



BANKALARARASI
KART MERKEZİ

Turkey's Fintech Journey and BKM

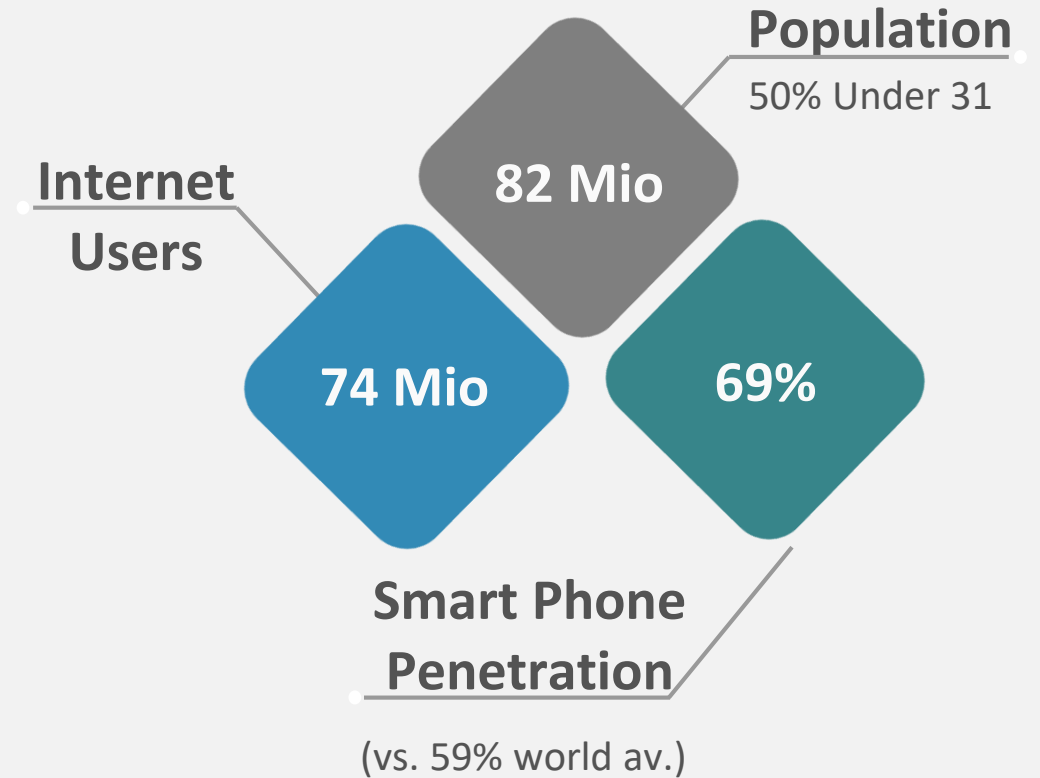
May 2019

18th largest economy with sizable young and tech-savvy population

18th largest economy in the world
(2018)



Sizable young and tech savvy population
(2018)



Banking and payments market well developed

Advanced banking sector with further growth potential



50 banks; ~12K branches



\$743 bio asset size;

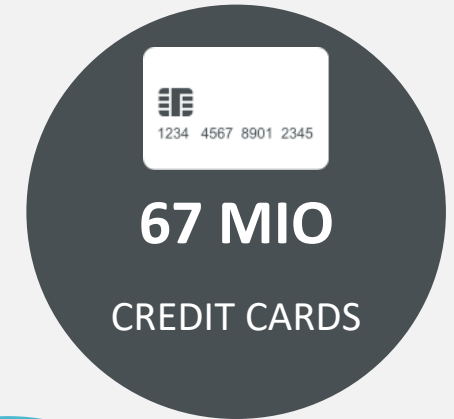
94% GDP penetration;

20+ mio unbanked (60 mio bankable)



210K bankers

1 European market in cards (Q1 2019)



Turkey has been going through a transformation under favourable yet challenging conditions



1. Sizable young population



2. Internet usage is increasing



3. Smart phone usage is above the world average



4. Digitization of the financial services



5. What about unbanked population? taking ground...



6. Fintechs are taking ground...

1. Sizable young population



82 Mio
population



%93
Urban pop. ratio¹

31,7
Median age



%40
Z generation ratio²

1 – Represents population rate that lives in cities and counties. 2 – Represents the proportion of population under the age of 24 to the total population with respect to TÜİK data. Source: TÜİK

2. Internet usage is increasing



13 Mio

*Fixed broadband
subscribers*
(%16 Penetration)



81 Mio

Mobile subscriber
(%113 Penetration)¹

61 Mio

*Mobile internet
subscribers*
(%56 Penetration)

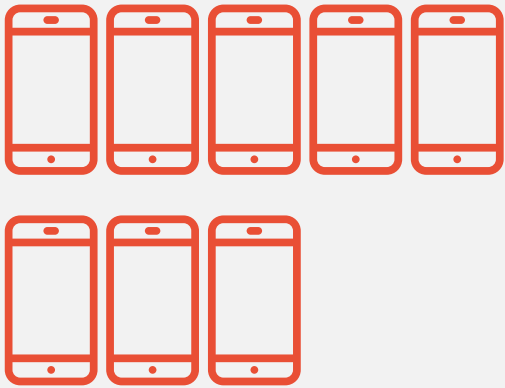


1 – Represents total number of mobile subscribers to population over 9 years old
Source: Information Technology Institution

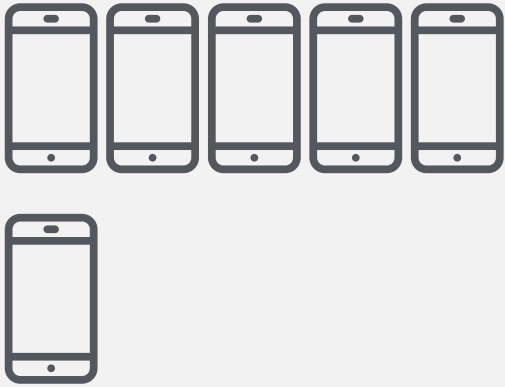
3. Smart phone usage is above the world average



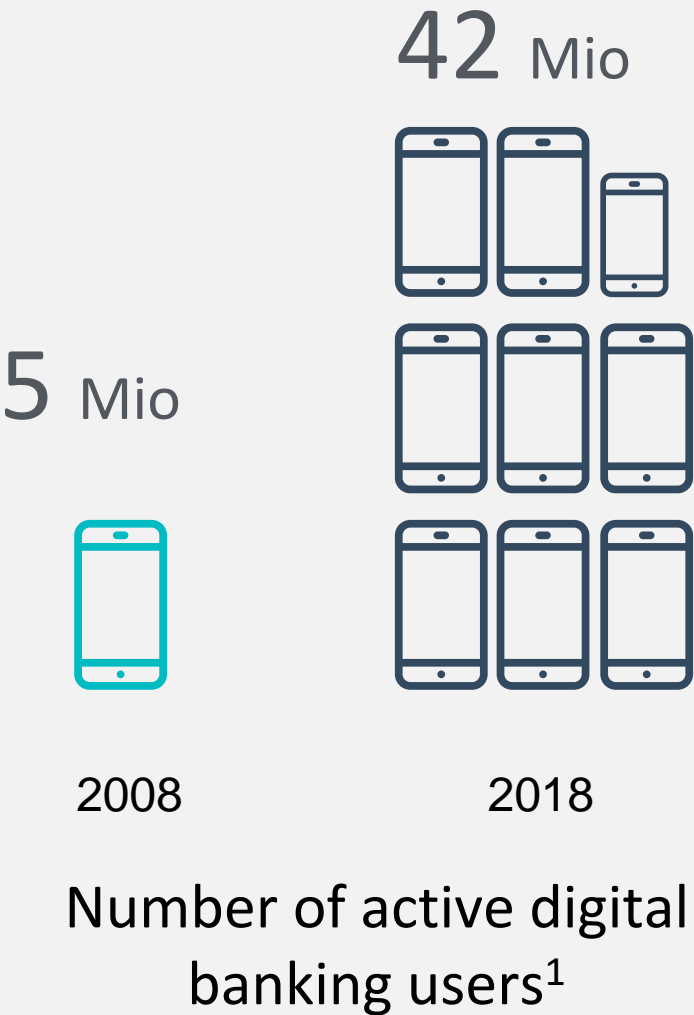
Turkey:
%69



Worl avg.:
%59

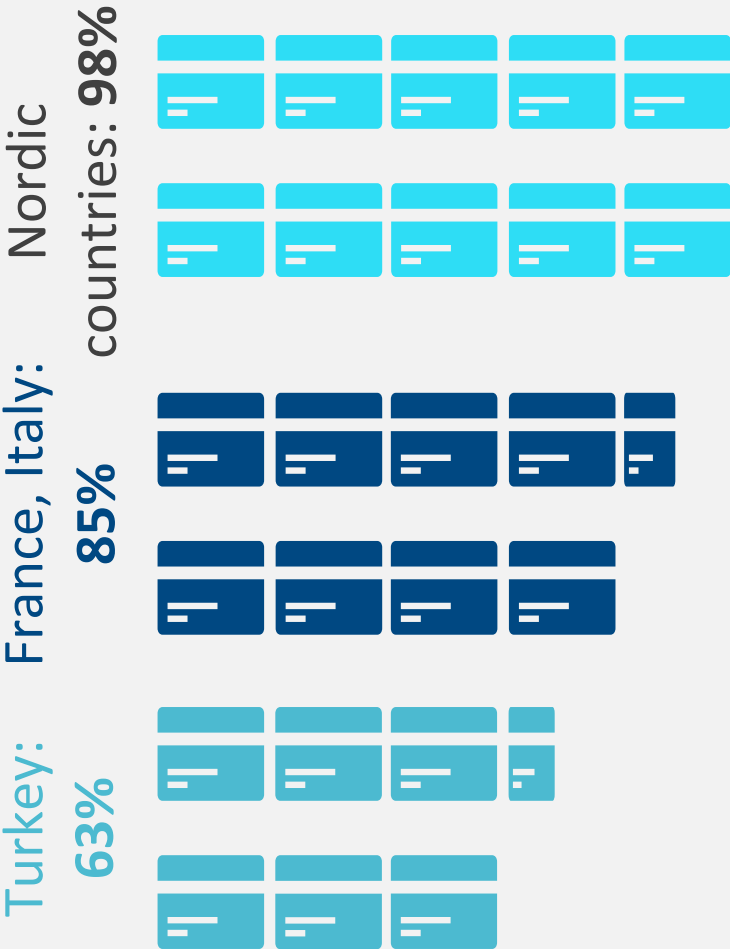


4. Digitization of the financial services



Source: BAT

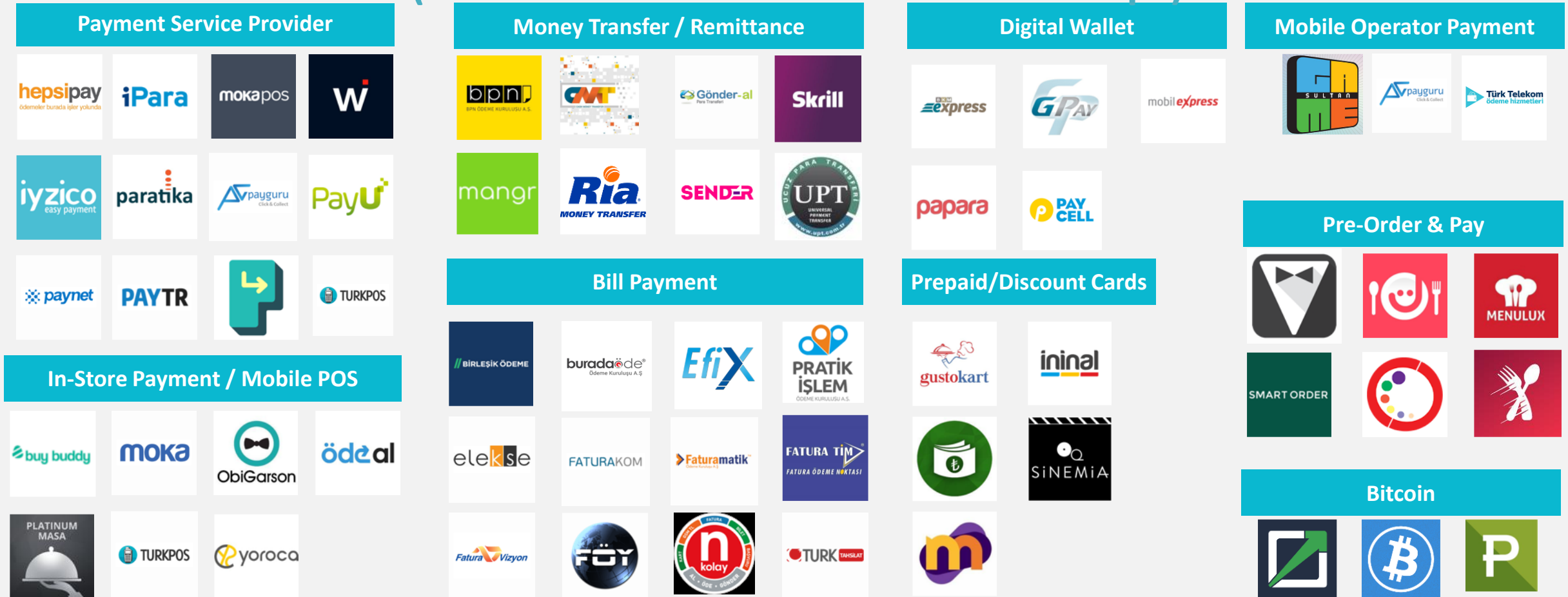
5. What about unbanked population?



Source: World Bank Global Findex Database

6. Fintechs taking ground in this dynamic environment

Investments in fintechs reaching 42 Mio USD in 2017-18
(~50%¹ of total investments in start-ups)



Source: Startups.watch

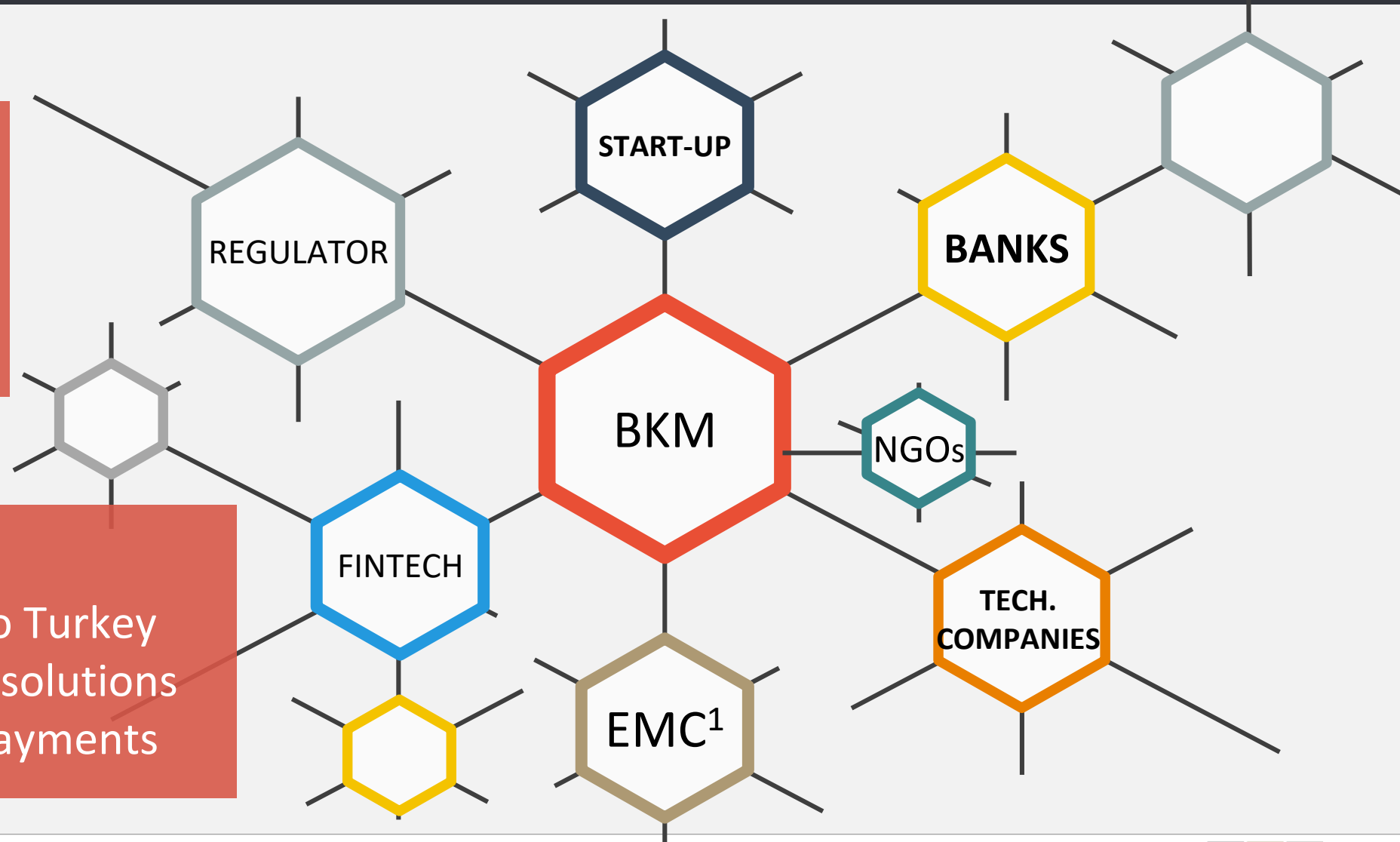
BKM; trusted partner and platform provider for Turkish payment system players

Our Vision

Providing the experience of future for cashless payments

Our Mission

We add value to Turkey through secure solutions that facilitate payments



1- E-money companies

BKM as payment services provider to all issuers and acquirers in Turkey

ESTABLISHED IN 1990

35 MEMBERS

10 SHAREHOLDERS

AKBANK

aktifbank

alBaraka

A Bank
ALTERNATİFBANK A.Ş.

ANADOLUBANK

BURGAN BANK

citibank

DenizBank

Fibabanka

FINANSBANK

Garanti

HALKBANK

HSBC

ICBC

ininal

ING BANK

KUVEYT TÜRK

odeabank

papara

Ptt

Şekerbank

T-BANK
TÜRK LİND BANK

TEB

TURKISH BANK

TURK
ELEKTRONİK PARA

Türkiye'nin Finansı
Türkiye Finans

TÜRKİYE BANKASI

VakıfBank

VAKIF KATILIM

YapıKredi

Ziraat Bankası

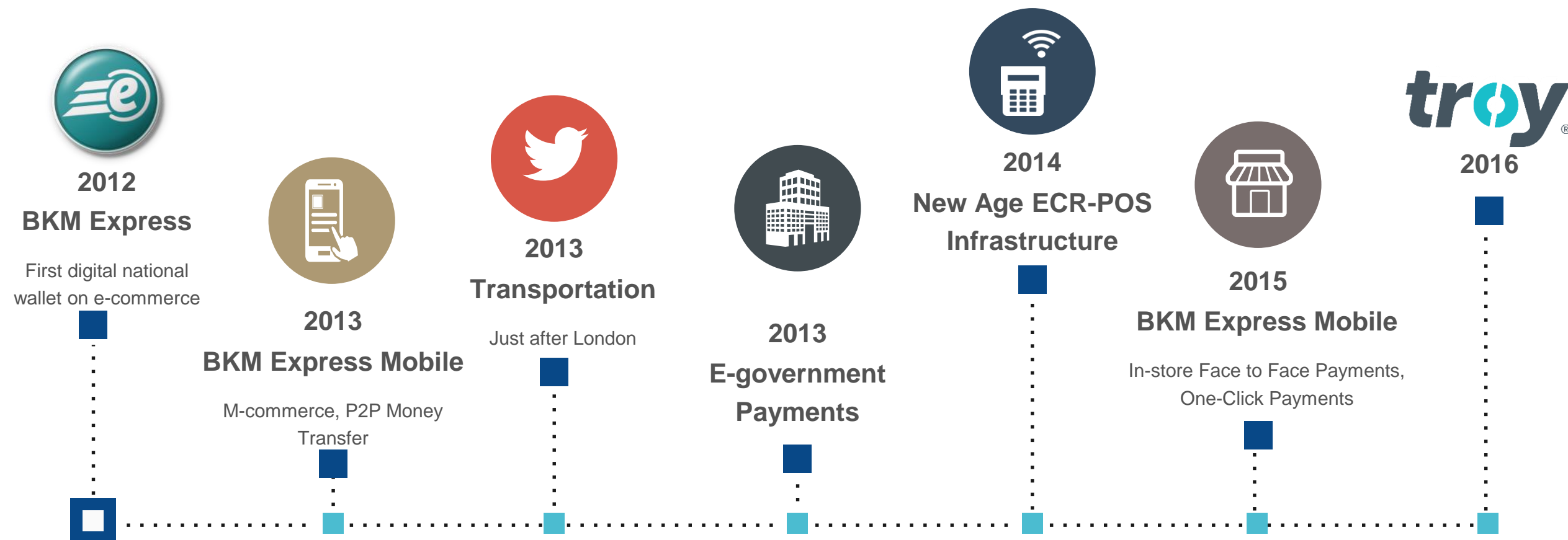
Ziraat Katılım

TURKCELL
ÖDEME VE ELEKTRONİK PARA HİZMETLERİ A.Ş.

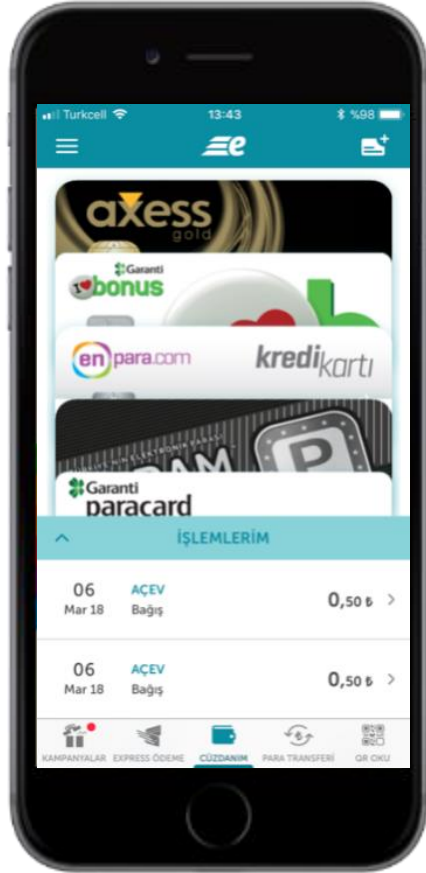
PALADYUM
Paladyum Elektronik Para ve Ödeme Hizmetleri A.Ş.

EmlakBank
TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

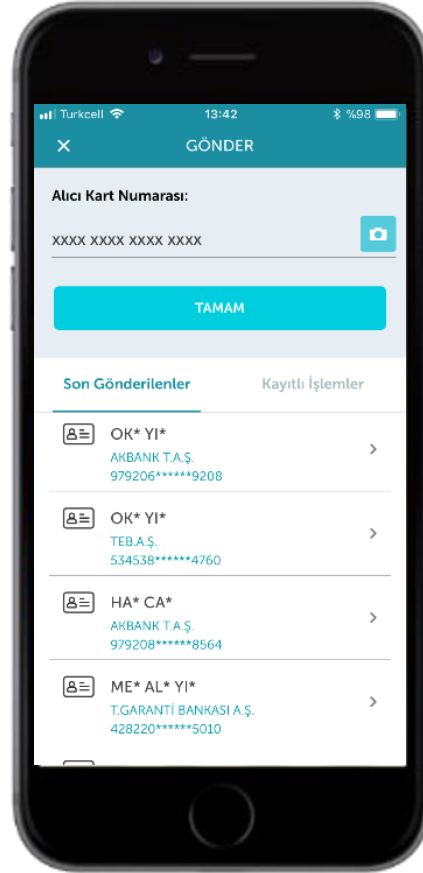
Also the innovation powerhouse of Turkish payments market



BKM's first Fintech solution for end users: BKM Express



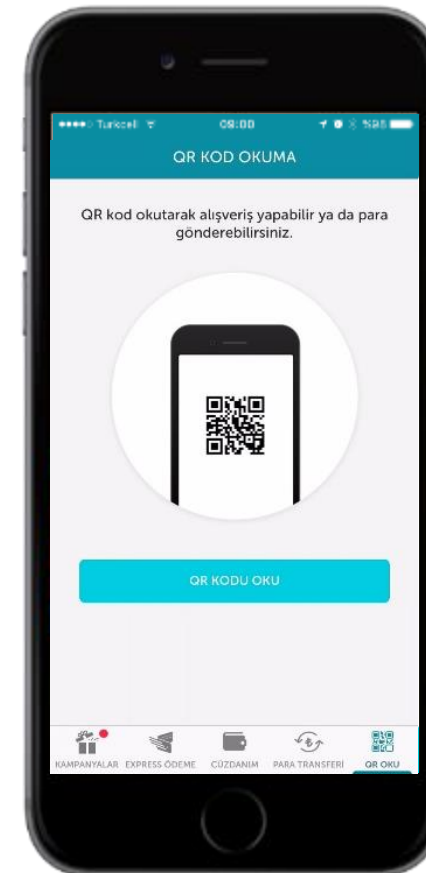
e/m
commerce



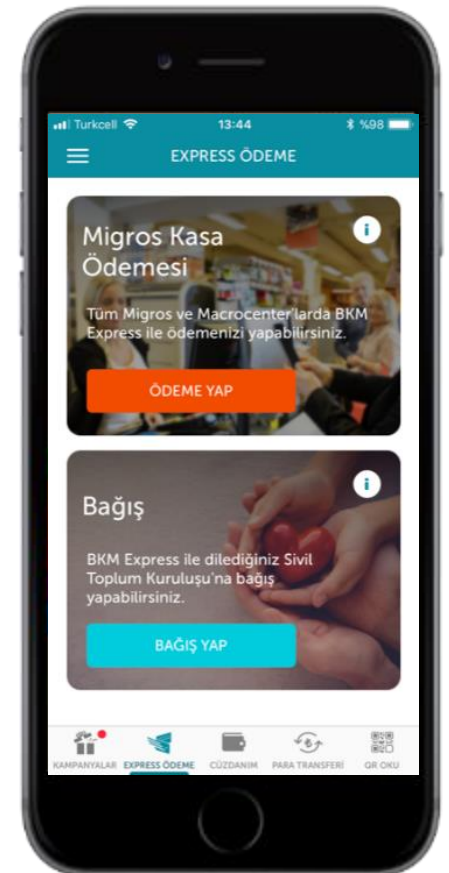
P2P money
transfer



P2P money
request



QR
payment



In store
payment

We've designed new ways of payments with big retailers/start-ups to meet ever changing user needs

BiTaksi

getir

Fast payment

MİGROS



Payment without cashier

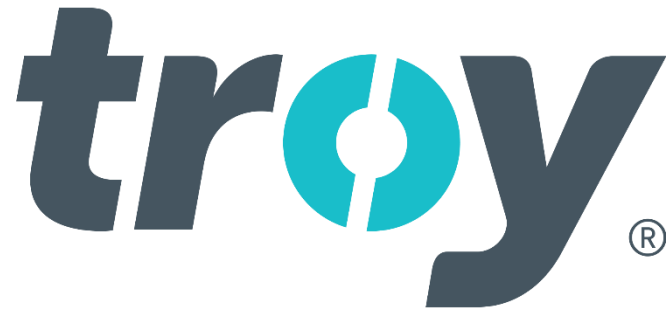
BURULAŞ

Transportation card top-up



Payment without getting out of car

Turkey's way of payment Troy is in live since April 2016 launched for consumer in May 2017



Turkey's Way of Payment
TÜRKİYE'nin ödeme yöntemi

Brand mantra is «Troy is backed
by Turkey's know-how,
experience and technology»

As of today, troy has reached 8 million cards

100 Million+

TL 23 BILLION

1
OUT OF
4



of
Transactions
in 2018



Transaction Volume
in 2018



of TROY Cards Out
of New Debit Cards
in 2018

~8 MILLION TROY CARDS
IN THE MARKET



“Innovative” as a brand promise, new technologies are tested and piloted in TROY’s Innovation Center



HCE

Contactless payments in
IOS platforms with
bluetooth



QR

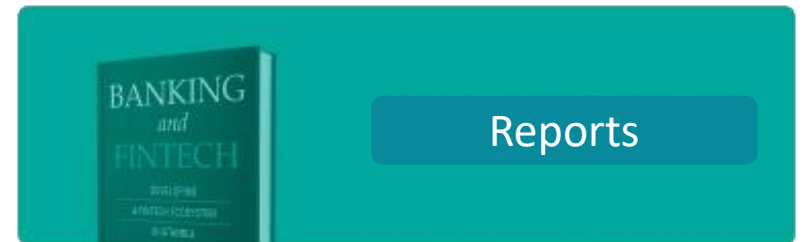
Contactless payment for
wearables



IoT

Contactless payment for
wearables

BKM supports the establishment of platforms for the healthy growth of the ecosystem



THANK YOU

TEŞEKKÜRLER