

18

2



22

# Contents



## News

- 4 TeliaSonera News
- 8 Kcell News
- 14 TOP 10 Kcell Achievements

## Event

- 6 Media Days at TeliaSonera

## Interview

- 10 Veysel Aral. He Is a Dangerous Man to Work With
- 22 Mikhail Lomtadze. The Money Shop

## 24 Thoughts Aloud

## Person

- 26 The Internet Bourgeois on Kaznet, a Start-Up and More...

## Photo Reportage

- 18 Tbilisi—City of Hot Springs page

## 16 Digest

## Business

- 36 What a Person Cannot Do Without

## Market

- 39 Samsung Note. It Is a Smartphone!

39



8



16



VOX.com

3



## TeliaSonera in January-September: Constant Growth in Profits and Sustainable Cash Flow

**TeliaSonera has reported** its business results for the first nine months of 2011. Thus, the company's net sales volume in local currency, not including amounts from the attraction of new clients increased by 2.7%. Commenting on the results of the company's business over these nine months, the president and CEO of TeliaSonera Lars Nyberg noted, "We are pleased to once again announce the successes we've achieved, and that despite the current macroeconomic uncertainties, we continue to maintain growth in all areas. Our cost reduction initiatives came to a dramatic close during the third quarter, and after the growth in expenditure seen over four quarters, we saw a decrease in the targeted base cost. Our EBITDA indicators improved 12 quarters in a row on a constant basis, and the profitability index (margin) at 36.8% became the highest indicator in the third quarter, starting in 2006.

The demand for our services is greater than ever, and our objective now consists in transforming this into monetary funds. At the end of the summer we launched a number of new offers in relation to the mobile data transfer system in order to completely satisfy the various demands

of our customers, keeping in mind the best relationship between the models utilized and monthly payments. In May, we lowered rates for data transmission when roaming in Northern Europe and the Baltics by a total of 90%. As well, starting in May data transmission volumes in roaming more than doubled. With time, similar offers will be available in other markets.

We have seen intensive growth in the Eurasian region over the third quarter: in Kazakhstan and Nepal we have 10 million and 6 million subscribers, respectively. In addition, it is great to watch interest grow toward mobile data transmission in these countries, and we have made up our minds to take up leading positions in data transmission in the regions where we provide these services. Ncell is already the leading Internet service provider in Nepal, and currently, 25% of Ucell's profits come from supplementary services.

One of the cornerstones in our strategy is to increase the interest share of our main companies. In some countries, mostly in the Eurasian Region, we possess a fairly low volume of economic ownership rights, even though we

have full control over the management of the companies. That is why I was very happy when we signed the Memorandum of Understanding with Kazakhtelecom on increasing Kcell's interest share in Kazakhstan by 24 percent plus one share in connection with the planned IPO.

Our first priority in the implementation of the agreement with Altimo is to resolve the legal conflicts related to Turkcell. Thus, the recent final ruling in our favour announced by the International Chamber of Commerce in Geneva and the resolution of the court of the British Virgin Islands in favour of Altimo are important steps in the right direction. The new decree of the Securities Market Committee in relation to corporate management principles, which states that the number of independent members of the Board of Directors of Turkcell must be increased to three, is positive and in complete harmony with the solution we have been trying to achieve for a long time. The increase in the number of independent members will resolve the dead-end situation and will serve as an obstacle for the minority blocking decisions made by the majority.

## TeliaSonera Eurasia

Announces Its Work Results in Q3



The company has reported that the company's branches in the Eurasian Region have once again met the goals set for them and have provided convincing proof that they have achieved success in the third quarter of 2011, considering the double digit growth in net sales volumes and the EBITDA index, amounting to over 50%. The number of subscribers in all the company's of the group in the Eurasia region has grown by 1.2 million, reaching 32.8 million in the third quarter. Nepal, Kazakhstan and Tajikistan have shown the highest growth in subscriber numbers, increasing by 0.6 million, 0.4 million and 0.1 million, respectively.

Commenting on the results of the activities of the branch, the president of TeliaSonera Eurasia Terro Kivisaari noted, "In the third quarter, we still faced the problem of an aggressive campaign of attracting new clients and price wars with our competitors in

the majority of the markets in the Eurasian Region. The winners in the long term will be those operators that are highly valued by and make the best impression on their customers. Gaining experience in the area of positive and stable service quality for customers is not only important for the company's branches in the Eurasia Region, but likewise occupies a visible position in the plans of the entire TeliaSonera group."

In Kazakhstan, the net sales volume in local currency increased by 16.4%, which was caused by a growth in the number of subscribers and the high rate of growth in the mobile data transmission volumes. During the third quarter, the number of Kcell subscribers exceeded 10 million and the company remains the undisputed leader in the area of mobile data transmission. Kcell's earnings from mobile data transmission more than doubled compared with the same period last year, and now equals around 8% of Kcell's overall revenue.

## TeliaSonera increases

its ownership  
in Kcell and prepares for IPO



TeliaSonera has signed an agreement with Kazakhtelecom to acquire 49 percent of the shares in GSM Kazakhstan LLP, operating under the brand Kcell. The purchase price is USD 1.519 billion. The transaction, which is subject to regulatory approvals, is expected to be finalized during the first quarter of 2012.

TeliaSonera has further agreed, subject to certain conditions, to sell 25 percent of the shares minus one share in Kcell in an Initial Public Offering (IPO). The IPO is expected to be completed during 2012. Depending on the share price development after the IPO, TeliaSonera may have to make an additional payment to Kazakhtelecom.

Presently, GSM Kazakhstan LLP is owned by Fintur Holdings (51%) and Kazakhtelecom (49%). Fintur Holdings B.V. is owned by TeliaSonera (58.55%) and Turkcell (41.45%). Once both steps of the transaction have been completed, TeliaSonera's effective ownership in Kcell will be 61,74%.

"This transaction is another step in the execution of our strategy of increasing ownership in core holdings. Through this transaction TeliaSonera increases its ownership in Kcell, a company where we already have management and operational control. Kcell is a clear market leader in Kazakhstan, the largest market in Central Asia, and has shown remarkable growth over the years. The fact that part of the company will be sold in an IPO will make it even more attractive", said Tero Kivisaari, President, TeliaSonera Eurasia.

# СКИДКИ В РОУМИНГЕ в странах TeliaSonera\* и Турции!

до  
80%

 Kcell

\* В сети рекомендуемого оператора в странах:  
Таджикистан, Узбекистан, Грузия, Дания, Испания, Латвия, Литва,  
Молдова, Непал, Норвегия, Финляндия, Швеция, Эстония, Азербайджан.  
Подробнее: ☎ 8 (727) 258 83 00 📞 9090 🌐 www.kcell.kz

# Media Days at TeliaSonera

In November 2011, journalists covering telecommunications from different corners of the Eurasian Region gathered in Stockholm. The press representatives were invited to meet with the top management of TeliaSonera. This invitation was of interest to us because the company is the main owner of the Kazakhstan mobile operator Kcell

## EVENT



**We were invited for two days**, because the TeliaSonera's Eurasian Media Days program was intense. To start with, we were told about the history of the company by the Senior Vice President for Corporate Communications Cecilia Edstrom.

### A BIT OF HISTORY

TeliaSonera is a company with an interesting and rich history. It takes its origins in the distant year 1853 with the royal telegraph agency Telia, which subsequently became a landline operator before becoming a mobile operator in the twentieth century. Telia hooked up its first phone in 1877, becoming the first fixed-line operator in Sweden. By 1890, it served close to 20,000 telephone numbers across the country.

Telia's development in the 20<sup>th</sup> century is no less impressive. Starting in the fifties, the company became one of the pioneers in mobile communications, and gained the right to be called a trailblazer in the mobile telecommunications industry. Starting in the late 1970s, this operator has focused on a number of areas, including both fixed-line and mobile networking.

The history of TeliaSonera begins in 2002, when Telia in Sweden and Sonera (*the Finnish mobile operator*) united to create one of the largest telecom companies in Europe. Based on data as of November 2011, TeliaSonera is the fifth largest European mobile operator. "We provide our services to more than 160 million clients, we have nearly 30,000 people working for us, in 2010 our sales were worth ap-

proximately 16 billion dollars," noted Senior Vice President for Corporate Communications Cecilia Edstrom.

### "MULTIPLYING VALUES TO CREATE A WORLD WITH NEW OPPORTUNITIES"

This is the main work principle of the whole TeliaSonera family. This can be seen in the fact that the company was the first operator in the world to commercially launch the fourth generation network, providing people with the capabilities of an absolutely new network technology based on fast data transfer. "In reality, if you count up all the generations of networks since voice connections were done manually by the telephonists, then today we are not using the fourth network generation but the seventh," shared Tommy Ljunggren, TeliaSonera's Vice President for Mobile Services Development. He was the second speaker to address the journalists and give us his personal opinion of how mobile networks have evolved over the generations. "Currently, all operators in Sweden offer 4G, but if you look at coverage area, TeliaSonera is the obvious choice. Because coverage area is the main criterion based on which people in any country of the world choose their operator. We offer high quality at an affordable price. That is what makes us unique," Ljunggren said.

### EURASIAN SCALE

Despite the fact that it operates in 20 countries around the world, TeliaSonera does not consider itself a global company. "We want to be a company with world-class features and services in every market where we work, regardless of whether it is Nepal, Georgia or Kazakhstan. Even now, the operators in the TS family have access to the innovative experience of the international group, and to the technological leadership and financial strength of the international company, which enables us to introduce technologies early in each country where we operate," noted Cecilia Edstrom, giving the floor to Mr. Terro Kivisaari, the President of TeliaSonera Eurasia.

In the Eurasia region, the company controls shares in the leading mobile operators in Kazakhstan (*Kcell*), Azerbaijan (*Azercell*), Moldova (*Moldcell*), Georgia (*Geocell*), Tajikistan (*Tcell*), Uzbekistan (*Ucell*) and Nepal (*Ncell*). These companies serve more than 32 million subscribers. TeliaSonera is also one of the largest minority shareholders in Russia's MegaPhone and Turkcell in Turkey.

Talking about the company's plans for the future in this region, Terro Kivisaari noted, "We are striving to increase our share in local companies. For example, in Uzbekistan we increased our share to 94%, as in Nepal. In addition, we intend to increase our share in Kcell. I hope that in the near future we will be able to make a few more additions to our portfolio."

With regard to the development of TS's business in Kazakhstan, the President of TeliaSonera Eurasia noted that at the current time this is a highly competitive market. "An in-

tense battle continues in the lower price segment, which is totally natural for this segment. At the same time, Kcell's rates look very attractive in comparison to those offered by our main competitors. But unlike our colleagues in the market, we offer better quality and coverage. I would like to especially stress the fact that the company does not plan to initiate price wars. The most important to us is that Kcell is of value to our subscribers. It is an interesting fact that the most recent market research showed that from time to time, Kcell subscribers try, I should say "test out", the services of our competitors, after which they decide to stay with us. As long as we continue to provide good quality and good service, our market share will remain stable in terms of revenue. We continue to invest in technologies and we don't make mistakes, so we are confident in our positions. The market tests our strength every day, and we have stood strong and held onto the leading positions. I know that Kcell is the best operator and will remain such. Ordinary users of our services prove that every time they press the call button."

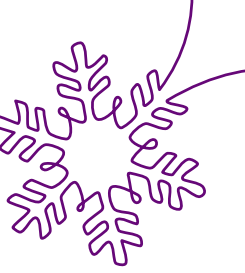
### TELECOM SIGHTSEEING

The second day was dedicated to a cultural program. In Telia Store, Telia's flagship store in Stockholm, we were shown the newest mobile technologies integrated into the life of everyman. For this, the interior of a modern apartment was recreated in the store, where the appliances were operated using a mobile phone, or more specifically, high-speed mobile Internet. In our opinion we cannot expect these wonders to be available here for ten years, at least.

We also went to the Telecom Museum. It is amazing that voice communication technology is only 150 years old, but there is already a museum. And don't think that the museum is one of those "Do not touch" places. On the contrary, everything is as accessible as possible, and you can even touch some of the exhibits. There is even a children's media lab here, where schoolchildren create programmes and broadcast them over the television or radio waves. And we, being journalists with major experience working in television studios, did not hold back and also tried our hand at being cameramen and show hosts.

But more than anything, I was surprised by the visitors to the museum: not tourists, but local residents, schoolchildren, and even the heads of households dragging three- to five-year-old toddlers behind them and pushing a stroller with a baby in it too small to walk!

The overall impression in Stockholm is that it is a city of bicycles, of open curtains, of museums and restaurants full of visitors. It is the hometown of new telecommunication technologies. It is a city where I most certainly will return. ●



## Kcell and Activ Continue to Lead in Kazakhstan Consumer Satisfaction



According to the study conducted in 2011 by the EPSI (European Performance Satisfaction) European Agency, Kcell and Activ customers are the most satisfied in the work done by their operator and have the highest levels of customer loyalty.

Despite the overall drop in customer satisfaction and loyalty indices in the industry back down to 2009 levels, loyalty indices to Kcell and Activ have not suffered.

and mobile operators is based on five satisfaction aspects: image, product quality, customer expectations from the company, service quality and the relationship between price and quality. An in-depth analysis of 2011 average data for the industry as a whole has shown that customers perceived an improvement in service quality and the quality of provided services.

EPSI ratings are also set for the corporate segment in the client base

Brands	Satisfaction index			Loyalty		
	2009	2010	2011	2009	2010	2011
Kcell	74,5	82,7	79,1	75,2	83,4	81,1
Activ	77,9	81,8	80,6	78,9	83,7	81,7
<b>Average indicator for the industry</b>	76,9	81	77,5	78,5	82,2	78,6

The EPSI study also noted that over the past three years, consumer behaviour in Kazakhstan has changed slowly. An intensification of competition and growth in the level of penetration of cellular networks, as well as the great variety of offers have slowly made it more and more difficult to retain customers through anything except levels of satisfaction.

The analysis of the history of relationships between consumers

of Kazakhstan's mobile network operators. The 2011 study showed that Kcell remains the leader in terms of customer satisfaction and loyalty, and also leads in terms of service quality. As in the mass market segment, customer satisfaction has a direct impact on the selection or replacement of a corporate operator.

You can learn more about the results of the study on the EPSI website: <http://www.epsi-russia.org/>.

## Financial Support Provided by Kcell for the First Kazakhstan South Pole Expedition

In early December the first Kazakhstan vehicle-based South Pole expedition set off from Novolazarevskaya Polar Station. Financial support for this project was provided by the country's largest mobile operator, GSM Kazakhstan/Kcell

A team of Kazakhstan scientists, including Nurlan Abduov, Ordenbek Mazbayev, Berik Baimagambetov, Konstantin Orlov and Sergei Bodrov, will cover 2,308 km by automobile and will reach the South Pole on December 16, the date of the 20th Anniversary since the Republic of Kazakhstan became independent. Along the way, the scientists will have the unique opportunity to conduct practical research on the natural and climatic conditions of the White Continent.

Thanks to the financial support of GSM Kazakhstan/Kcell all Kazakhstanians are able to keep track of this historic event, receiving information directly from the participants in the expedition through the Web page, Facebook (<http://www.facebook.com/#!/kazgeokz>) and on Twitter @kazge.kz. The organizers of the expedition



will also be able to get in touch with the conquerors of the South Pole over the mobile network.

Moreover, GSM Kazakhstan/Kcell developed an SMS news service, free of charge, in order to communicate with its participants. And today, Kazakhstanians can read notes on the trip sent by the members of the expedition by SMS, and even ask them questions. To do so, all you need to do is send a free text reading +@pole2011 to the number 1140. For example: @pole2011 What do you do for recreation? It's free to send and receive the texts.

The authors of the best questions, which will be chosen by the participants in the expedition themselves, will receive a prize from GSM Kazakhstan/Kcell.

Aida Dossayeva, the Director of Corporate Communications at GSM Kazakhstan/Kcell, commented on the company's participation in this project, "It is a great honour for us to provide Kazakhstanians with the opportunity to become direct participants in the expedition and get these gripping and true accounts of the conquest of Antarctica first hand. The most exciting moment, both for the travelers as well as for those cheering them on back in the motherland will come on December 16, on Kazakhstan's Independence Day. In honour of this date, our country's flag will be hoisted on the South Pole on this day. We are especially pleased, because Kcell's flag will be held next to it. We are proud of our rich history of cooperation on and support for projects in the fields of science, art and sport in the country. Through these efforts we aim to do our best to contribute to the development of genuine feelings of patriotism and pride for their country among Kazakhstan youth."



## The Kcell MyPaykz Mobile App Is up and Running

The Kcell MyPaykz service allows Kcell and Activ subscribers to purchase goods and services using their mobile phone, using funds in their bank account, whether in Kazakhstan or beyond (when roaming). In order to use the service, you will need to install the Kcell MyPaykz app on your phone. You can download the application from wap.mypaykz or from the official Kcell MyPaykz website, links to which are available on [www.kcell.kz](http://www.kcell.kz) and [www.activ.kz](http://www.activ.kz) in the Services section, as

well as on the [wap.kcell.kz](http://wap.kcell.kz) and [wap.activ.kz](http://wap.activ.kz) portals. In three simple steps, you can link your Visa International and MasterCard International cards from any bank in Kazakhstan.

This service is a joint venture between GSM Kazakhstan/Kcell and Intervale Kazakhstan, LLP ([www.intervale.kz](http://www.intervale.kz)). The app in three languages, Kazakh, Russian and English, is available for regular cell phones, as well as for smartphones running Java, Symbian, Windows Mobile and Android.

## "Unlimited Internet": Stop Worrying – Get Downloading!

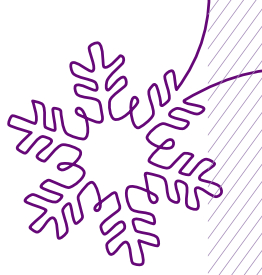
How many megabytes? Which rate is the cheapest? How much traffic do I need today? Now you don't have to find answers to these questions. With the new

"Unlimited Internet" promotional service, Active and Kcell subscribers can keep in touch with their friends on social networks, read emails, watch online broadcasts,

listen to music, and download audio and video clips without thinking about the cost of traffic. "Unlimited Internet" comes in three varieties: "Smartphone", "Tablet" and "Modem".

Type of service	Monthly subscription fee	Included traffic at maximum speed	Access speed after included traffic has been exceeded	How to sign up
"Smartphone"	990 tenge	1 Gb	Up to 32 Kbit/s (= up to 4 Kbyte/s)	<ul style="list-style-type: none"> <li>*444*2*1*1#OK</li> <li>• Text "smart" or "smartphone" or "смаpтфон" or "990" to the number 2002</li> </ul>
"Tablet"	1 990 tenge	4 Gb		<ul style="list-style-type: none"> <li>• *444*2*1*2#OK</li> <li>• Text "tablet" or "планшет-ник" or "таблетка" or "1990" to the number 2002</li> </ul>
Modem	3 990 tenge	10 Gb		<ul style="list-style-type: none"> <li>• *444*2*1*3#OK</li> <li>• Text "modem" or "модем" or "3990" to the number 2002</li> </ul>

The first monthly subscription payment is charged at the moment you set up. The next subscription charge comes 30 days after signup. In the event that funds in the account are insufficient to cover the subscription fee, it is charged within three days. If the subscription fee cannot be paid within three days, the service is disconnected. You can sign up for the promotional "Unlimited Internet" service up until March 15, 2012. For more details, visit [www.kcell.kz](http://www.kcell.kz) and [www.activ.kz](http://www.activ.kz)



# Veysel Aral

## He's a dangerous man to work with

Natalia Eskova

He forgives mistakes only once, and is of the opinion that failure is not an option in business. That being said, he advises his team not to ask for permission, but for forgiveness, and he is of the view that competing with the leader in an industry is simply not worth the effort. Nevertheless, despite all these contradictory opinions, he is an unbelievably well-balanced person

### LEADERS ARE REMEMBERED FOR THEIR HUMANITY AND MORALITY

Perhaps it is his multitude of contradictions that enable him to run a company with annual revenue of close to \$1 billion. Today, Kcell is clearly the mastodon of the industry, unthreatened by the contrivances of its competitors both old and new. But few are aware of the fact that Kcell's unbeatable position as the largest and most successful cellular operator in Kazakhstan was established under this particular top manager. One can just recall that in 2007, when Veysel Aral became the head of Kcell, the business was in dire need

of change: its market share shrank under pressure from a strong competitor. The company had to act, and it had to act quickly and decisively.

#### — From what did the fateful changes in Kcell start?

— All change starts from within. It's impossible to be the best if the company's internal processes are holding innovation back. That's why we set ourselves a difficult goal: to become the best inside the

# Kcell

company in order to be the best outside. And we did this for the sake of our customers. After all, they are our company's primary asset. I might add that this internal revolution was quite a difficult ordeal for me. But if you don't give up, if you truly believe in success and at the same time can convince others that it's possible, than you will achieve your goals sooner than you expect. Nearly all of Kcell's business procedures were re-constructed, the corporate culture changed and a new management team was formed over a period of three years. I was lucky to find the right kind of people inside the company; all I had to do was look. The managers did not immediately have faith in my ideas for transforming the company and creating a strong management team. But this had changed within a year. In the process, we were of course confronted by those who could not handle the new challenges and difficulties and we had to say good bye to these people.

*Veysel Aral is convinced that the role of the head of a company is akin to that of the conductor of an orchestra made up of a large number of specialists with various abilities and talents. If the conductor keeps the various specialists "playing" together in perfect time, then the objective will of course be achieved. This is what large organizations require. Veysel Aral feels that the human factor is very important in business. Otherwise, company becomes dominated by cynics, whose human qualities and moral values leave much to be desired. This inevitably leads to total failure.*

— Mr. Aral shared some of his management secrets, including: "What is dangerous about working with me is the emotional attachments that can arise. Of the many qualities that enable me to manage the best professional team in the field, I'd like to draw your attention to two. First, I ensure that anyone who works with me becomes emotionally attached to the company making it difficult for them to simply up and leave."



Second, I maintain an open policy of 'positive discrimination', providing incentives to enthusiastic staff members."

#### FAILURE IS NOT AN OPTION

At GSM Kazakhstan/Kcell, everyone knows their CEO's business philosophy's three key principles of their. The first is: Failure is not an option.

#### — Isn't that too tough to accomplish?

— In our business, we are always focused on success and we don't think about failure. I can forgive my colleagues for insignificant mistakes, if there was no intent to cause harm. But I can only forgive a mistake once. If it repeats itself, the person must leave.

*The second principle is just as simple: It is easier to ask forgiveness than permission.*

#### — But a person should nonetheless keep in mind that you only forgive once?

— Of course (*laughs*). Taking initiative is always encouraged in our company, regardless of where it's directed. I think that if you believe in what you do, you should just go and do it! If something goes wrong, say: 'I tried my best; forgive me.' In business, sometimes simply getting permission is not enough to make a great idea a reality. After all, there are a lot of people out there that you have to convince if you want their consent. But in the meantime, you might miss the crucial moment! So I allow my colleagues the chance to try things. Of course we don't always succeed at everything. And all our staff know that they won't get a second chance to make a mistake.

*The third principle: "It is not worthwhile competing with the industry leader."*

#### — In other words, you shouldn't allow yourself a glance at the leader?

— On the contrary, keep totally focused on the leader, and be especially attentive to what the leader can do to make you better. Maybe something will come in handy (*smiles*). It's true of any business that by stepping on the leader, you risk everything. If our competitors want to attain the lead, they will have to pay very dearly, and I don't think they can afford it. Stable growth in the mobile operator business is directly dependent on investment. Accordingly, investors are always oriented towards returns on their investment. A business must be organized sufficiently well in order to satisfy both the market and its investors. Under these conditions, the battle for leadership becomes all the more bitter. Competition with a large company is a costly affair, unless your aim when you began working for the cellular operator was charity. After all, in the end, all operators are commercial organizations which work to gain a profit.

— Speaking of business philosophy, I'd like to stress that my philosophy is inextricable from my moral values. For me, these are fairness and honesty. Everything we achieve in life 'on paper' — our diplomas, assessments, certificates and languages learned

### I CAN FORGIVE MY COLLEAGUES FOR INSIGNIFICANT MISTAKES, IF THERE WAS NO INTENT TO CAUSE HARM. BUT I CAN ONLY FORGIVE A MISTAKE ONCE. IF IT REPEATS ITSELF, THE PERSON MUST LEAVE

— most certainly help us achieve a certain level of success. However, in order to go further, we must have certain human qualities, because, at the end of the day, a man is remembered for his values.

#### IN ORDER TO UNDERSTAND THE FUTURE, WE MUST METICULOUSLY STUDY THE PAST

#### — You know, you are unique as a CEO in your ability to combine aggression with compassion. What formed you into this type of person?

— There were two stages in my life that helped me become the person I am today. These were my education in a specialized railway school and the same in the Middle East Technical University. I grew up in a small town on the western shore of the Black Sea. It was there that I finished high school, and then, having passed a few exams, I got enrolled in a professional railway-sponsored college. My father was totally opposed, because he had gone the same route and for various reasons did not want the same thing for me. This was a boarding school for boys and Turkish National Railways paid all student costs, including food, clothing, shoes, books and stationery supplies — absolutely everything. Accordingly, we were required to go to work on the railroad after graduation.

*Veysel Aral's leadership qualities became apparent when he was still in school. Although small in stature, and not in the least athletic, he earned everyone's respect. His friends came from different groups, even those in conflict with each other. All of them respected their fellow student for one important quality. He collected and analyzed all kinds of information received from different sources and from all sides of a conflict. As a result he gained the ability to see the bigger picture. Furthermore he was unequalled at arguing.*

— To answer your question about what made me the person I am today, I can say that it was the school I attended. I was alone there but had to survive. Sometimes I had to fight, share my food and tell those around me about my concerns and feelings. But there is no other way to make true friends.

*Having worked for a time as a technical specialist on the railroad, Veysel Aral decided to continue his education and enrolled in the Middle East Technical University. Since he had worked for Turkish National Railways, he was assigned to the Engineering Department, where he studied Engineering Physics. This university is still considered one of the best in Turkey and in the region as a whole. He was only twenty years old when he graduated from the institution.*



— Given the choice, I probably would have studied history. I consider it to be the foundation on which everything else is built. I also think that the teaching methods currently supported by governments of various countries unfortunately miss the mark with regard to what is required to foster the new generation's interest in this most fascinating subject. History is, after all, not simply a list of dates. Physicists often say that everything in nature is constant and that everything has happened before. This pertains to history as well: you cannot erase or skip any link in

the chain of events just because you don't like it. Regardless of your position on the matter, the event has already occurred. I'm certain that in order to understand the future we must closely study the past.

#### — Can you say with certainty that you are a fully formed person? Can you tell us what success has taught you?

— In some sense I've been very lucky. I had the opportunity to work with people whose names have become legendary in the sphere of mobile communications in Turkey. I learned a lot from them. One's boss plays a key role in the career of any manager. After all, you can spend your entire career unnoticed if you lack managers oriented towards the future to guide you.

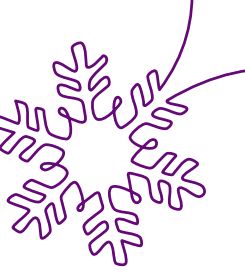
#### BE AS NATURAL AND IMPERCEPTIBLE AS THE AIR.

#### — Not long ago, a memorandum was signed on GSM Kazakhstan/Kcell's IPO. Can you tell us about this in more detail?

— I can only give you a general picture. The idea came from President Nursultan Nazarbayev, who wanted to see a company that could accelerate economic growth and at the same time facilitate the development of Kazakhstan's stock market. From this perspective, the upcoming IPO is absolutely substantiated and rational. After discussions and negotiations, on September 21 our two shareholders, TeliaSonera and Kazakhtelecom JSC signed a memorandum of understanding, under which TeliaSonera would own 75% plus one share of Kcell, while the remaining 24% — plus of shares would be offered for trade. The memorandum of understanding is a legally binding document.

#### — And the final question. Mr. Aral, what is your vision of Kazakhstan's future over the next five years?

— This is a serious issue about which many have concerns. Currently, the country's economy is focused on the energy sector. Kazakhstan needs to diversify in order to overcome this dependence on natural resources. President Nursultan Nazarbayev constantly talks about this. Bearing this in mind, Kazakhstan's future seems bright to me. Look at the global economic forecast for the next 15–20 years and you will see a growing role for such industries as the food industry, food storage and transportation. Kazakhstan produces very high quality grain and has a huge potential for exporting cereal crops, including wheat, and other food products. In 15 years, Kazakhstan will occupy an important position in the global economy, not only in terms of oil and gas production and the production of metals such as uranium, chrome and aluminium, but also with regard to agricultural production. For our part, Kcell will continue to provide telecommunications services, which I like to compare to breathing. After all, we don't think about it until we lose access to it. It's the same with cellular service: we don't appreciate it until it's cut off. And it is my hope that our presence in Kazakhstan remains just as natural and imperceptible for you as air. •





# Kcell achievements 2011



1

**Kcell: Official Mobile Operator of the 7th Asian Winter Games**

The company was the only mobile network operator in Kazakhstan that was selected as the supplier of network services during the 7th Asian Winter Games on the basis of such criteria as quality and reliability, as well as the best supplier of corporate network services. Services were provided for 6,000 participants, guests and volunteers, including voice calls and 3G Internet. For the first time, during the Asiada, 56 security cameras provided video surveillance at the sporting facilities in Almaty via the 3G network.

2

**3G Now Available in 31 of Kazakhstan's Municipalities**

This number includes Astana and Almaty, as well as all the oblast centres, a number of cities with populations close to 100,000 and some villages. To achieve this, the company has set up over 1,000 base stations, the process of the development of the 3G network is actively continuing. Next year, the third generation network will become available in towns with populations of 50,000 or more.

3

**Data Transfer Rates of up to 14 Mbit/Sec in the 3G Network**

Kcell is focused on improving data transmission speeds in its networks, the company is interested in launching the latest technologies in Kazakhstan. Therefore, Kcell's 3G network is offered in the most recent version of the standard, 3.5G, also known as HSPA+. Data transfer speeds in HSPA+ reach a maximum of 21 Mbit/sec.



5

**10 Million Subscribers Choose Kcell and Activ's High Quality Network**

In 2011, the company has posted stable growth in the number of clients. Compared with 2010, the subscriber base of the company grew by close to 1.5 million subscribers, reaching 10 million in 2011. The company is striving to give Kcell and Activ subscribers the ability to use mobile network services to an even greater degree. Therefore all the company's proposals in 2011 were focused on two main directions: at reducing the average price per minute of talk and at increasing call duration. This approach has already brought results, and therefore the volume of consumption of the services of the company is constantly growing. This means that the accessibility of mobile communication is becoming more and more apparent for all categories of consumers.

7

**0.05 Tenge per Minute of Talk Within the Network**

That is the price offered by the "Daytime unlimited" rate from Activ. From 01:00 to 18:00, subscribers have access to 17 hours of unlimited talk on their mobile phones within the network. And this is including the most active time of the day! The rates have also been lowered for Kcell subscribers, now they are 11 tenge anywhere in Kazakhstan under the "11" rate plan.



9

**94% of Populated Areas Now Covered by Kcell Network Signal**

In total 4901 towns and settlements are located within the coverage area of the network. To provide stable and quality services to such a large territory, the company has set up almost 5,500 base stations. The total volume of investments in the development of the network in 2011 amounted to close to \$160 million.

10

**94% of Villages with a Population of 1,000 or More Have Access to the Kcell Network**

Under its licensing obligations, the company must provide all villages with a population of a thousand people or more with network services by 2012. Currently, the Kcell and Activ network is available in nearly all villages with a population of 5,000 or more, as well as in 98% of villages with residents numbering 2,000 people or more.

4

**First Call Placed Using the LTE Standard**

The company continues its successful testing of LTE. The first tests were conducted in August 2009. In July 2010, an operational LTE station was launched in Astana in honour of Operator's Day. In January 2011, a test demonstration of LTE technology was put on for Kazakhstan's Prime Minister Karim Masimov. In September of this year the first call was placed using the LTE standard. The Company is ready to put TeliaSonera's unique experience into practice in Kazakhstan. TeliaSonera was the first operator in the world to commercially launch of LTE two years ago, in Sweden.

6

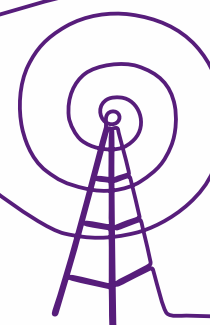
**Over 50% of Company Subscribers Use Mobile Internet**

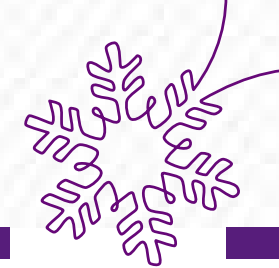
The Company has brought a number of offers for mobile Internet to market, the majority of which have become real hits. In 2011, the trend of active growth in the consumption of data transmission services continues to grow.

8

**Kcell and Activ Are Once Again the Leaders in Kazakhstan in Terms of Subscriber Satisfaction**

This has been confirmed by a study done by the EPSI (European Performance Satisfaction Index) European Agency conducted in 2011. Kcell and Activ customers are the most satisfied with the work done by their operator and loyal toward it. Despite the overall drop in the level of customer satisfaction and loyalty in the industry back to the levels of these indicators recorded in 2009, the loyalty indices of Kcell and Activ have not suffered. At the same time, as was stressed in the EPSI report, the loyalty index directly correlates to future consumption of services by customers. In accordance with the study, approximately 20% of consumers of Kcell and Activ services are ready to expand their use of the services provided by their operator.





## Syria Has it in for Apple

Apple, which has recently taken great pains to prevent the sale of Samsung's Galaxy Tab 10.1 wherever possible, is now faced with a similar lot. According to BBC reports, Syria has banned the sale of the iPhone at a national level. These measures were taken for the purposes of state security and to prevent sensitive information from leaking out of the country. The BBC refers to Lebanese and German media, which were the first to find out about the order from a statement released by the customs section of the Syrian Ministry of Finance, "National authorities have warned everyone not to use the iPhone in Syria."

If the document posted on the site of the Lebanese news channel el-Nashra is genuine, it means that Syrian authorities are threatening confiscation and criminal investigation of anyone discovered using an iPhone. Presumably, importing the device into the country would also be forbidden.

Sources from the Syrian opposition in Beirut confirmed the ban to a German press agency. It seems as though the ban does not affect other smartphones, although other devices also provide Internet access.

We should remind you that the majority of international media were banned in Syria when the uprising there began.



## The Thinnest Camera in a Smartphone



Apparently Japan has once again justified its position as a leader in technical progress, having outpaced the whole world with its announcement that Sharp has developed what they refer to as the "thinnest optical camera for smartphones in the world". Despite its dimensions 11.0 x 11.0 x 5.47 mm, the Japanese

invention has a 12.1-megapixel sensor.

The 12.1-megapixel Japanese camera is equipped with a backlight, provides image stabilization and is also capable of shooting 1080p Full HD video.

The company plans to launch the mass production of the device in January 2012, but before that starts, Sharp plans to equip two Android smartphones with the novelty: Sharp Aquos Phone SH-01D and Sharp Aquos Phone 102SH. This is expected to happen before the end of this year.

We can only hope that the company will hand out licences to other smartphone manufacturers to use the technology, which could lead to the production of even thinner devices.

## Book About Jobs Released in Russian

The Russian translation of Walter Isaacson's book Steve Jobs has been released. "We tried our best to make everything the best it could be, and

we accelerated the process to save you from waiting for too long," representatives of Corpus publishing reported. The original English-language version of the book has already become a global bestseller.

It is 640 pages long. The biography of the legendary figure is based on conversations between Walter Isaacson and Steve Jobs, his relatives, friends, enemies, competitors and colleagues. The book's author states that Apple's co-founder did not control him and answered all the questions honestly.

If you recall, a particular excerpt from the book went viral, where Jobs states that he wanted to destroy Android, even if he had to spend all of Apple's money.



## Devices of the Moscow Underground

Of course, Kazakhstan's first subway has a long way to go before it reaches the scale of the Moscow metropolitan. A survey from the SmartMarketing analytical group observed the user bases of mobile electronics among passengers in the Moscow metro to reveal the most useful ways of killing time periods when you are forced to be idle, for example when you are on your way home.

In the view of the analysts, the percentage of passengers using mobile electronic devices

amounts to an average of 27.6%, while the majority of these are listening to MP3s (62.4%), smartphones and featured-phones make up 32.0%, 17.5% are made up of wireless information devices (WID), while e-readers make up 32.4%. Other devices (notebooks, video players and tablets) comprised 5.7%. Added up, this comes to more than 100% because each passenger may have more than one device.



## Beware of Crooks!

To make sure the holidays are not darkened by any cloud, let's take a moment to reflect upon mobile crooks, or to be more specific, to discuss a new type of scam. Citizens' email addresses are targeted by spam advertising "Keep connected on New Year's eve", "Make it through to everyone" or "No network? Be a VIP" and so forth. You are asked to fill out a form where you enter your telephone number to be added to a "white list" of sorts, which supposedly provides the subscriber with a guaranteed connection to his or her relatives, friends and acquaintances on New Year's Eve. Subscribers that take the bait have their numbers registered through a specially created site by

sending a number of SMS messages, each of which costs from 500 to 600 tenge (depending on the cellular operator).

The principle behind the trickery resides in claiming to subscribers that all the leading cellular operators shut off their main equipment over New Year's Eve, leaving only the back-up equipment on (supposedly for the aforementioned "white list" of numbers). According to the press service of GSM Kazakhstan/Kcell, on holidays, and especially on New Year's Eve, all the company's technical resources are mobilized to the maximum. It is senseless to even talk about the main equipment being shut off. Moreover,

## Mobile Cardiology



One Russian operator, in cooperation with the Healthcare Department of Voronezh Oblast announced the implementation of an innovative telecom project directed at resolving the issues surrounding the prevention of cardio-vascular disease. Up until the end of 2011, the region's whole ambulance fleet will be provided with mobile cardiographs equipped with SIM cards.

Using the innovative telemedicine project, ambulance paramedics are able to quickly send electrocardiograms to cardiologists while still on the road to get consultations and correctly interpret the ECG readings. This

makes it possible to quickly and accurately diagnose the patient and render quality emergency assistance directly onsite. The ECG readings are sent from the electrocardiograph over mobile channels using machine-to-machine technology, and the information is received by the attendant on duty at the hospital.

In each region, an average of 1,000 cardiograms are sent each month, among which 100 cases of disturbed cardiac activity are discovered, and in 60 of them the decision is made to hospitalize the person. What is most important, though, is that behind this number stand thousands of lives saved.

the technicians, headed up by the Director of the Technical Department are all on hand on New Year's Eve, ensuring that our subscribers have network service. Over the first hour of 2011, Kcell and Activ subscribers placed over 9.2 million calls and sent nearly 2.5 million texts.

Kcell asks its subscribers to be wary of texts received from strangers, and to make sure to double-check the details when information on operator services and offers from unofficial sources is received.



# Tbilisi — City of Hot Springs

## PHOTO REPORT

There are places in the world to which a visit, despite one's irresistible desire, seems simply unreasonable. This is often because these locations are not included in the Top-10 most visited places in the world and because these places are not featured in picturesque TV advertisements. More is the pity, however, because these places are worth visiting for several reasons: the people, the music, the mountains, the sun, the history, the cuisine... Of course, we are speaking of Georgia

Natalya Eskova  
Text and photographs

**MY ACQUAINTANCE** with Georgia began in Tbilisi. I had for many years dreamed with all my heart of visiting this country. This was not by chance: It just so happened that my mother's grandmother had married a Georgian and lived her whole life in this country. My grandmother lived there until the age of 18. Apparently my love for Georgia was inherited from her. This explains the immense pleasure I felt while travelling.

### MOUNTAINS AND SUN

While flying to Tbilisi, you see the majestic and monumental snow-covered peaks of the Caucasus. Seeing these, a pair of verses from the classics of Russian poetry, learned at school, sprang to mind. By the way, the Lermontov monument is still located along one of highways connecting Tbilisi to the Black Sea coast, but it is no longer identified by a plaque.

In Tbilisi, the mountains surround you on all sides. In the town of Mzhet, the sightseeing platform near the 6th century Javari church offers a very beautiful panoramic mountain view. The Javari

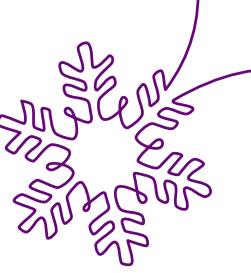


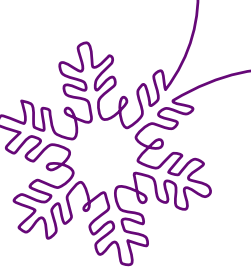
temple (*Temple of the Holy Cross*) is located on a high mountain, therefore also giving a wonderful view of Tbilisi and the junction of two magnificent rivers: the Aragva and the Kura. The complex was built very close to the edge of the cliff, which is why the building can be seen from all sides and from a great distance. It looks fantastically beautiful. The temple appears as a continuation of the mountain on which it is situated, giving the impression of having been constructed many centuries ago.

Tbilisi is spread across a mountainous area. Long ago, a primeval forest — a favorite destination for royal hunting trips — occupied this area. According to legend, during one of King Vahtang Gorgasali's trips a royal falcon was chasing a pheasant, and both the birds vanished in a gorge. When the king descended the canyon, he saw that the falcon and the pheasant were both boiling in a bubbling hot spring. This was one of the sulfur springs that can now be visited at the famous Abanotubani sulfur bathhouses in Tbilisi. The king liked the place and ordered the establishment of a town. The town later became known as Tbilisi, which means "the City of Hot Springs." This name fits exactly the main feature of this very warm and sunny city. Inclement weather does not linger here more than a couple of days, or at least that is how it seemed to me. We arrived in Tbilisi while it was raining heavily and the wind was blowing, but the next morning welcomed us with sun shining through all the windows and a heavenly clear blue sky.

### HISTORY

In general, this is an area with a rich history. This is true too of Tbilisi and its suburbs, which have preserved the pages





of their history. Walking along the city streets, you feel the historical spirit, particularly in the fascinating and charming old city. Even those buildings in need of restoration look like they are taking a graceful, 19th century welcoming bow. At the same time, luxurious modern cars rush nearby at crazy speeds.... I was particularly struck by the harmonic synergies between the centuries-old history and the present. For instance, the famous Shota Rustaveli Avenue hosts modern five-star hotels in 20th century buildings, yet is within a five-minute walk from the 19th century Opera Theatre, itself surrounded by trees. Near the theatre you will find the Contemporary Art Gallery and a square housing modern sculptures; a little further is an ancient temple, and, on the opposite side of the street, the Georgian parliament building. Moreover, everywhere you look small, modern-style sculptures will catch your eye.

**MUSIC AND PEOPLE**

One acquaintance, who was flying to Georgia with his wife for a friend's wedding, told me before boarding the plane: "Georgia is a country which owes its popularity mainly to good



public relations. The wine, the Borjomi water, the cuisine, and, lastly, the men!" I would add to this well-articulated list Georgian music. The day before my departure, I dropped in at one small boutique. I have a habit of purchasing albums as souvenirs from the different countries I visit. The vendor was quick to fetch me a CD of the Rustavi Chorus. We spent the next one and a half hours for listening to music, sharing impressions and discussing the modern classics, jazz, ethno-jazz and film scores. Of course, we also discussed the excellent Georgian music. I learned from this man that the play "The Battle of Stalingrad" was showing at the Rizo Gabriadze Theatre, and I was very lucky to watch this. I also discovered that many of his talented countrymen create art-house movies in France, Italy and Germany and that their most famous actor — according to my interlocutor an outstanding King Lear — had died the day before. Thousands of people accompanied him, applauding, on his last journey. Furthermore, the vendor revealed himself to be a filmmaker and an actor. Thus we spoke about Georgia using a shared and mutually-understood language. Later, when we asked our minibus driver where we could sample Georgian cuisine, he — a man we had never met before — asked: "Hey, are you from Kazakhstan? How great that you've come here! Come again with friends and relatives. We will be more than happy to see you!" Finally, he generously presented us with a bottle of wine.

**BOND WITH THE MOTHERLAND**

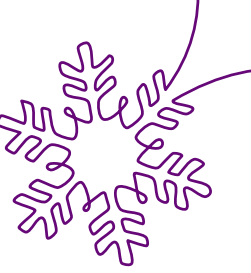
A direct flight between Almaty and Tbilisi takes four-hours on a new Embrier aircraft, fitted with everything necessary for comfortable travel. Moreover, one of 20 mobile operators incorporated under the TeliaSonera group of companies operates in Georgia. It is called Geocell (*like our domestic Kcell*). It was particularly pleasant that there was a special offer for outgoing calls to Kazakhstan for 50 tenge. All one needed to do was to dial \*135\*7 and enter the mobile telephone number. Incoming calls to Georgia also cost only 50 tenge. Thanks to a timely SMS message received from Kcell, I learned that I needed to switch off data transfer to avoid unnecessary fees. Thus I enjoyed a very pleasant stay in Georgia. ●

## INTERVIEW

This autumn the people of Kazakhstan were offered for the first time a unique free-of-charge Automatic Payment Service. The service is a joint project between

## The Money Shop

GSM Kazakhstan/ Kcell and Kaspi Bank, the leading retail bank of the country. Below we offer an interview with the Chairman of the Board of Directors of the Kaspi Bank JSC, Mr. Mikhail Lomtadze



— **Who are the Clientele of your Bank?**

— They are ordinary people who go shopping, who want to live well and improve the quality of their lives. That's why they make deposits, take out loans and use the services that we offer.

— **As a rule, all banks look alike. What is a unique feature of Kaspi Bank?**

— Our main objective is retail as I mentioned earlier. Focusing on this sector helps us better see the best means and methods of providing these services. Take a look at our subsidiaries. As a matter of fact they are MONEY SHOPS with good show-cases, a bright environment and friendly service. We do not strive for pomposity and sumptuousness with marble staircases and carpet runners. We are prone to be extremely democratic and open. There is one more distinctive feature. It is our recruiting policy of the Bank. We intentionally do not hire staff people with extensive banking experience and expertise. We prefer to employ final-year students immediately after their graduation from the University. We believe that teaching young people is much easier than re-educating and correcting what they learned and assimilated in other organizations.

clientele to save time by preventing them from having to search for the nearest mobile services payment terminals. In the process of developing and introducing this concept we discovered another great advantage. It appeared that the clients of mobile communications are paying significant fees from each payment for communication services. In result of getting set up with this option clients will be able to pay less and talk more. Another big benefit of the Auto-Payment option is that it is absolutely free for our Clients.

— **Why Kcell?**

— We contacted with all mobile operators. Kcell adequately estimated the benefit of this service for their customers. Besides that Kcell proved to be the most dynamic team, which was the fastest in organizing the launch and the operation of the Auto-Payment service. The success of any new joint project is conditioned by the proficiency of the workforce and by the thoroughness of the top manager in terms of objective setting. We constantly received updates and all problems were solved jointly. It was a positive experience.

**The first rule of credit is to evaluate creditworthiness. We need to always keep equilibrium between the benefits and the risks**

— **How do you manage to preserve a balance of providing loans without increasing your portfolio of bad debt?**

— The first rule of credit is to evaluate creditworthiness. We need to always keep equilibrium between the benefits and the risks. The specifics of our business is that there will always be many purchasers of the products we are offering. We need to adequately evaluate the creditworthiness of the Client. Risk assessment is scrupulous work with in-house databases and with credit histories of clients in other banks.

— **Your bank is often an initiator of new product launches. Which products do you plan to launch in the future and which proposals have already been introduced? How did you come up with an idea of the automatic account refill?**

— The Auto-Payment idea was prompted by common consumer experience. We turned our attention to the fact that the money available in a mobile phone balance runs out at the most inappropriate moment. Remember how badly we worry when the mobile phones of our children become inaccessible. Putting it mildly, it is very unpleasant when your balance is finished in the full swing of the office day while you indispensably need to make calls to your partners! After having analyzed this experience we decided to provide our Clients with an opportunity to continuously stay connected. Auto-Payment will enable our

— **How does this service look from the technical standpoint?**

— Upon having signed up for the service, the Kaspi Bank refills the balance for the amount you've specified as soon as the balance available on your mobile phone drops below 100 Tengues, and you immediately receive an SMS message confirming the balance refill. At the end of the month the Kaspi bank sends you an SMS indicating the amount of payments made in the Auto-Payment mode for the previous month. This amount needs to be compensated within 30 days. Any number of subscribers can be registered for one account, which is very comfortable for a family. It is possible to set a specific amount of money for one month, which can be increased when necessary.

— **In launching a new product, forecasts are typically made on the number of clients that will be attracted. How many people will use Auto-payment in the future?**

— For each subscriber it is a convenient, free-of-charge, and simple product. Our estimations are quite simple: the current clientele of Kaspi Bank is around 1.5 million people, plus we additionally provide our services to 150,000 people every month. Talking about Kcell, a minimum of 50 percent of our customers are the current subscribers of Kcell. Over 60 percent of them will subscribe to this service, which will amount to almost 500,000 people. I am sure that this is not the limit, it's only a start of our fruitful partnership with Kcell. ●

# Irony of Fate or Communicator 2012

A GROUP OF OLD FRIENDS HAS GATHERED to ring in 2012. They converse around the table. None of them is young. They recall the past and make plans.

\*\*\*\*\*

A painter looks at the snow falling outside the window and wonders if love exists.

- They are showing Ryazonov's old film "Irony of Fate..." on the tube.
- Other channels show infomercials, news and pre-holiday fuss.

\*\*\*\*\*

"So what was it?" the painter thinks, "What did I have in my life that was warm and real?"

He recalls falling in love with a beautiful rocker girl:

"She was a young fatalist, red-hot, a stray loose cat that was clearly lucky to be in that love-hate relationship with me.

She and I kissed in the park next to Old Square.

One warm autumn night we took a bottle of Portuguese port wine and climbed inside the cage holding Almaty's old she-elephant. I can remember well how I jerked when her warm trunk touched me."

\*\*\*\*\*

The painter continues to dig within himself, trying to remember the painters' workshops, the electric teapot, his mother's strawberry jam, a girl's bashful lips, the New Year disco.

\*\*\*\*\*

There was a night of love. And in the morning the birds started chirping. He needed to quickly get his girlfriend on her way. Being a practical guy, along the way he grabbed the milk can: "What? I should use my chance to get some fresh milk; and the wife will be happy."

The young rocker chick made an unexpected scene, first she burst into tears, and next starting kissing his cat.

"I will never understand those free women," the painter thought. But his wife caught on. She came home and suddenly started screaming, "Who was here? Why is there milk on the stove? You never get up this early!" And again, "Who was here? The cat won't look me in the eye!"

It was true, Miska the cat turned away his sparkling eyes and planted his gaze on the floor. The puss blew the painter's cover.

\*\*\*\*\*

Out of the nighttime Old-Year sky, the snow is being dumped in big clumps. A group of happy and noisy friends came out to watch the fireworks.

The thundering show throws sparks, the lights glisten...

\*\*\*\*\*

It's the New Year.

The painter, smiling happily, deafened by the barrage, starts to understand that after all these years, and different lives lived, he

still had Mom's strawberry jam and the hot lips of that rocker girl. He also has this December snow, that also dumped down on the day he was born.

P.S.

The painter picks up the receiver, and without thinking, he dials her country code from memory:

"It's me, do you remember?"

A long silence passes before she finally says,

"This is rather unexpected."

"But it is New Year!"

At the other end of the line he can hear children's voices.

"Are they yours?"

"A daughter and a son."

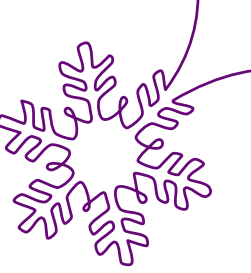
"I see."

She pauses again, then says,

"Do you have Skype?"

"I have it on my iPad. I'm walking down our street right now."

"Add me, I'm waiting." •



# The Internet Bourgeois on Kaznet, a Start-Up and More...

Anna Latynina

Kazakhstan Internet Week, which was held in mid October in Almaty, helped me make a number of important personal discoveries

The first among them was that I calculated how many days I have left of active work (around 30 years, or 11,000 days). The second was that you can make money online even with a budget of zero. The third was that there is no such thing as Kaznet. It was Andrei Ryabykh who enabled me to make these discoveries at his training course during KIW-2011

## PERSON

Ryabykh is a leading expert in Russia on monetization in the Web, and author of the book *Online Shop*. Under the management of the Internet Bourgeois Andrei Ryabykh over 313 projects have been implemented, including popular online media projects and major shopping websites



— **Why “Bourgeois”?**

— It is my personal brand. About four years ago, when we were developing our marketing strategy, at first we considered taking a traditional brand and strengthening its position. All of the sudden, we remembered that there is such a thing as personal branding. This technique had not been used in Russia, not in your market, anyway. Although personification is very common in western business. For example McDonalds is the last name of an actual person, that eventually grew into its own brand. So we started looking for something voluminous that would reflect what it is that we are doing – making money online. Quite the discovery awaited us: as it turns out, in Russian (and I have heard it is the same in Kazakh), there are very few words with positive connotations that can be used to refer to business. Russian has words like hustler, speculator and marketeer. The word “businessman” itself, is somewhat vague, while “Internet Entrepreneur” is simply too long. It was at that moment that the word ‘bourgeois’ came to mind. In reality it is a really good word, if you look at the western subtext. It refers to the class of landed craftsmen which made up the bourgeoisie. To us, it included those in the lower classes that eventually also joined the upper ranks. Upon deeper analysis, it became clear to us that this word has very good associations among those involved in business. Thus, we chose this name. On a side note, a certain Internet Proletariat immediately appeared afterwards. These people did not rest until their sites were created and they had attacked our position in every possible way. I can see now that this PR move resulted in much more for us than all those that preceded it.

— **What makes more sense? To develop a personal brand, or is it, after all, better to develop a company brand?**

— As the English would say, “It depends.” Take the case of my experience with my personal brand. Once we had a long run of negotiations with potential venture investors. Of course, we were not the only candidates for capital investment. The investor, being the boss, couldn't really remember

any of the other negotiators and just said, “Get me the bourgeois.” The problem with a personal brand is that if you are not the owner of the company, then the person the company has been named after, can leave at any point. If we are talking about the relationship between personal investment and personal gains, then of course a personal brand is better. There is one other advantage: with a personal brand, you always have your audience's undivided attention. Take for example lawyers you know with personal brands, you can probably count them with fingers of your two hands.

— **Is it because it is not worth it?**

— It is worth it. If we are a young company with a small budget, it is easier to develop a personal brand. Promoting a company is expensive, just because the environment is fairly crowded.

— **When it comes to social networks, I have noticed that well-known brands prefer to promote agents of influence and publicize personalities...**

— This is because social networks are all personal. Brands find it hard to communicate with people.

— **Your training seminar dealt with the question of how to make money online. Is it possible to make money in Kaznet?**

— I don't know. The question is how much. The advertising service “Begoon” can help us answer that question. At first we need to find out how much money flows through Kaznet. The purpose of my visit was to find out what is going on here, and whether your market has good prospects. Although I can already tell that the market is fairly promising, and we can start making forays into it both this year and during the next year. We will start seeing major gains in 2013–2014. The Kazakhstan Internet market is a little behind ours. But usually you see rapid development as the experience of leaders in the area becomes accessible. This can be seen in the example of Runet. In Kazakhstan you have a market that is nearing the critical 50% mark, and it is clear that there

is money in the country. It will, inevitably, start trickling into the Web.

— **In your view, is 16 million enough?**

— Finland has 5 million. It is a small country that is generating tons of money. It is pointless making comparisons with Russia. You have to understand that there are only two or three countries in the world that are comparable in terms of territory or population.

— **During your presentation, I was especially fascinated by the slide showing the algorithm for business success. Can you tell us more about it?**

— The goal of any business is the incessant pursuit of an idea. It happens very rarely that an idea really starts working at the start-up stage. Usually what happens is that we come up with something and launch it. We are given feed back about where we were wrong, we make improvements and re-launch the idea. After, the users send us more feedback. During the process of improvement, we finally create something that people are willing to pay money for. It often happens that you depart from the original idea in a completely new direction during course of the improvement.

— **Is it possible to start up with no budget in Kaznet?**

— It is, but I don't want to focus too much on Kaznet. You can “start up” wherever you'd like. Don't think about Kaznet and Runet, but about the Internet as a whole. There is no reason to isolate yourself from the world. Have you ever heard anyone even mention Amerinet or Frenchnet? That is why when we talk about start-ups in Kaznet, what we are really talking about is start-ups on a global scale. I would recommend that all those starting new companies in Kazakhstan think on a global scale. That is to say you can create a model, and test it out in your beloved Almaty, and immediately scale it up to a global level. Remember Chatroulette. The project was launched by a boy. The idea behind the project is connecting people with a random chat partner from anywhere in the world. Eventually, the site





hit 50 million users. What is important on the Internet is your idea, not the money.

— **As a side note, much was said at KIW about the development of mobile Internet? Do you use it yourself, and what can you say about your experience in our country?**

— I certainly do use it myself. Especially when I am on business trips. I really liked using it here. In Astana, the speeds were truly out of this world: I reached 4000 KB per second! In Almaty, the story is slightly different, especially in the mountains. I really liked the services as well. In Astana, I was at a market. I could add minutes to my phone, change the rates to make browsing cheaper, get a micro-SIM card and they

even gave me an adapter in case I wanted to use it in a regular phone.

I like Kcell. As soon as we arrived in Astana, I went looking for a mobile Internet SIM card. I explained that I needed fast Internet and Kcell was what they recommended. Of course I asked why. The salesman replied, "Their Internet is..." and put his thumb up. I kept asking questions: "If I buy it in Astana, what will the cost be for roaming in Almaty?" For three minutes, they could not understand at all what I was saying. And when they finally figured it out, they told me that you have the same rates anywhere in the country! This was really surprising to me. In Russia, if I go to Moscow with my St. Petersburg Megaphone, I am immediately switched over to roaming,

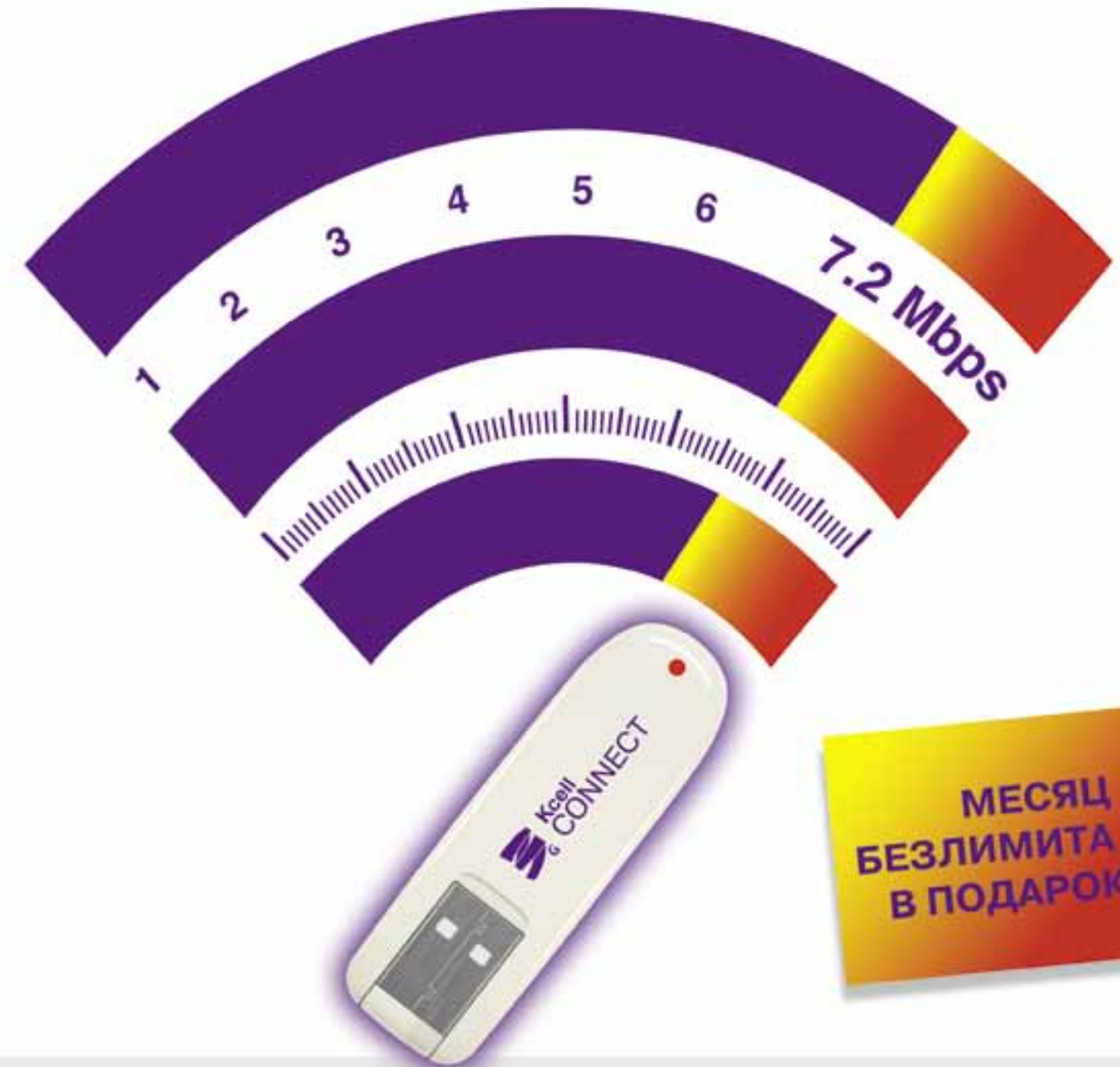
and my rates jump by three or five times. In this regard, there is a big debate ongoing in Russia, where the authorities want to forbid operators within a single network from billing roaming charges. In Russia, roaming charges can equal up to seven times the normal rates. So I was very surprised to learn that it is different here.

— **One last question: Have you already added Kazakhstan to your business plan?**

— We want to try to deploy one of our financial projects in the area of credit, deposits and banking. This will most likely consist of accepting applications and helping people get loans. •

## СВЕРХСКОРОСТНОЙ USB-МОДЕМ!

ACTIV



- Срок действия интернет трафика - 30 дней с момента активации SIM-карты;
- 10 GB интернет-трафика на максимальной скорости, последующий трафик - до 32 кбит/сек;
- Скорость зависит от технических характеристик устройства Абонента, силы сигнала, местонахождения в зоне покрытия и загрузки сети Оператора;
- Срок действия акции - до 31 марта 2012;

Подробности:  
+7 (727) 258-80-00  
www.kcell.kz,  
www.activ.kz



## PHOTO REPORT

# Altyn Kalam Discovers New Names in Kazakh Literature



On the 6th of October the results of the National Literary Contest Altyn Kalam were summarized. The General Sponsor of the contest was GSM Kazakhstan/Kcell



ALTYN KALAM IS A VERY YOUNG LITERARY CONTEST, the first awards from which were presented last year. Though Altyn Kalam is only one year old, it has become quite well-known among young literary people. Yelena Klepikova, the winner of the Altyn Kalam contest comments, "It is great that the names of young Kazakhstani writers are becoming known in our country. Many participants in this contest are already well known; they have already gained a certain prestige and they are actively published abroad. I am very grateful to the organizers of Altyn Kalam for providing us with an opportunity of being acknowledged, and for publishing our writings in our mother county." It is notable this year that writers' applications for participating in the contest were received from Moldova, Ukraine, Kyrgyzstan and Russia. A total of 200 essays were entered in the contest.

The awards ceremony was conducted in a democratic way. The announcers were the organizers of the literary prize

themselves, namely Mr. Dosym Satpayev, Mr. Kenje Jumanuly, Mr. Rasul Jumaly, Mr. Kuat Dombai and Mr. Aidos Syrym. The songs of Kazakh composers were performed during intermissions between awards, and were sung by the Rodina Korean chorus, the Roksonaki group, friends of Altyn Kalam, and singer Akikat. Mr. Dosym Satpayev, one of the founders of Altyn Kalam noted, "Today we are awarding prizes to young talents. I think it is a remarkable moment since at the same time the award of the Nobel Prize for accomplishments in literature is taking place in Sweden. I hope that our Kazakhstani literary people will soon become the merited holders of this prize as the highest acknowledgement of their creative work."

A peculiarity of this literary contest is its openness. Any author writing essays in Kazakh or in Russian (*this condition was added during the current year*) can become a participant in Altyn Kalam. To take part in the contest, all that is necessary is to send a prose,

## Безлимитный браузеринг

20 ТГ.  
В СУТКИ



### Opera Mini™

## ACTIV

АРЗАН  
NET  
ДЕШЕВЛЕ



Подключение к услуге возможно путем отправки SMS-запроса с текстом «опера» или «опера» на номер 666, а также через USSD – меню \*666#OK  
Стоимость подключения – 50 ТГ.

Подробности:

[www.kcell.kz](http://www.kcell.kz) | [www.activ.kz](http://www.activ.kz).

+7 (727) 258 83 00

9090 Kcell | 3030 Activ

a poetry, or a drama written either for grownups or for children to the [www.arzu.kz](http://www.arzu.kz) website. The winner is defined by the results of readers' voting. Any person can enter the site and vote for the writing he likes. "A key factor for us is to ensure a transparent and an impartial judging. It is the only way for young talented writers to trust Altyn Kalam. That's why we have intentionally selected a principle of public competition when the readers themselves choose the winners", explains Mr. Kuat Dombai, one of the creators of Altyn Kalam. He continues, "Our aim is not only to discover new names in Kazakh literature. We want these new names to become



**Our aim is not only to discover new names in Kazakh literature. We want these new names to become familiar to a wide range of readers**



familiar to a wide range of readers. That's why we made our choice for the Internet as a resource via which we could promote our contest."

The Kcell cellular communications company provides sponsorship to the Altyn Kalam contest for the second consecutive year. A special Kcell Certificate was awarded to Ms. Maira Suleimenova for the children's story titled "Jouna." Ms. Suleimenova shared her impressions, "I have to confess that I feel myself as if I were present at the Oscar award ceremony! I want to express my sincere gratitude to the organizers of the contest and to all those who supported the contest. I want to thank them for their altruism since this event is very significant for everyone who took part in it!"

When granting the special Certificate from the General Sponsor, Ms. Aida Dossayeva — Director for Corporate Communications of GSM Kazakhstan/Kcell expressed her

particular gratitude to the initiators and the inspirers of the concept for this contest. She remarked, "As a matter of fact these people did something more than a simple competition. Altyn Kalam has appeared and is being developed only due to their enthusiasm and unselfishness."

The Altyn Kalam Literary Award provides more than moral support and recognition to beginning writers — the main prize of this contest will be publication of an album consisting of the writings of the nominees, which will be sold in the Meloman network of stores. What can be better for a writer? This will open a wide path to future readers.

Once again the Altyn Kalam contest has opened new names in Kazakh literature, and, what is the most important, these names were discovered for all of us, for all who love reading.

A full list of names of the laureates of the Altyn Kalam contest can be seen at [www.arzu.kz](http://www.arzu.kz). •



**БЕЗЛИМИТНЫЙ ИНТЕРНЕТ\***

 \*444\*2\*1\*3# «Модем»\*\*  
 Подробности: [www.kcell.kz](http://www.kcell.kz), [www.activ.kz](http://www.activ.kz) 4071

\* По трафику | \*\* Услуга доступна для сервиса GPRS с точкой доступа internet и не может быть использована для интернет-телефонии  
 \*\*\* Размер абонентской платы, взимаемый автоматически каждые 30 дней для абонентов Activ и каждое 1-е число месяца для абонентов Kcell, Vegafone. Максимальная скорость доступна до достижения объема 10 GB, остальной трафик предоставляется на скорости до 32 кбит/сек. Подключение к акционной услуге доступно до 15 марта 2012 года.

**Stanislav Osadchy,**  
Altyn Kalam Literary  
Competition, Special Award  
in the Poetry Category

### WE'RE TORN APART, WE'RE LOSING OUR MIND

\*\*\*

"You promised us gardens  
In a cheerfully far away land."  
**Nikolai Klyuev, Russian Poet**

"I don't see the road.  
Backward here means forward"  
**William Jay Smith, American Indian Poet**

"Japan's economic success  
has become its spiritual failure"  
**Junsei Terasawa, renowned Buddhist monk (Japan)**

We're torn apart,  
We're losing our mind  
That bitter phrase –  
The beggar's purse.  
We go and  
We give up our cities,  
To never remember them  
again  
Ever.  
We leave,  
Without looking back,  
We are concerned with  
An impossible garden.  
The shadow people...  
But what are they to us?  
We've been granted  
The moment we've bought.  
Mountains of bodies,  
Populating our dreams,  
Their lot is to  
Never see the spring.

Hundreds of wars  
Ran over us,  
We don't remember  
The burning of Vietnam,  
We have forgotten  
The schism of the Jungars,  
We braid flowers  
To break the wind.  
Forty moons –  
Of wound-covered faces –  
We poured water  
Over hospital windows.  
Forty villages  
Hurriedly mourned over  
The cathedral held the funeral  
At new moon.  
Forty lamas  
Accepted into eternity  
Cut off the road  
To tears.  
We may have

To crawl still  
Three miles more  
Through the desert.  
Wind in nostrils –  
Blasting the loopholes:  
We are the camp  
For incomprehensible books.  
We are like worms,  
Being tied into knots,  
We are stubborn and cruel  
And chop them in pieces.  
We wail,  
Holding our stomachs,  
We give birth,  
We crawl ahead.  
We crawl  
And don't look for reasons,  
Temujin cast us  
Like lots.  
Liberty and honour  
Don't stick to us,

We are like exoskeletons,  
Beaten into vanity.  
We walk,  
We're afraid of falling,  
We carry our power  
Like a banner.  
So what  
If the tracks form a circle?  
When we fall asleep  
Gardens await.  
Who cares  
If the circle is shrinking?  
If the smell of sweat  
Reeks from the struggle?  
Who cares  
If the river is under ice?  
We walk. We don't wait for the fallen.  
We will be broken,  
And slide under the ice  
By that loud word –  
Onward.



**Stanislav Osadchy**

Born in 1964 in Aktyubinsk Oblast, although he did not complete his higher education at the Al-Farabi Kazakh National University Faculty of Journalism, now works in the profession, residing in Aktobe, Kazakhstan.  
Publishing his poems at the local press, he has authored two collections of poetry, which he self-published in Aktobe, printing small runs at various times: Age of Fallen Leaves, 2001; There is but Liberty, 2007.  
He is not a member of the Writers' Guild, PEN Club or literary movements.  
Contact address: 2 Appt., 12 Prigorodny, 030016, Aktobe city, Republic of Kazakhstan  
Tel.: 8 (7132) 98 40 72  
e-mail: stivos@mail.ru

Мобильный интернет плюс\*

1 ОТ  
ТГ./МБ



ACTIV

АРЗАН  
NET  
ДЕШЕВЛЕ



Подробности:  
[www.kcell.kz](http://www.kcell.kz) | [www.activ.kz](http://www.activ.kz).

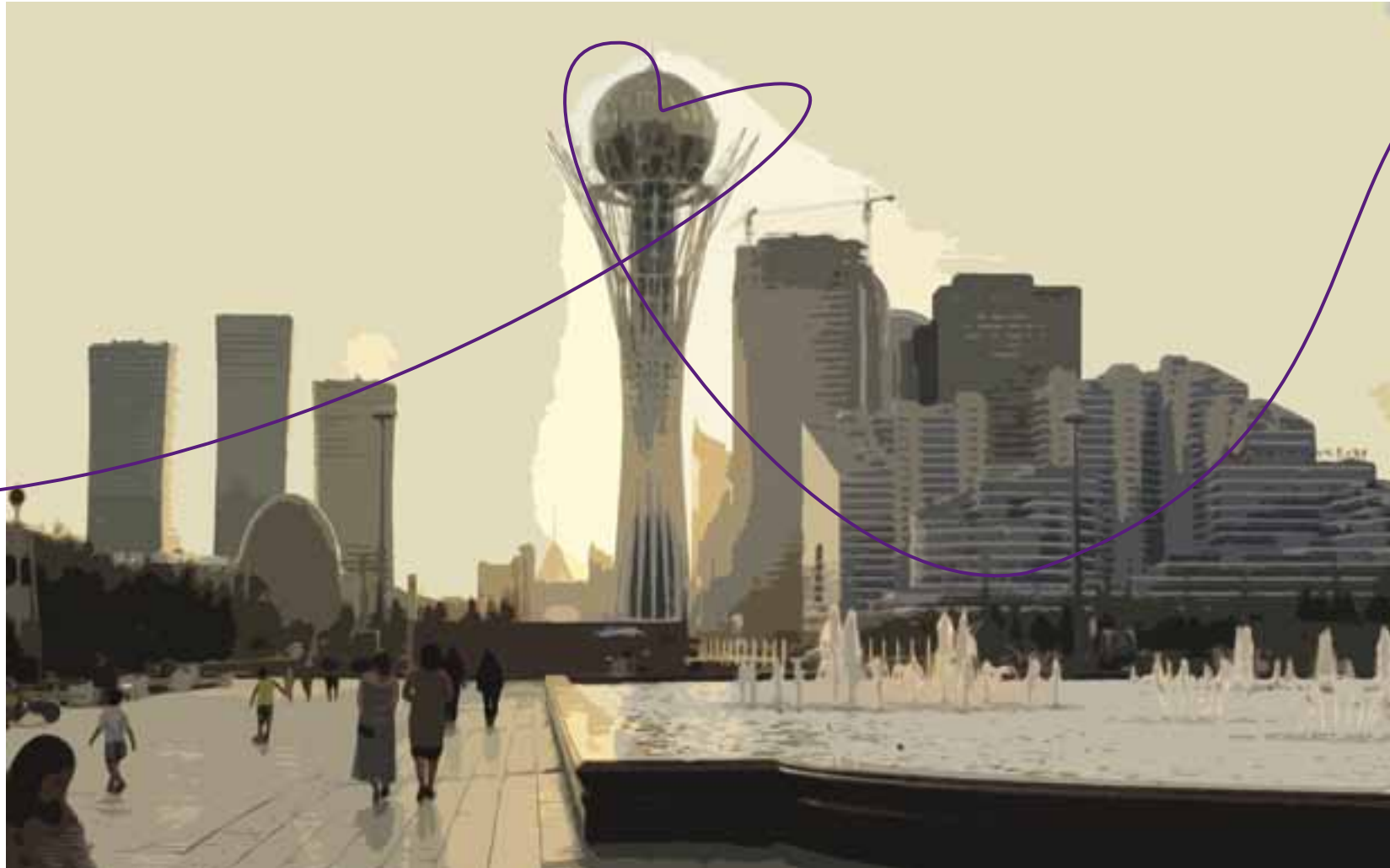
+7 (727) 258 83 00

9090 Kcell

Подключиться к услуге можно путем отправки бесплатного  
SMS - запроса на номер 2002, а также через USSD - меню \*444# ОК

\*GPRS с точки доступа Internet

Государственная лицензия МТХ РК № ДС0000270 от 06.06.1998г.



## What a Person Cannot Do Without

### BUSINESS

If you try to remember what a normal centre-of-the-bell-curve Kazakhstani could not do without twenty years ago, the list would not have included a computer, modem or mobile phone. Now, the first item on this list would be a mobile device of some kind, easily pushing televisions, computers and even cars into the background

**THINK ABOUT IT**, all of 12 years or so have transpired, and mobile communication has turned our lives upside down. It has been accompanied by a feeling of liberty and limitless opportunities. You can now hear your loved one's voice from practically anywhere across the globe.

Using our mobile phones we can

check our mail, read the news, find out the weather forecast or view events schedules, or send our friends and relatives photographs and videos from far away travels. Our lives have truly changed in their momentum and rhythm! In the past, we would calmly wait for weeks to get the information we needed, and when it

came to letters, we were willing to wait for months. Now we immediately begin losing patience if we have to wait for more than two minutes. Cellular networks connect our hearts regardless of where we live, what our social status is, what language we speak, which religion we confess, what profession we have or our viewpoints. We live in

an age of cellular revolution which has completely overhauled people's economic and social lives. Based on data from Internet sources, in 2011 approximately there were 6 billion mobile subscriptions registered in the world. In the opinion of some experts, by 2016 this number may well equal the population of our planet. On a side note, in Kazakhstan the number of mobile subscriptions has long ago exceeded the number of residents in our country. Based on data from the RoK Statistics Agency, there are already 18 million of them. Of these, over 10 million are with GSM Kazakhstan/Kcell.

This year, Kazakhstan reached the 20-year mark since its independence. Kcell has been with independent Kazakhstan for more than half of this journey. 12 years ago, cellular communications began their development in our country under quite complicated circumstances. The infrastructure was poor and power outages were common in many oblasts. You could say Kcell and Kazakhstan overcame the difficulties of growth and economic improvement together.

Kcell started developing its network in 1999 in the oblast centres. Gradually, it expanded to include small towns, villages and the tiniest of auls. Highways and other roads got coverage, and this is something the company is especially proud of. Now, if you are someplace in the mountains or the steppe and you cannot get a network, it comes as a surprise. Subscribers are certain that Kcell should be available everywhere by default! It is great that over the past dozen years we have already forgotten about the time when you were certain to get a signal only in the cities and a small handful of villages. Talking to your family when you were on a road trip was like something out of a dream. Now subscribers are concerned about when mobile Internet will become even faster and when 4G will be rolled out, even though just a decade ago, the word Internet was familiar to only a few thousand Kazakhstanis. And it was probably only staff at cellular companies that were aware that the Internet could be mobile. During those years, not many in Kazakhstan could imagine that mobile

communication would quickly become more than just a means of communication between two people.

Today, Kcell has been selected by millions subscribers across the country. This operator helps people build their business and has facilitated dialogue between 4,901 cities and villages throughout the country. It is an immense achievement — providing residents of nearly all corners of Kazakhstan with the ability to communicate with others all over the world, and all of these 12 years. Over this time, Kcell has not only created one of the most popular brands in the country, but has also earned an image as an innovative mobile operator.

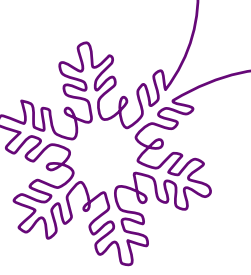
Over the years, Kcell has been and remains the trendsetter of the most current trends in the development of the mobile communications market. To mainly, it was thanks to the efforts of this operator that November 2010 saw the launch of 3G in Kazakhstan. Active work is underway in preparation of the launch of LTE. Already, the company is proud of the fact that it is meeting the objectives of the government of Kazakhstan on providing rural areas with telephone access, providing cellular service to practically all villages with a population of 2,000 or more. Kcell has made a massive contribution to the country's economic development. After all, where mobile service is available, information exchange is accelerated and modern, effective instruments for business development become more accessible. Kcell has a vested interest in the long-term sustainable development of the country. After all, the telecom industry is a reflection of the level of competitiveness of a state. By investing in telecommunications infrastructure, Kcell is playing a part in Kazakhstan's becoming one of the 50 most competitive countries of the world. Over the history of its existence, the company's investments have exceeded 1.5 billion.

Currently, Kcell is Kazakhstan's leading operator. But within this context, the company does much more than simply provides features and services of the best quality. The company's goal is to make a contribution to community improvements

and providing world-class opportunities for those living in the country. Therefore, Kcell works on improving the quality of life not only of its staff members but of everyone in Kazakhstan. Every year, the company implements around 40 social projects. Under the support of Kcell, sporting competitions and national contests for hunting bird trainers are organized, as well as artistic competitions. Over its history, the company has invested about 2 billion KZT in the social sphere. Education, sports, supporting people with disabilities and the revival of our national cultural heritage are priority areas in GSM Kazakhstan/Kcell corporate social responsibility programs. The company is among the top taxpayers in the country, and the largest in Almaty, having contributed around \$2 billion to the national budget over the past 12 years. Job positions, tax contributions, the staff training and development program, and fantastic benefits — all of these qualities have made Kcell one of the best employers in Kazakhstan.

Kcell shows no signs of slowing down, because this operator is committed to making Kazakhstan the best country in the world — for self-actualization, for business, for life. ●

# Новый телефон от Kcell!



## It is a Smartphone!



**Платите за связь от 4000 тенге в месяц?  
Получите новый телефон и бонусы!**



- Участником акции может стать абонент, владелец номера Kcell или банковской карточки АО "Казкоммерцбанк".
- Срок проведения акции с 01.10.2011 по 24.03.2013.
- Срок действия соглашения на участие в Акции – 2 года с даты подписания.
- Срок действия ежемесячных бонусных минут голосовых вызовов, SMS и интернет-трафика 30 дней с момента начисления.

\*Науқан шарттарына сәйкес. Согласно условиям акции.

Подробности: ☎ +7 (727) 2 588 300 📱 4070, [www.kcell.kz](http://www.kcell.kz) Kcell Center

### MARKET

LOOKING AT SAMSUNG'S NEW DEVICE, it is hard to decide whether it is a tablet or a smartphone: in its luxurious leather case, the device looks more like a tablet, but Super AMOLED Plus display, with a resolution of 1280×800 pixels and measuring 5.3 inches diagonally, even though it is big, falls short of a tablet's dimensions. Another new development that is immediately apparent is that the Note expands Super AMOLED technology to HD format, and that means that you can easily watch movie clips not only on your PC, but on your TV as well.

Running ahead, I should note that in the end, my decision to classify the Galaxy Note as a smartphone was affected by the fact that you can place calls, a feature lacking in the majority of tablets, and the device's thinness: 9.65 mm.

Let's take a look at the capabilities of the gigantic smartphone. The Samsung Galaxy Note is equipped with a dual core processor running at 1.4 GHz, with 1 GB of RAM and 16 GB of built in storage capacity, and thanks to these features it is automatically one of the most powerful smartphones currently available. The device →



supports all the required GSM and 3G standards, and also has Bluetooth v3.0 HS, Wi-Fi 802.11b/g/n, Wi-Fi Direct, GPS, A-GPS, GLONASS and USB 2.0 Host technology. The smartphone runs on Android 2.3.5 and has all the expected pros and cons and the exact same settings, capabilities and pre-installed applications (Social Hub, Polaris Office, video and photo editors, AllShare, Kies air, etc.) as the flagship Samsung Galaxy S II. A couple of the key features of Galaxy Note are the software (S Memo, S Planner and S Choice) and the stylus (S Pen). The stylus has the optimum size and shape making it comfortable for both right- and left-handed people to use, while two apps, S Memo and S Planner are perfect for taking notes and planning your days. Using the S Pen, you can make notations, draw, leave comments on photos, and send the results of your work for immediate printing, or send files to your friends on social networks. The Galaxy Note has a HD Super AMOLED display.

S Memo is not simply a notebook or dayminder, it truly has unique functions. S Memo makes it possible to easily and quickly record your thoughts on the screen and save them in the built-in memory. The notebook not only accepts text information, but also voice commentary and drawings that you can even edit if the need should arise. Screenshots can be saved to memory and then text comments can be added to them.

S Planner is an intelligent calendar with a user friendly interface – the perfect tool for managing complex task schedules. No longer do you have to enter reminders in your notebook at every turn. All you have to do is enter handwritten text using S Pen and the note is transformed into electronic format and added to the

schedule. Not only is it easy to view and plan current tasks with a specific deadline (today, this week or this month), you can adjust your plans in real time.

S Choice is an app store devoted to applications developed especially for Galaxy Note.

The smartphone's outer casing is made of plastic, while the grooved back panel, pleasant to the touch, is flexible but strong. Behind it there is an increased-capacity 2500 mAh battery, which lasts around two days, and two non-hot-swappable slots, one for the SIM card, and the other for microSD cards. For video calling, the front panel sports the aperture of a 2-MP camera, while the main 8-megapixel camera on the back is equipped with an LED flash. The flash can be used as a torch, and the camera shoots 1080p HD video.

Overall, the device is very well made: it has impressive technical characteristics, a unique combination of smartphone and tablet features and a convenient toolkit for handwriting input. It is a sort of smart dayminder, with

that you can also use to keep in touch with people. A couple of disadvantages are the unremarkable design of the device (without a case) and the slightly gratuitous price point. It is good, but perhaps not for everyone. I think it is perfect for people whose work week begins with meetings and task assignment. Would I buy one myself? Without a doubt, this intelligent planner is a real catch. •

VOX.com