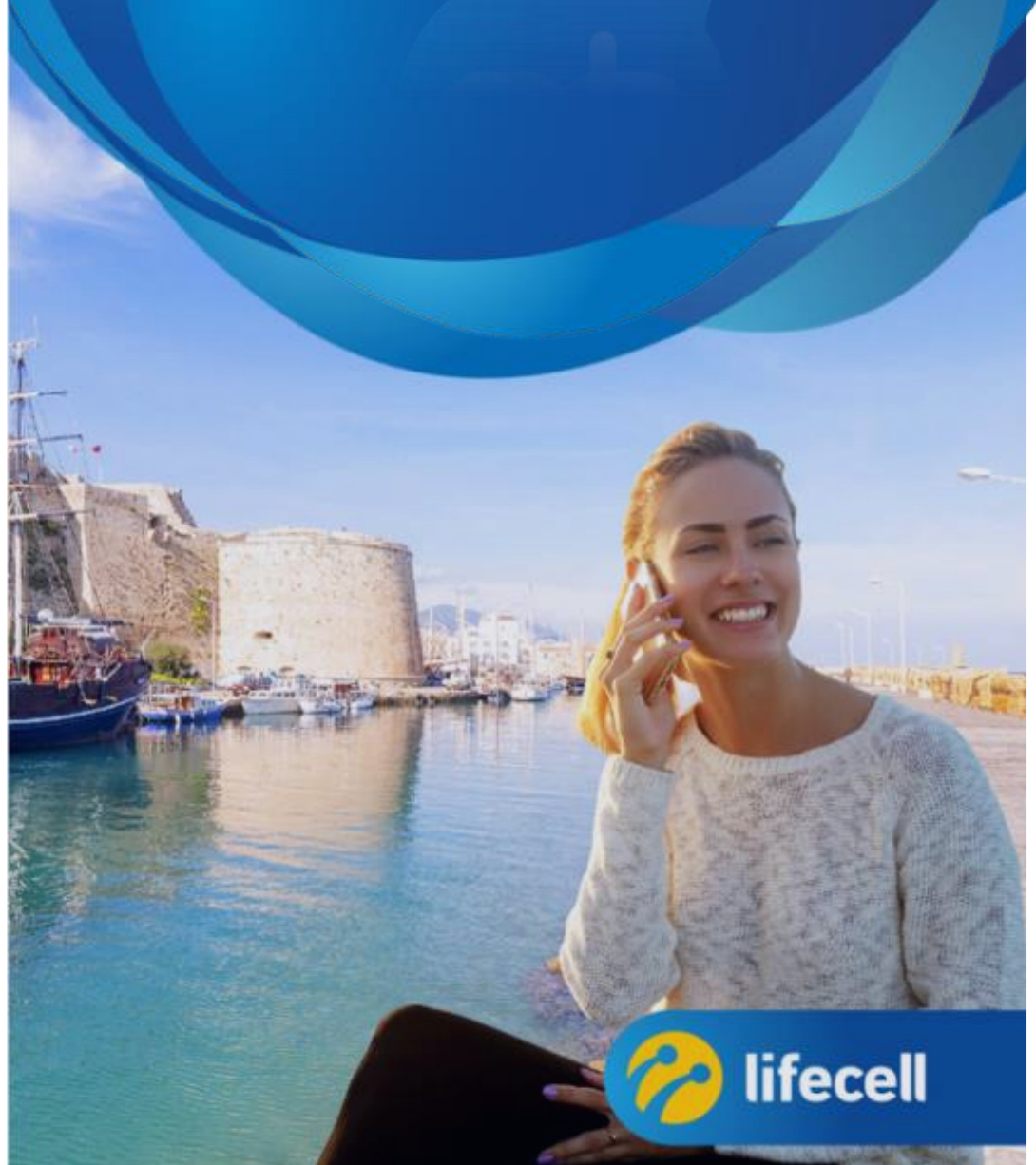


***WITH GLOBAL BRANDS***











MOBILE OPERATORS  
WILL LOSE **\$100 BILLION** IN 2017  
BY LOSING **THEIR CUSTOMERS**  
TO OTT SERVICES



**BUILD YOUR OTT**

**1.5 YEARS**

**\$15 MILLION**

**50+ TEAM**

**100+  
SERVERS**

**JUST TO MATCH TODAY'S**



**OR...**

**BE THE EXCLUSIVE  
PARTNER OF**



**AND GENERATE  
VALUE WITH YOUR  
OWN OTT SERVICE**



# ENHANCED COMMUNICATION PLATFORM



## PHONE CALLS

App2App  
App2NTW  
NTW2App



## VIDEO CALLS

Make free video calls with BiP Users.  
Coming Soon – Group video calls!



## TEXT MESSAGES

Chat, create groups with BiP Users  
Send free SMS to non-BiP Users



## RICH MESSAGING

Share photo, video,  
location and more



## HD PHOTO SHARING

Share your photos with their  
original size and quality



## MARKETPLACE

Follow brands and content providers  
Buy stuff, watch videos, chat with  
call center support, and etc...



## TIMED MESSAGES

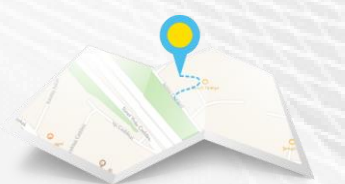
Send disappearing messages!

## HAVE FUN

Chat using stickers and CAPS

## FOLLOW ME

Follow your friends location  
continuously



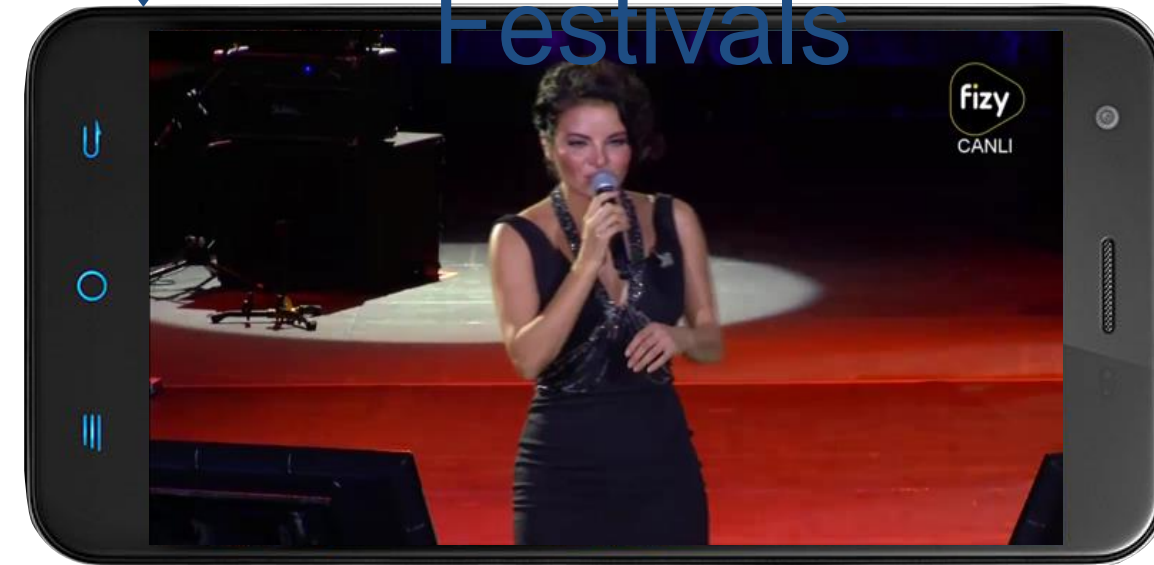






# OUR MUSIC WORLD

Live Concerts,  
Contests &  
Festivals

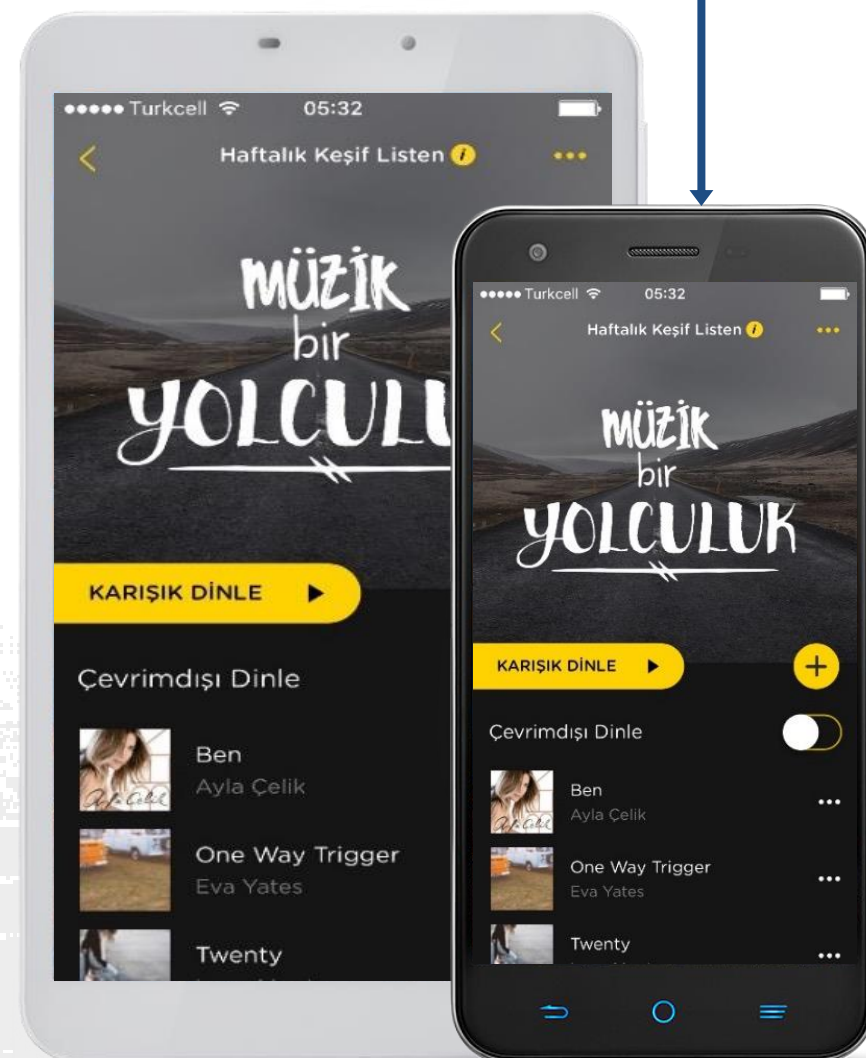


Video clips &  
Exclusive  
contents

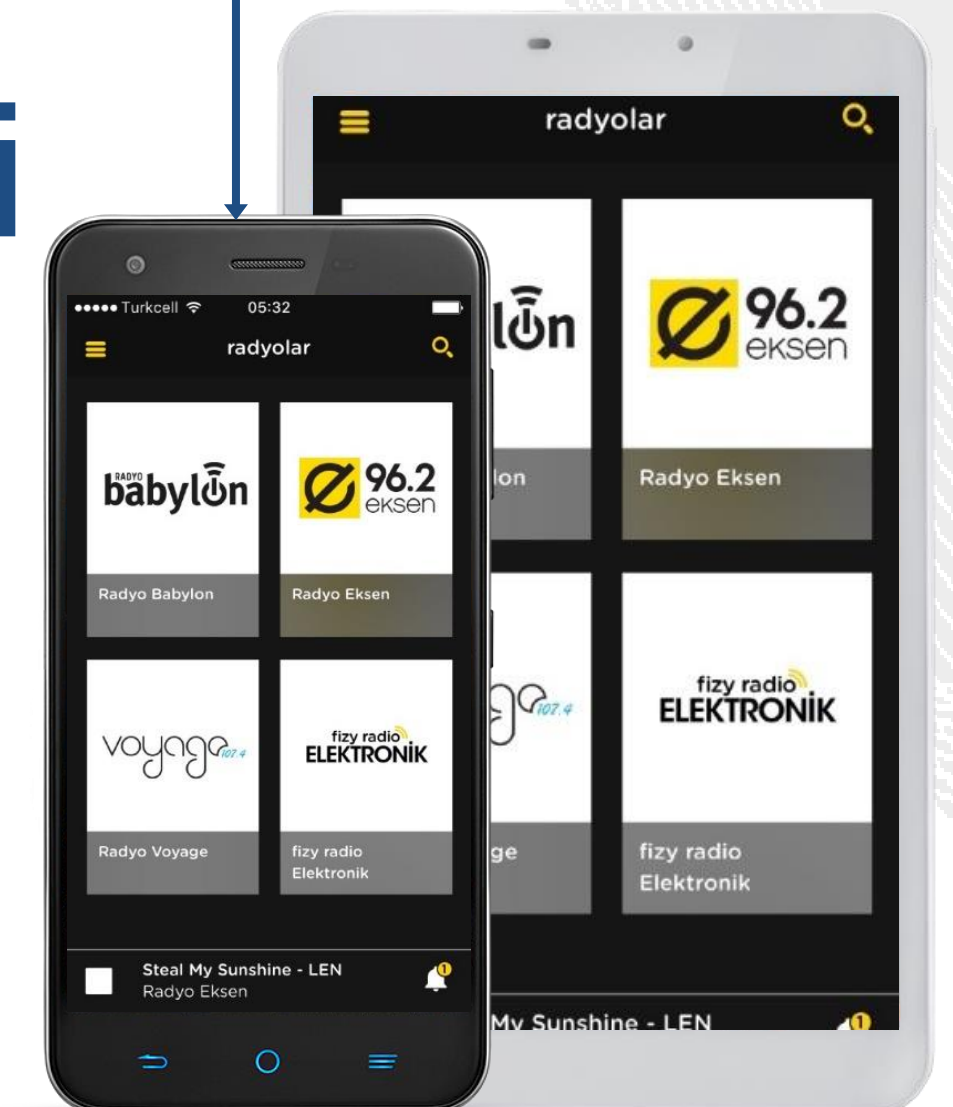


2017

Worldwide  
version  
availability



Radi  
o



All Access &  
Offline  
listening

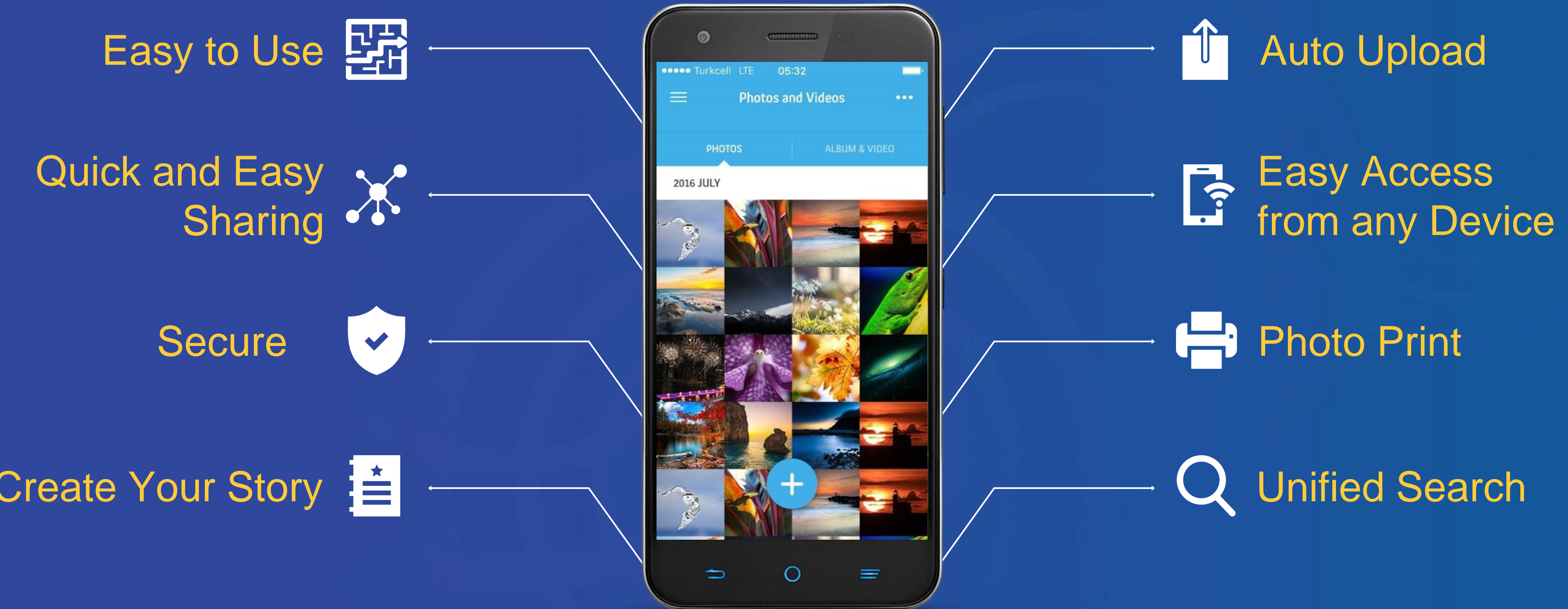


lifebox





# LIFEBOX IS A PERSONAL CLOUD SERVICE FOR STORING PHOTOGRAPHS, MUSIC, VIDEOS AND OTHER TYPES OF FILES



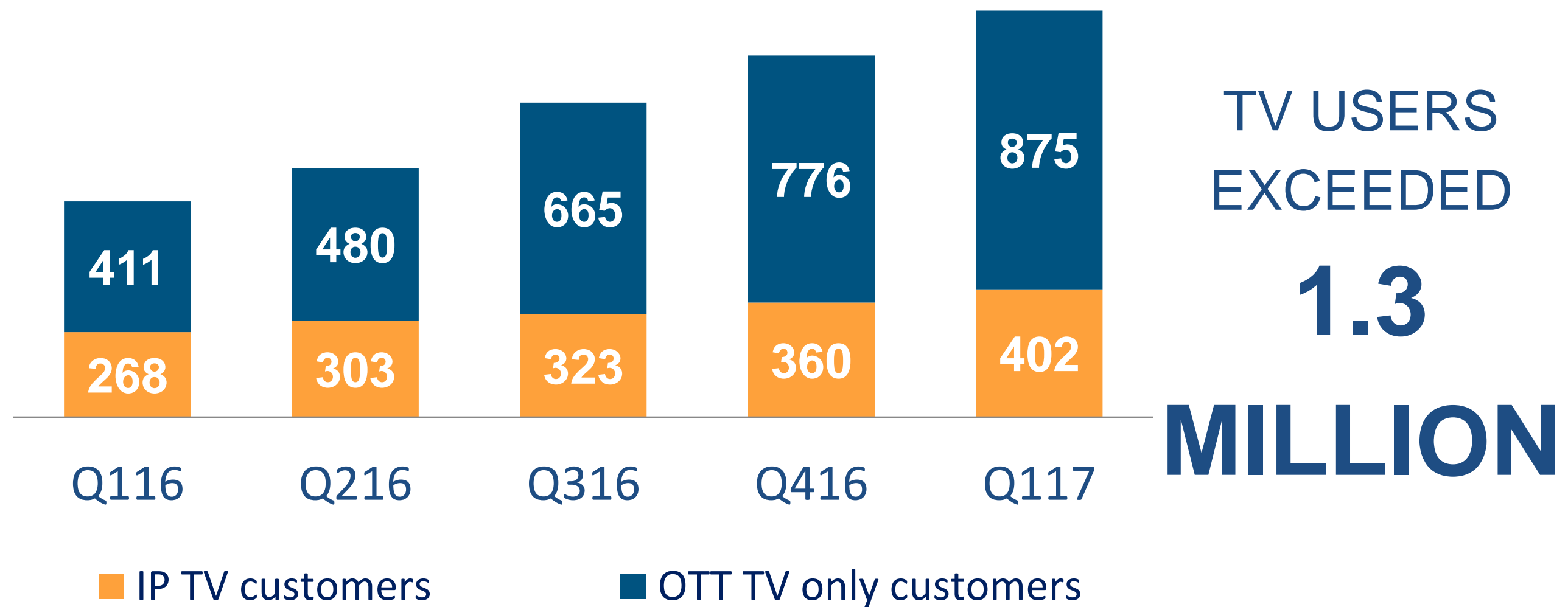






# TV+ HIGHLIGHTS

OTT TV\* and IP TV (Thousand)



- Rich TV Content
  - Sports (UK Premier League, NBA TV, Eurosport 1&2, Bundesliga, Formula 1)
  - Documentary (Discovery, Discovery Science, Animal Planet)
  - Local TV channels
- Turkcell users mobile TV watching duration increased to 40 min from 7 min.
- Turkcell TV+ is the leader in mobile and tablet with 4.5G

\*OTT refers to TV subscribers on mobile device, computer, tablet etc





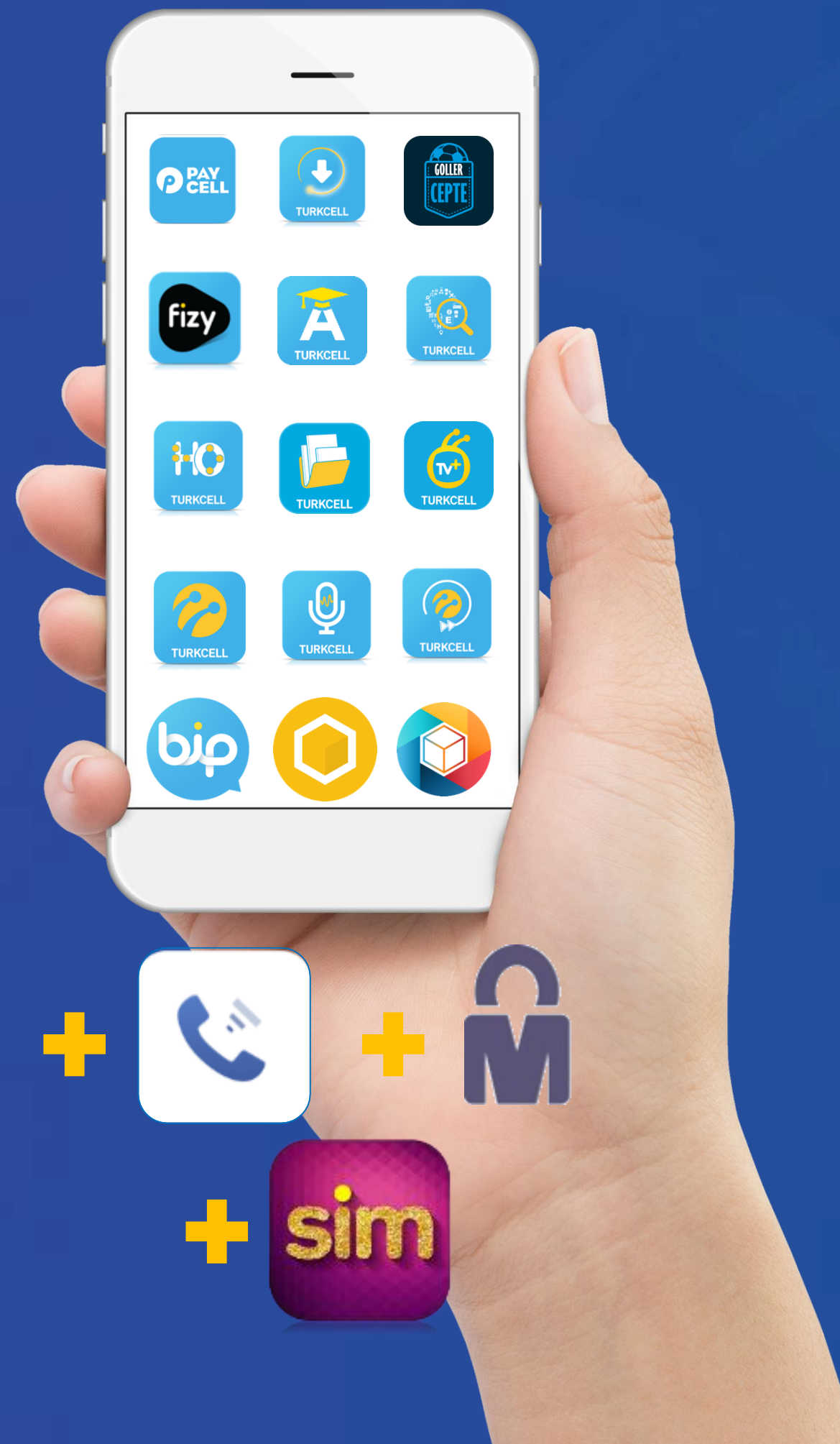
# DIGITAL SERVICES IN OTHER INDUSTRIES

## FINANCIAL SERVICES



- Smartphone penetration
- Revenue stream
- Cash flow management
- Fintech apps; digital wallet, payment systems
- Prepaid cards

## DIGITAL SERVICES



## ENERGY SERVICES

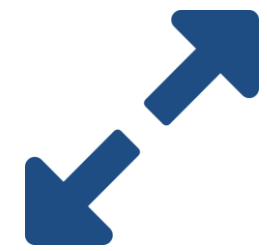


- Revenue stream
- Different value propositions
- Customer loyalty
- New customers
- Asset-light approach



# OUR OFFER TO GLOBAL PARTNERS

## Differentiation and enhancement of 2P&3P bundles



**INCREASE ARPU**  
**REDUCE CHURN**



**NEW REVENUE STREAM**  
Generate revenue via apps,  
content  
and BiP market place



**DIGITAL FEATURES**  
Offer new bundles  
Offer competitive roaming  
solutions



**NO TECHNICAL  
INVESTMENT**  
Get automatic updates for new  
features, new design and  
problem dates of solutions

**NEW BRANDING AND MARKETING  
OPPORTUNITIES**



# PARTNERSHIP MODELS

We have developed a variety of partnership models to suit all sizes and model of operation Telcos

Investment &  
Roadmap  
Partnership



White Label

Revenue  
Sharing





# Operators need to change mindset

*By rephrasing Prof. Christensen statement we can say:*

Operators need to replace the main question:

“How can we convince our consumers and customers to use more our network and services?”

“What indispensable roles can we play in the lives of the consumers we want to serve?”

**Clayton Christensen**

Harvard Business School  
Professor





# Thank You



**lifecell**  
VENTURES

