

**Telecommunications Market Germany:  
Subscriber and ARPU Development**  
Q1/2007 – Q1/2010



**leine consulting company**  
Düsseldorf, 18 May 2010

## Germany, Subscribers in 1.000

### Q1/2007 – Q1/2010

Subscribers in 1.000		2007				2008				2009				2010
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Telekom	Contract	15.343	15.520	15.669	16.054	16.264	16.468	16.739	17.009	16.953	17.020	17.140	17.202	17.274
Telekom	Prepaid	17.705	18.808	18.802	19.897	20.846	21.931	22.061	22.093	22.031	22.083	22.190	21.933	21.269
Telekom	Mobile	33.049	34.329	34.471	35.952	37.111	38.399	38.800	39.101	38.984	39.103	39.330	39.136	38.544
Telekom	Fixed net	32.600	32.100	31.600	31.100	30.500	29.500	29.000	28.301	27.699	27.226	26.653	26.236	25.864
Telekom	Broadband	7.600	8.000	8.500	9.000	9.600	9.900	10.200	10.600	11.000	11.200	11.300	11.477	11.665
Vodafone	Contract	14.053	14.418	14.643	14.959	15.176	15.424	15.671	15.914	15.997	16.028	16.205	16.101	16.095
Vodafone	Prepaid	16.765	17.200	17.898	18.961	19.236	19.871	20.520	20.255	19.474	18.892	18.569	18.524	18.443
Vodafone	Mobile	30.818	31.618	32.541	33.920	34.412	35.295	36.191	36.169	35.471	34.920	34.774	34.625	34.538
Vodafone	DSL	*	2.204	2.339	2.483	2.646	2.774	2.881	3.003	3.221	3.316	3.277	3.700	3.851
E-Plus	Contract	6.027	6.082	6.170	6.297	6.345	6.437	6.542	6.676	6.739	6.785	6.800	6.768	6.764
E-Plus	Prepaid	7.116	7.483	7.942	8.510	9.038	9.726	10.485	11.101	11.299	11.450	11.912	12.219	12.526
E-Plus	Mobile	13.143	13.565	14.112	14.807	15.383	16.163	17.027	17.777	18.038	18.235	18.712	18.987	19.290
o2	Contract	5.574	5.766	5.993	6.237	6.442	6.735	6.881	6.967	7.085	7.225	7.440	7.700	7.855
o2	Prepaid	5.610	5.792	6.175	6.235	6.565	6.841	7.097	7.231	7.421	7.708	7.960	7.807	8.010
o2	Mobile	11.184	11.558	12.168	12.472	13.008	13.576	13.978	14.198	14.506	14.933	15.400	15.507	15.865
o2	DSL	31	34	37	75	125	165	198	215	232	253	272	285	2.404

\* Not included in Vodafone reporting; see Arcor reports for details

Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2

## Telecommunications Market

# Germany, ARPU in EUR Q1/2007 – Q1/2010

ARPU in EUR		2007				2008				2009				2010
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Telekom	Contract	32,00	33,00	33,00	31,00	30,00	31,00	31,00	30,00	29,00	29,00	30,00	30,00	30,00
Telekom	Prepaid	6,00	5,00	5,00	5,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00	3,00
Telekom*	Mobile (blended)	18,00	18,00	18,00	17,00	16,00	16,00	16,00	15,00	15,00	15,00	15,00	15,00	15,00
Vodafone	Contract	34,70	34,90	35,30	33,10	32,00	32,40	32,40	31,20	29,60	28,80	28,90	28,20	28,80
Vodafone	Prepaid	6,10	6,20	6,10	5,50	5,00	4,80	4,60	4,40	4,20	4,30	4,60	4,80	4,20
Vodafone**	Mobile (blended)	19,30	19,50	19,50	17,90	16,90	17,00	16,80	16,20	15,70	15,50	15,90	15,80	15,70
E-Plus	Contract	30,00	31,00	32,00	31,00	29,00	30,00	30,00	29,00	27,00	27,00	27,00	26,00	25,00
E-Plus	Prepaid	6,00	6,00	7,00	6,00	6,00	6,00	6,00	6,00	6,00	6,00	6,00	6,00	6,00
E-Plus	Mobile (blended)	17,00	17,00	18,00	17,00	16,00	16,00	16,00	15,00	14,00	14,00	14,00	13,00	13,00
o2	Contract	34,20	35,20	34,90	32,30	29,70	29,30	28,90	28,30	26,80	26,50	26,10	25,20	24,20
o2	Prepaid	6,80	6,70	6,80	6,40	5,90	6,10	5,97	5,80	5,40	5,50	5,95	5,80	5,70
o2	Mobile (blended)	20,50	20,90	20,80	19,40	17,70	17,60	17,30	16,90	15,90	15,70	15,70	15,30	14,80

\* ARPU including monthly basic service fees and revenues from voice and non-voice services as well as roaming revenues, excluding revenues from visitors

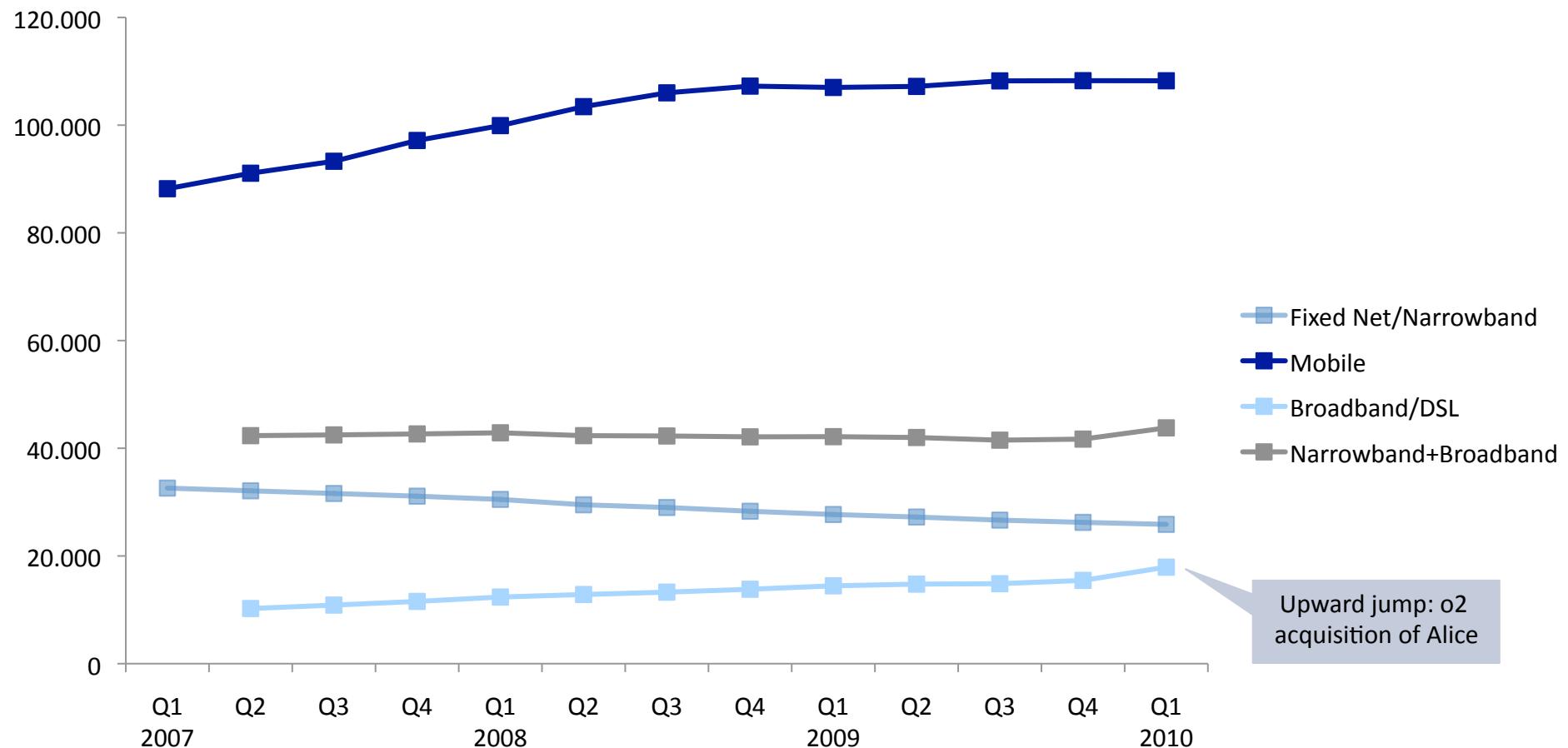
\*\* ARPU: Total revenue excluding handset revenue and connection fees divided by the weighted average number of customers during the period

Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2

## Telecommunications Market

**Broadband is steadily replacing narrowband – and mobile subscriptions have begun substituting fixed net connections**

Germany, Subscribers in 1.000, Q1/2007 – Q1/2010



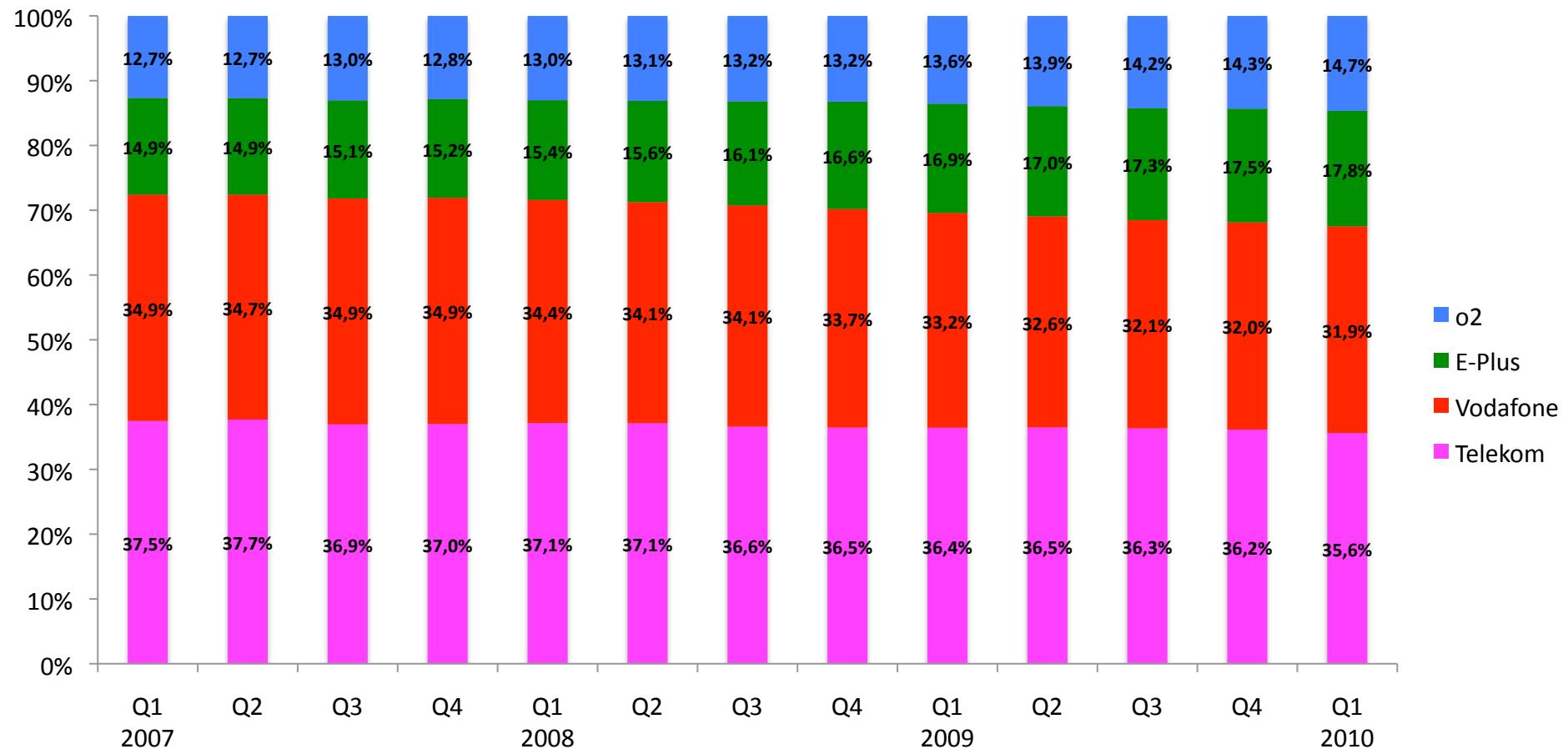
Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2

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## Telecommunications Market

**The two smaller providers keep gaining mobile customer market share at the expense of the two large players**

**Germany, Mobile Customer Market Share in %, Q1/2007 – Q1/2010**



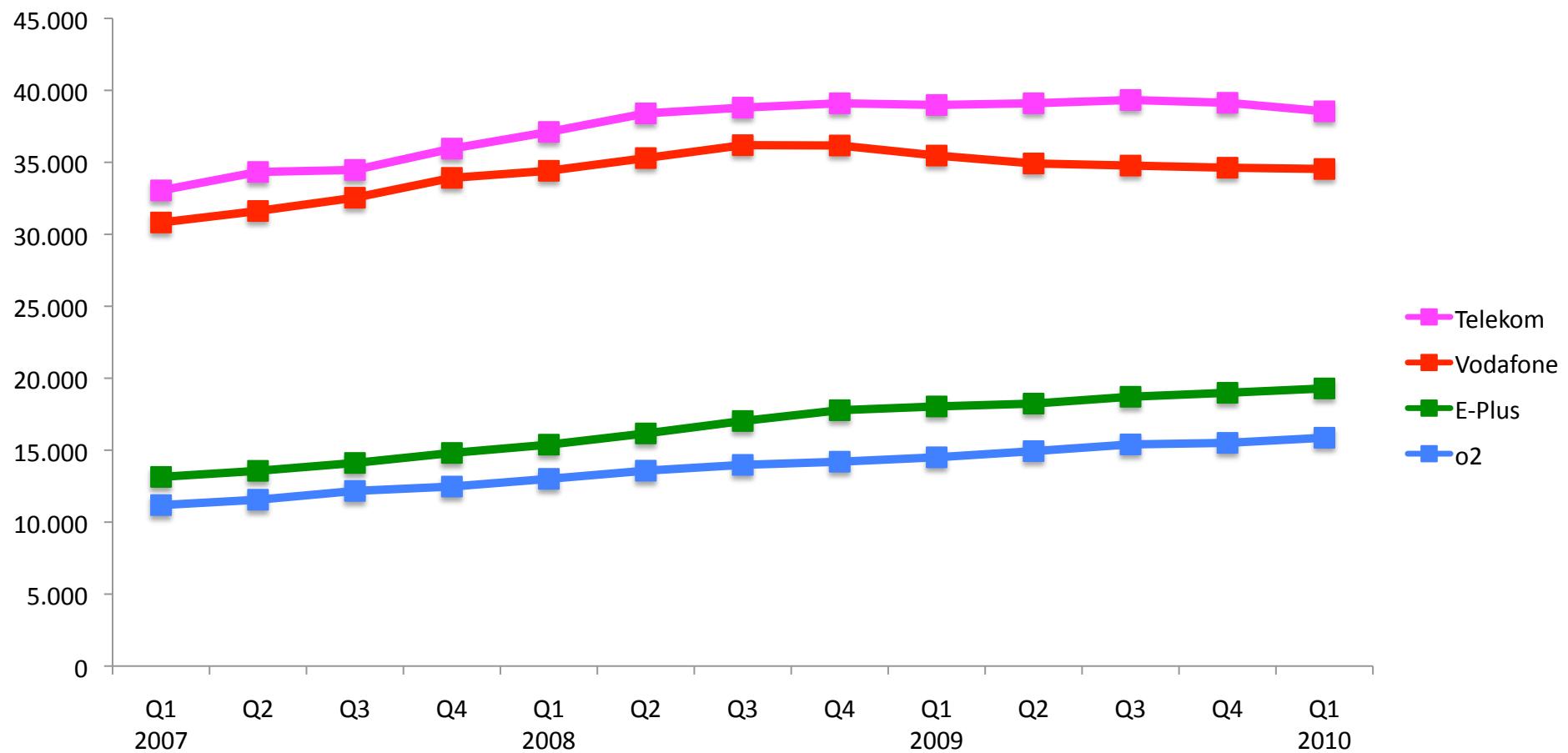
Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2

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## Telecommunications Market

**Of the four major German mobile telco providers, only Vodafone has begun loosing subscribers since 2009**

**Germany, Mobile Subscribers in 1.000, Q1/2007 – Q1/2010**



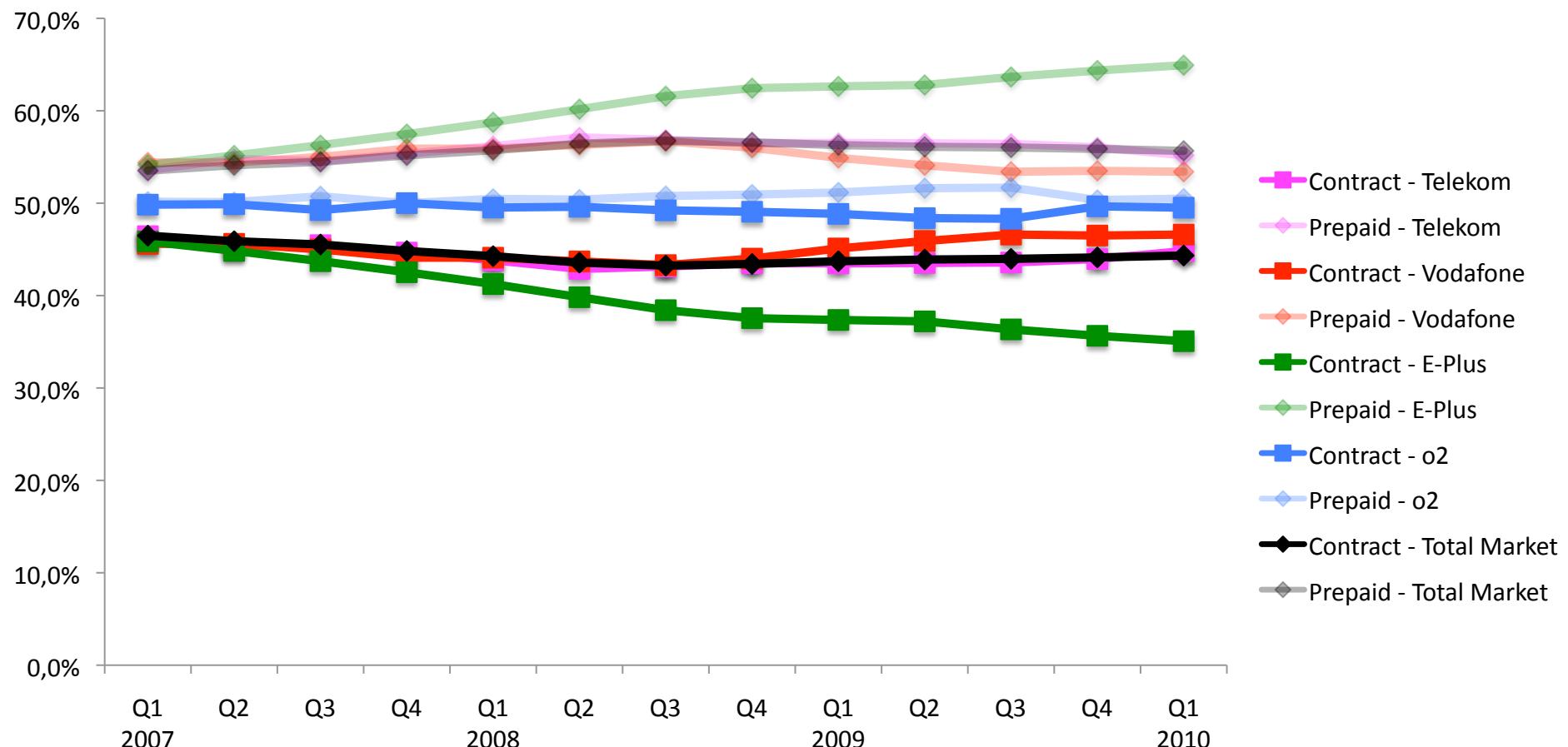
Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2

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## Telecommunications Market

**E-Plus is predominantly growing in the prepaid segment while o2 recently managed to grow contract subscriptions as well**

**German, Prepaid-Contract-Split in % per provider, Q1/2007 – Q1/2010**



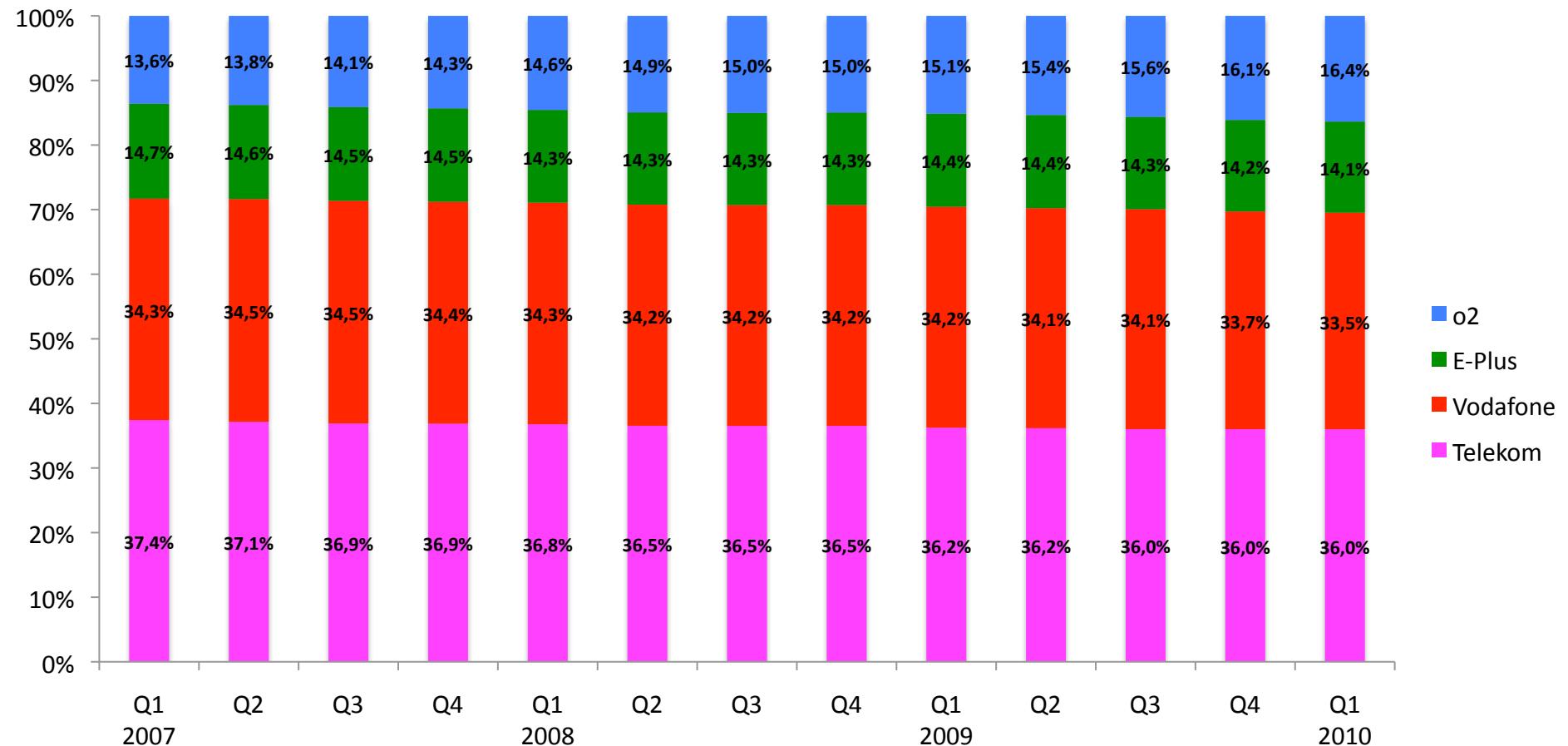
Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2; internal analysis

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## Telecommunications Market

# In contract subscriptions, only o2 won market share

### Germany, Contract Customer Market Share in %, Q1/2007 – Q1/2010



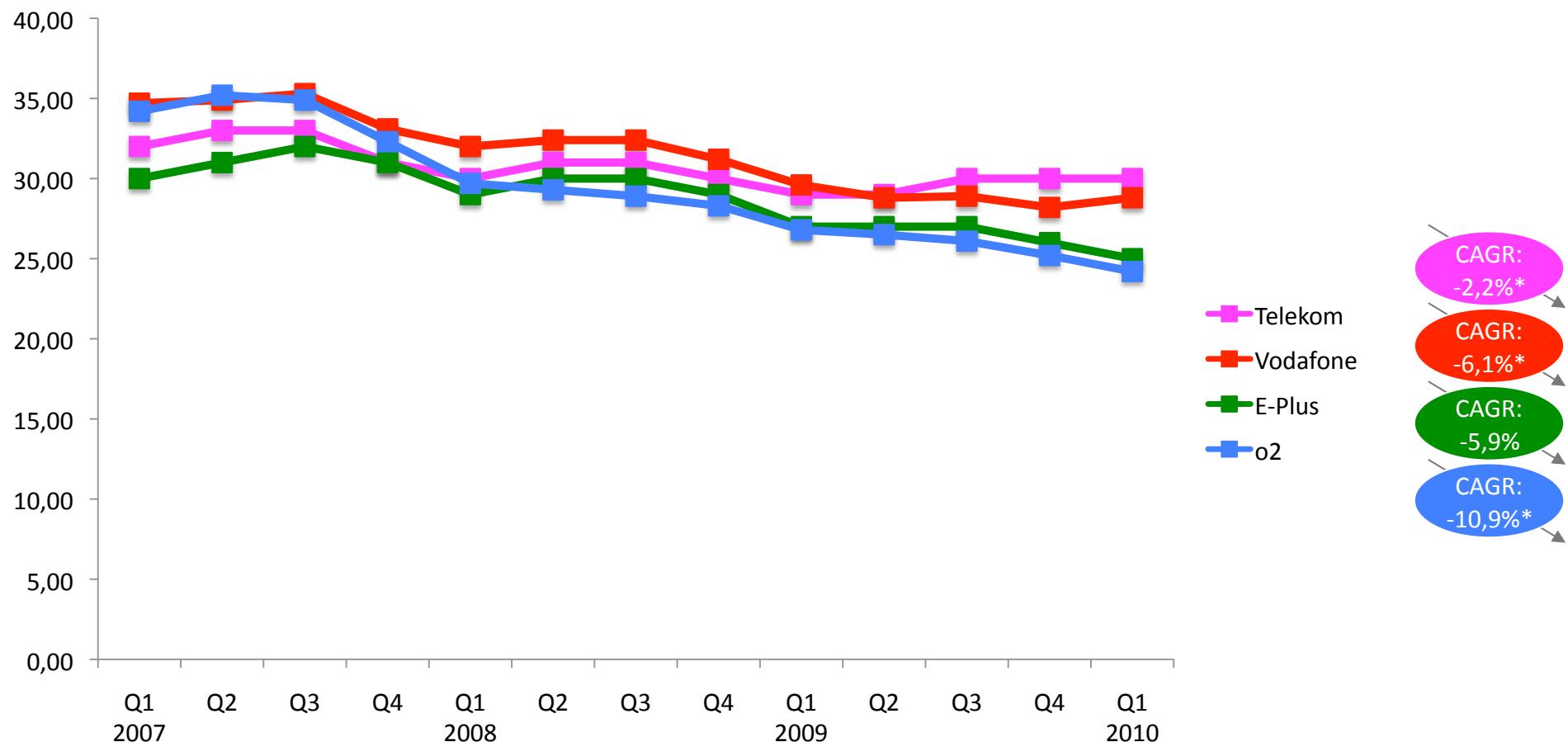
Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2; internal analysis

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## Telecommunications Market

**All mobile providers had to register a decline in their Contract ARPU over the past three years with a CAGR between -2,2% and -10,9%**

**Germany, ARPU Contract in EUR, Q1/2007 – Q1/2010**



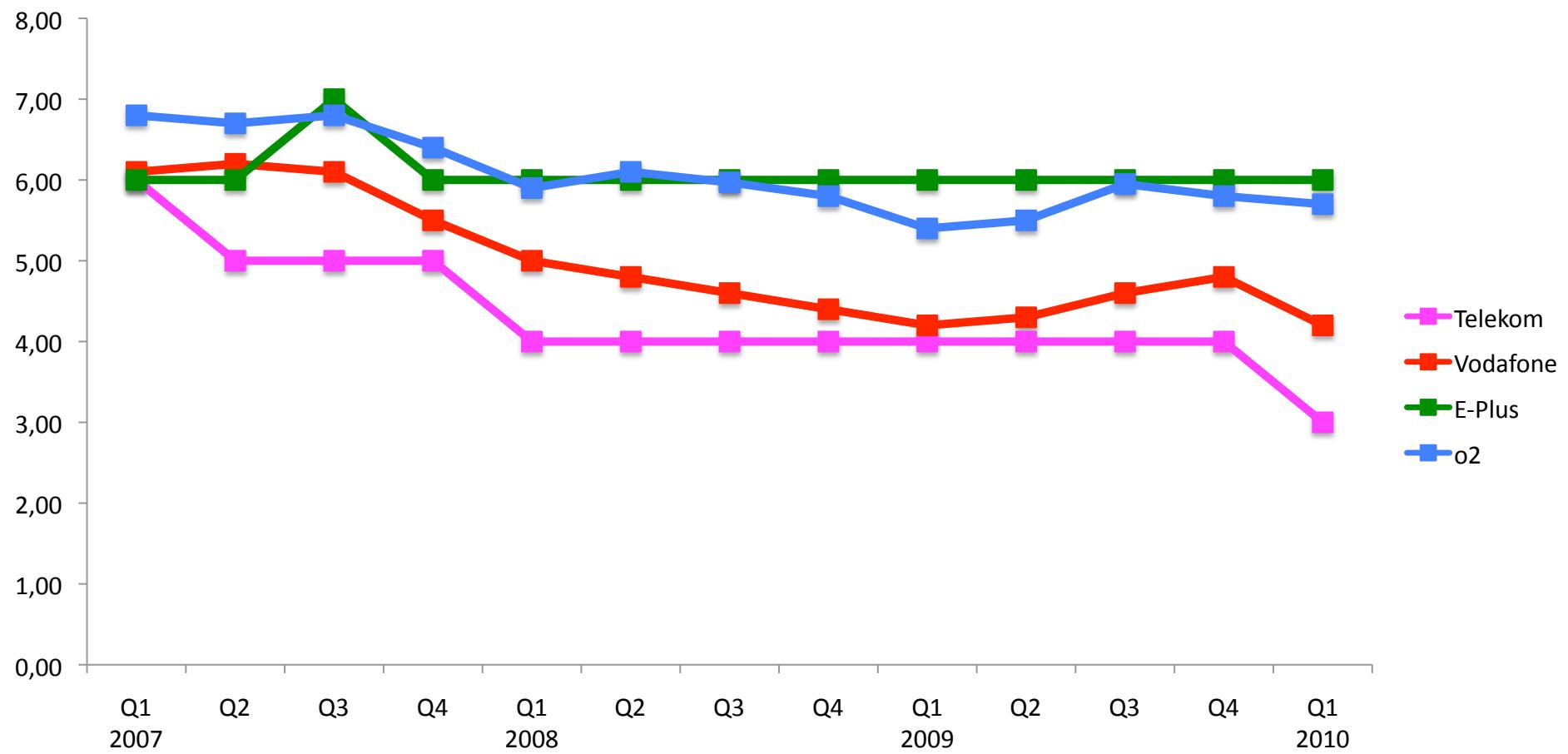
\* CAGR Q1/2007-Q1/2010

Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2; internal analysis

## Telecommunications Market

# Prepaid ARPUs are significantly higher for the smaller mobile providers

Germany, ARPU Prepaid in EUR, Q1/2007 – Q1/2010



Source: Quarterly Reports Deutsche Telekom, Vodafone, E-Plus, o2

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