

MCI portfolio company official iPhone distributor in Turkey

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The company Indeks Bilgisayar, leader on the IT market in Turkey, has signed an agreement with Apple to distribute the iPhone smartphones. With this contract after the first nine successful months of 2013, Indeks expects further dynamic growth in Q4 and the through 2014.

Indeks Bilgisayar is a company listed on the Istanbul Stock Exchange, part of the Index Group, the largest group distributing IT equipment in Turkey. Precisely 12 months ago when Index signed a distribution agreement with Apple to sell computers and iPads, it intended to become one of the key partners of the American corporation. Now Apple having seen the leading role of Index on the Turkish market signed an agreement for the company's flagship product - the iPhone smartphone.

Companies from the Index Group recorded sales growth of 20% in the first nine months of 2013, compared to the respective period of 2012. The Group's results would have been even better, if not for the foreign currency exchange rate fluctuations in that period. Therefore, we predict that next year thanks to economic stabilization sales growth may be even more dynamic - said Erol Bilecik, President and one of the leading shareholders of the Index Group.

The priority of the group resulting from the new agreement is widening the availability of iPhones as quickly as possible. Index will begin distributing the Apple phones on the Turkish market in December 2013 through over 8000 points of sale around the country, with major retail chains probably playing the leading role. Index forecasts the new contract with Apple will bring the company additional revenues of USD125 million per year.

Signing the agreement to distribute iPhone smartphones completing the range of Apple products sold by the Index Group is a very important moment for the company. It is

another milestone in its development. We expect the new contract with such a renowned partner will enable the company to strengthen its leading position on the IT distribution market in Turkey – says Tomasz Czechowicz, Managing Partner at MCI Management SA.

About Indeks

Indeks Bilgisayar operates on the IT distribution market. Since 2001, the company is an unquestionable leader in the sale of IT equipment on the local market, with market share of about 27% and annual revenues amounting USD850 million, i.e. twice the scale of the runner-up. Index is also the eighth largest Turkish ICT company. It cooperates with nearly 8000 business partners. Since 2004, indexes listed on the Istanbul Stock Exchange.

In May 2013, MCI management signed the final investment agreement to acquire 20% shares in Indeks Bilgisayar (11,200,000 shares) from Erol Bilecik, the company's founder, majority shareholder and President of the Board of Directors. Payment will be made in three tranches of the first one done at a significant discount against market valuation. The total value of the transaction depends on the fulfillment of Index's ambitious forecasts for the years 2013 – 2014. The entity acquiring shares from Erol Bilecik is Alfanor 13131 AS, a subsidiary company of MCI.EuroVentures 1.0 subfund.