

# Storm on Germany's Telecoms-Market

„M&A to the Power of 2“

DSP-Partners | Darmstadt | November 2013



# Remarks

This analysis is focused on the three large players Deutsche Telekom, Vodafone/Kabel Deutschland and Telefonica D O2/ePlus.

The ranking of fixed-line internet customers and TV-customers additionally contains Unity Media/Kabel BadenWuerttemberg and Tele Columbus/Primacom. The league table for broadband-internet additionally contains 1&1.

The overall league-table by number of TV-customers also contains (among the three largest players) Unity Media/Kabel BW and Tele Columbus/Primacom.

Figures for Deutsche Telekom refer to Telekom Deutschland GmbH, for Vodafone to Vodafone GmbH (Germany) and Telefonica to Telefonica Deutschland Holding AG (Germany) which operates its German consumer business under the O2-brand.

# Largest Players on the German Telecoms Market

Deutsche  
Telekom



Vodafone +  
Kabel Deutschland



Kabel Deutschland

Telefonica +  
ePlus



Approval from EU Commission ✓  
Acquisition KDG shares ✓

Acquisition ✓

Approval from KPN shareholders ✓

Acquisition pending

# Additionally, further consolidation on the Cable-Market

Tele Columbus +  
primacom

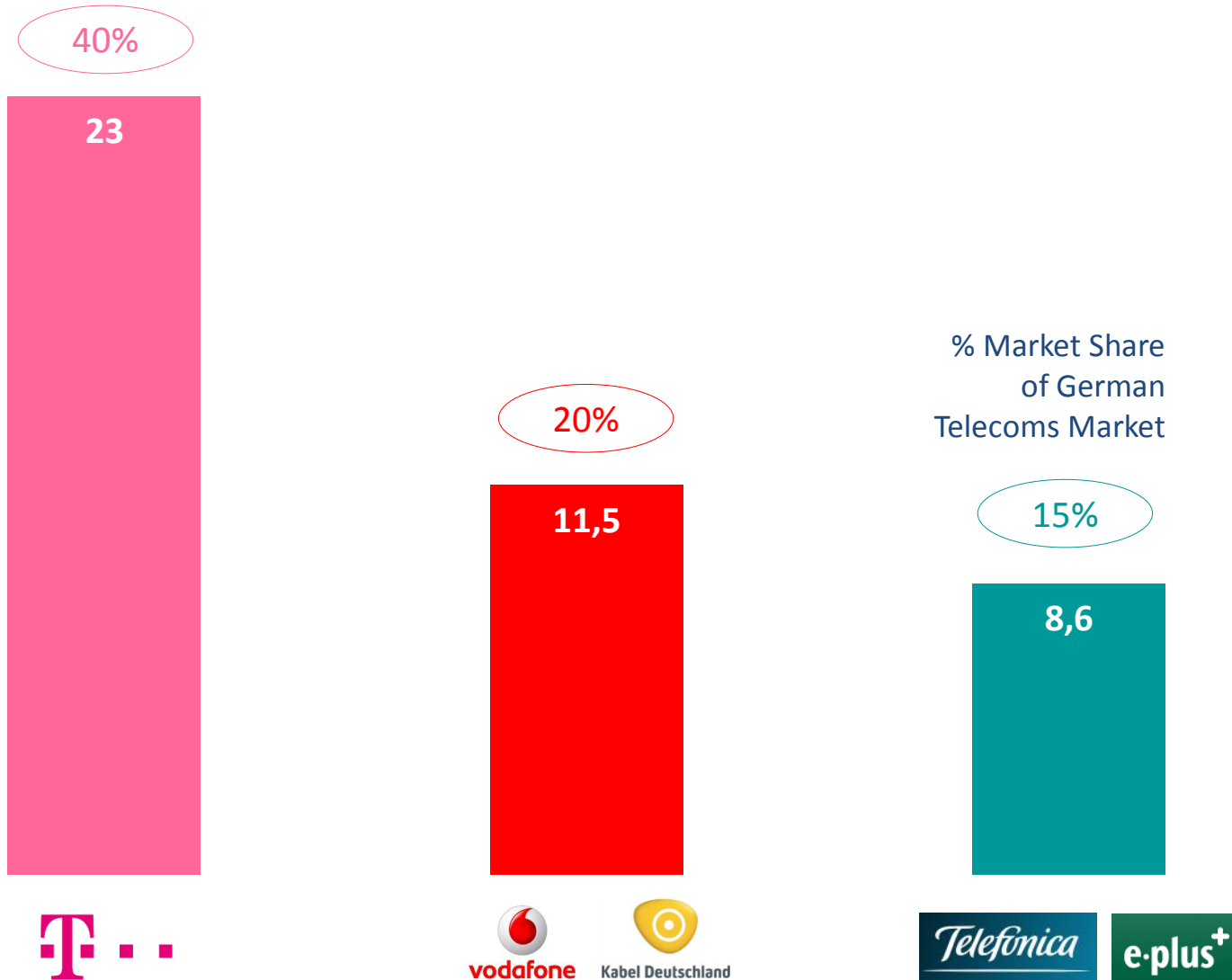
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Tele Columbus confirms plan  
to acquire Primacom

**Acquisition confirmed**  
**17.11.2013**

# Total Turnover Telecoms Germany 2012 in EUR bn



# Number of Employees Germany 2012



67,000 Employees



15,000 Employees

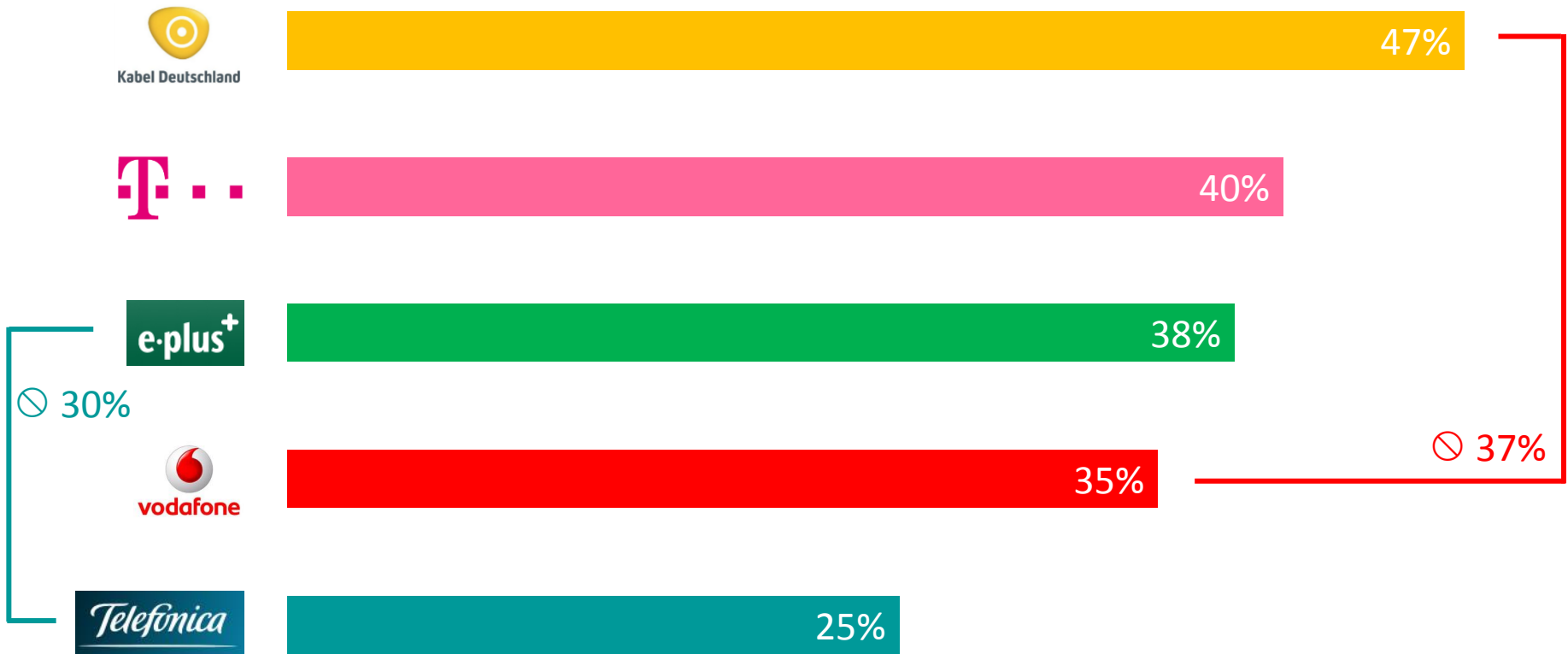


10,000 Employees

# Turnover per Employee Germany 2012 in EUR 1,000



# EBITDA-Margin Germany 2012 in % of Revenues





# Product Categories Germany per Provider



Fixed line  
& Internet



TV

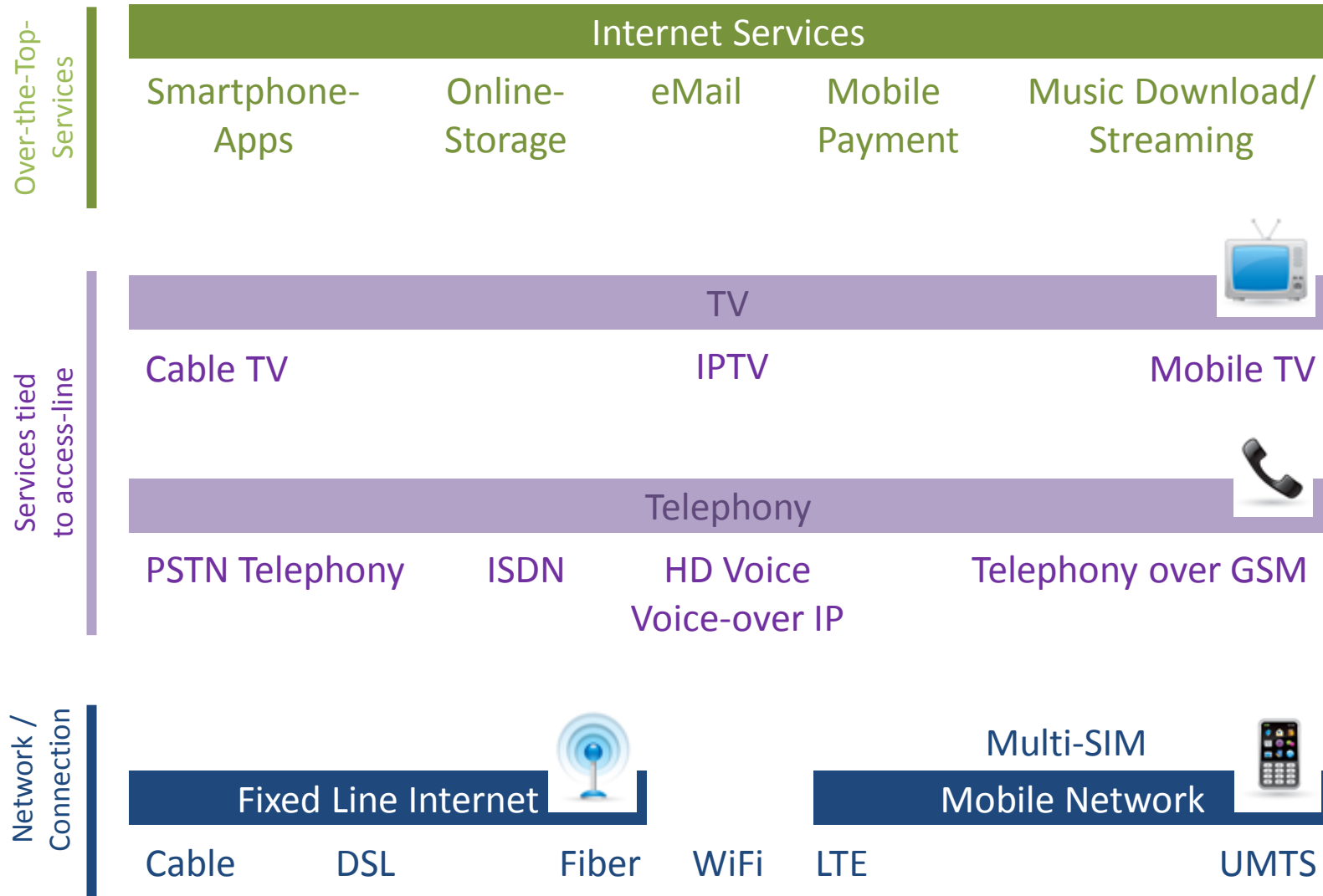


No Live-TV  
only VoD

Mobile



# Product Structure Telecommunication Germany



# Maximum Broadband Speed Fixed Line Internet



Technology: DSL & Cable  
100 Mbit via Kabel Deutschland  
VDSL on own network up to 50 Mbit

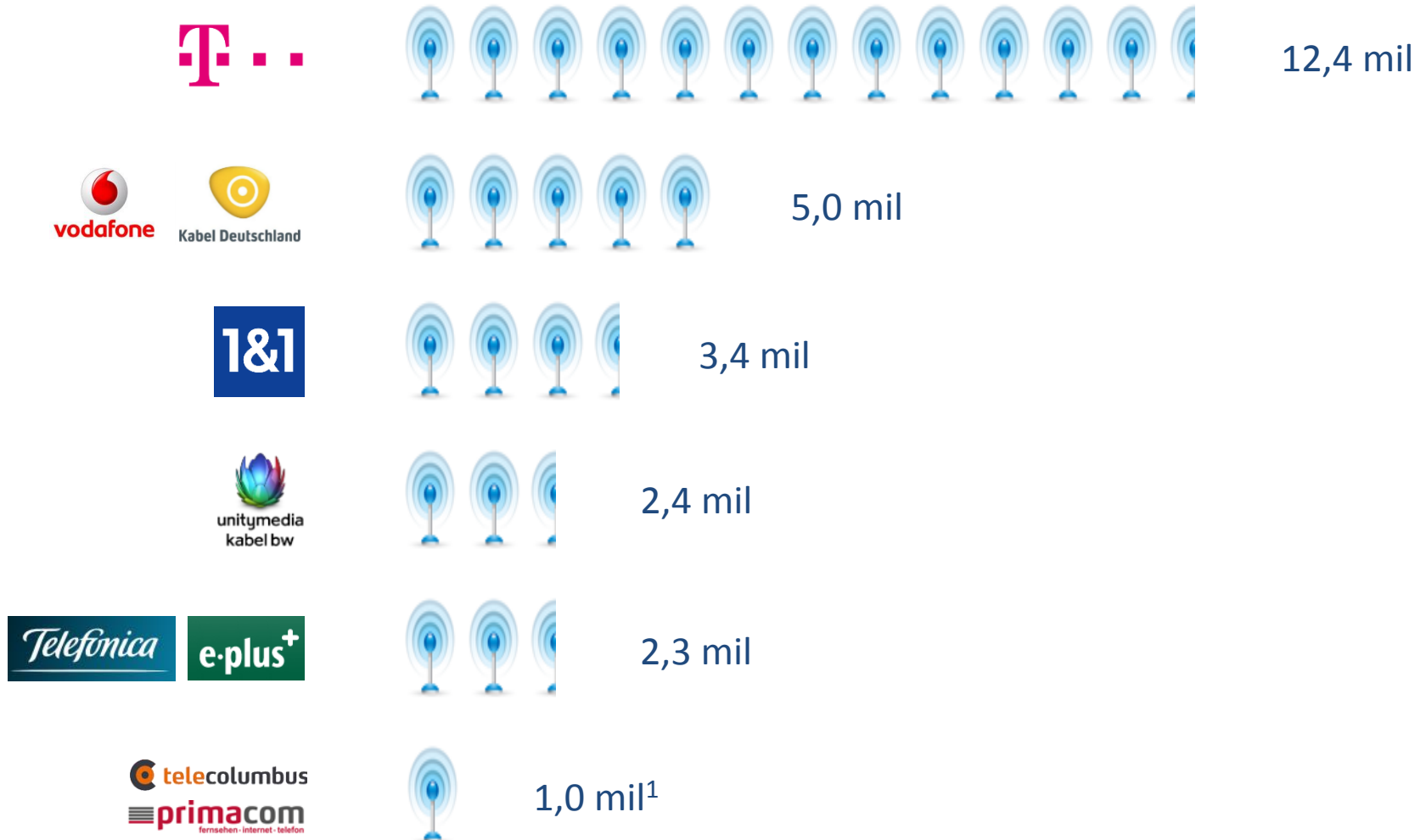


Technology: prim. DSL  
from 2014 onwards: up to 100 Mbit  
with vectoring-technology based on VDSL



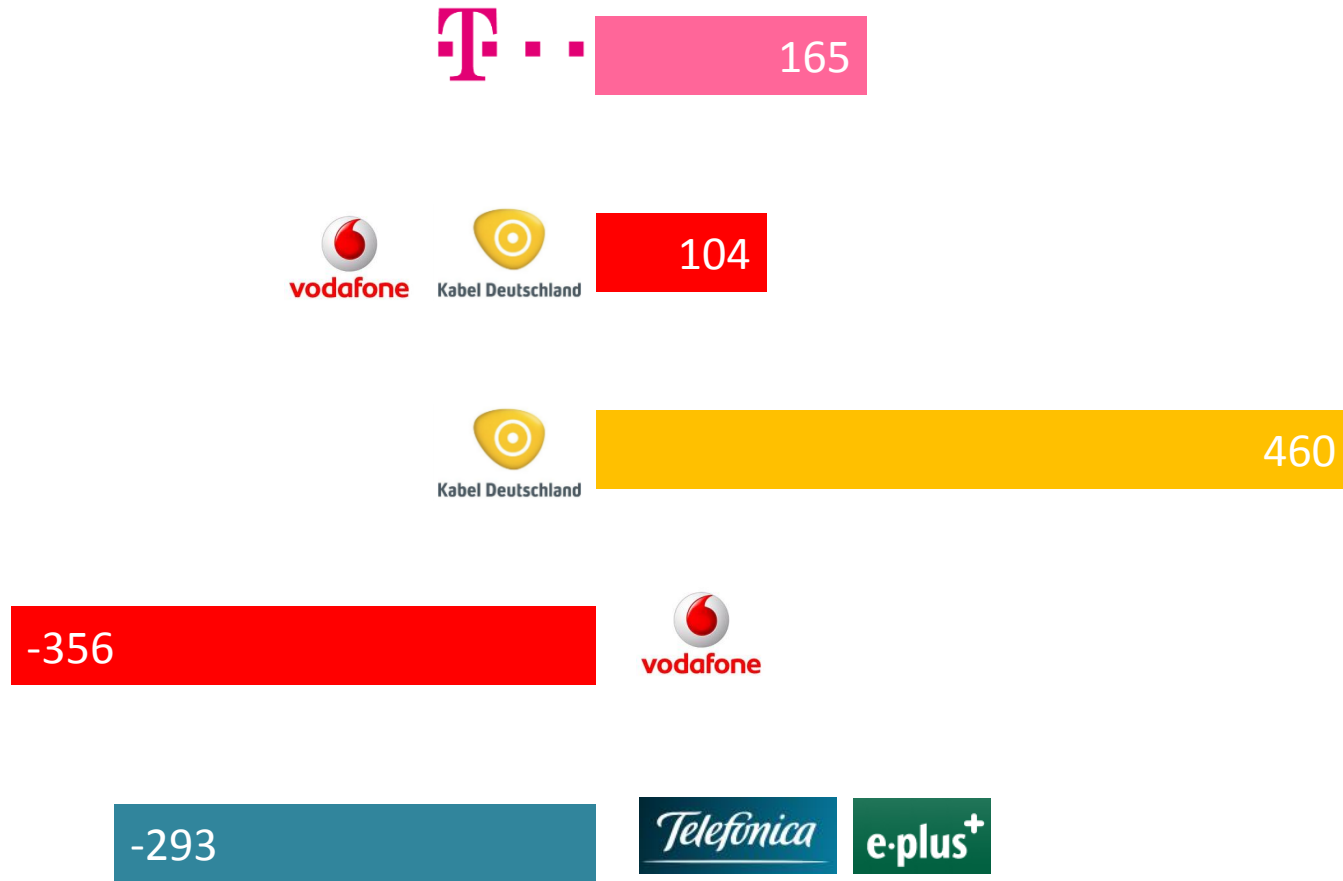
Technology: DSL  
DSL on own network up to 16Mbit  
up to 50Mbit VDSL as reseller of Telekom  
(from 2014 onwards up to 100 Mbit)

# Number of Broadband-Internet Customers Germany Q2/2013



1 Estimated: Assumption 30% of 3,1 mil. connected Tele Columbus-/Prima.com-households also subscribe to broadband-internet  
Source: Bundesnetzagentur, Company Websites, DSP-Partners Market Model

# Number of new DSL & Cable Customers Germany Q4/2011 to Q2/2013 in 1,000



# Fixed Line Products Germany



Product	Icon	T-Mobile	Vodafone	Kabel Deutschland	Telefonica	e-plus+
PSTN-Telephony		✓	✓			
Voice over IP	<b>IP</b>	✓	✓			✓
ISDN	<b>ISDN</b>	✓	✓			
HD-Voice	<b>HD</b>	✓				

# Number of TV Customers Germany Q2/2013



8,7 Mio.



6,6 Mio.



3,1 Mio.<sup>1</sup>



2,0 Mio.



0,08 Mio.

Vermarktung wurde  
eingestellt, kein TV-Produkt  
für Neukunden

<sup>1</sup> Telecolumbus/Prima.com: Number of connected households  
Source: Bundesnetzagentur, Annual Reports, DSP-Partners Market Model

# TV Products Germany

		 	 
Linear TV	✓	✓	
Digital VCR	✓	✓	
Digital TV-Magazine	✓	✓	
Pay TV	✓	✓	
Video on Demand	✓	✓	✓
Mobile TV	✓	✓	
TV App for Tablets	✓		



# Number of Mobile Customers Germany Q2/2013



43.8 mil



37.5 mil



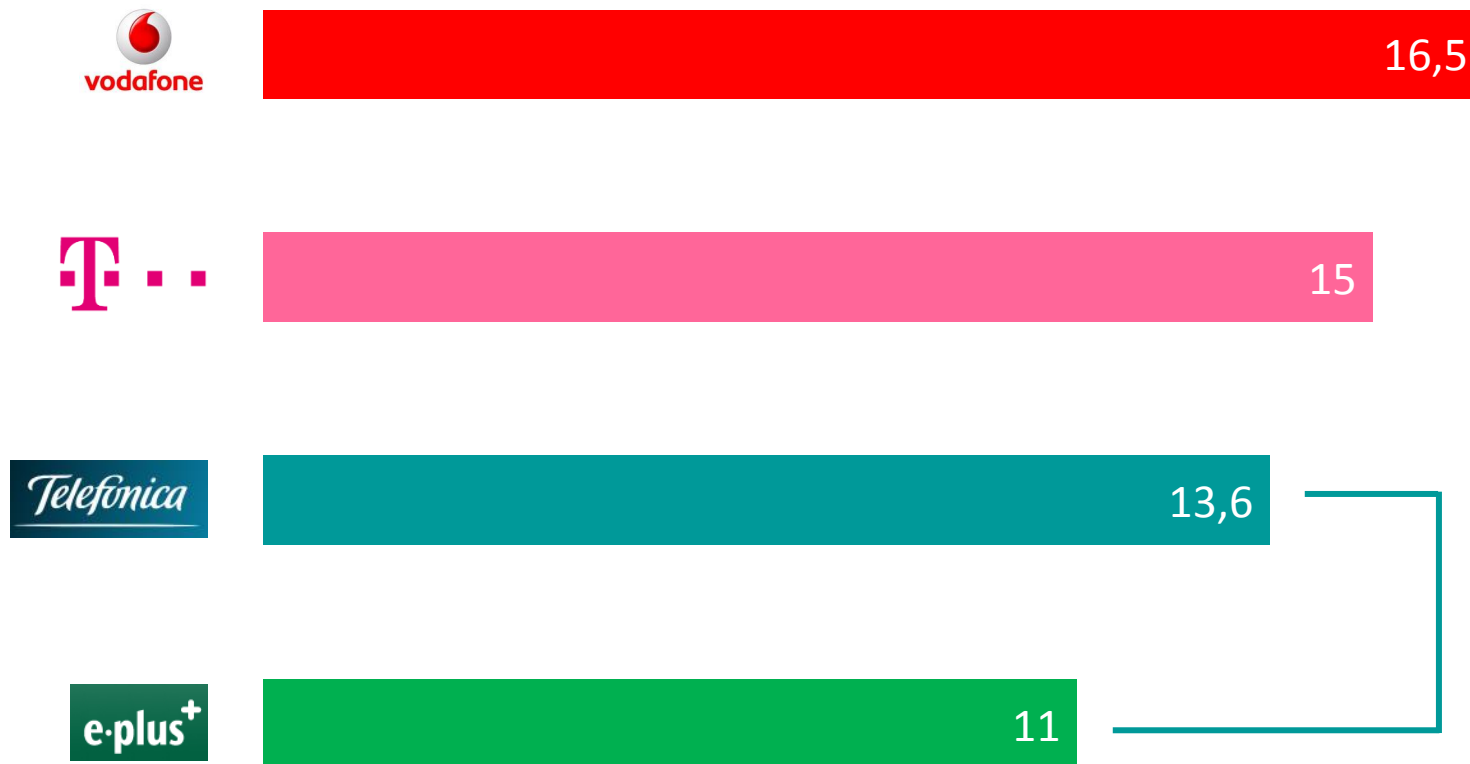
32.2 mil

# Number of new Mobile Customers Germany Q4/2011 to Q2/2013 in 1,000



Vodafone repeatedly adjusted for inactive prepaid-customers, numbers for these adjustments were not stated publicly

# ARPU per Customer & Month Germany Q2/2013 in EUR



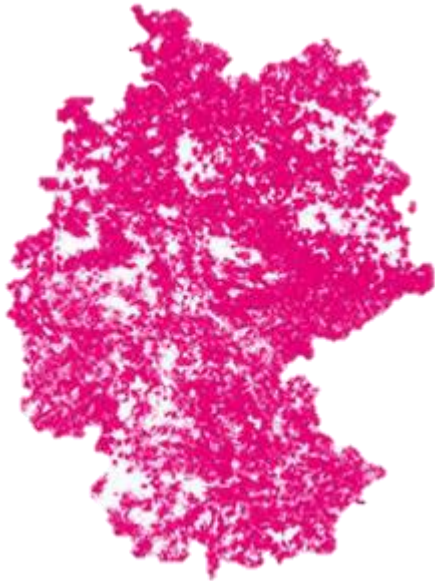
# Mobile Products Germany

	Telekom	Vodafone	Kabel Deutschland	Telefonica	e-plus+
LTE	<b>LTE</b> ✓	✓	✓	(✓) 8 regions under development	(✓)
WiFi Hotspots	WiFi Icon ✓	✓	✓	(✓) Via Cooperation	
HD Voice	<b>HD</b> Phone Icon ✓	✓	✓		✓
Second Brand	comstar ay ✓	✓	✓		✓

# LTE Network Coverage Germany

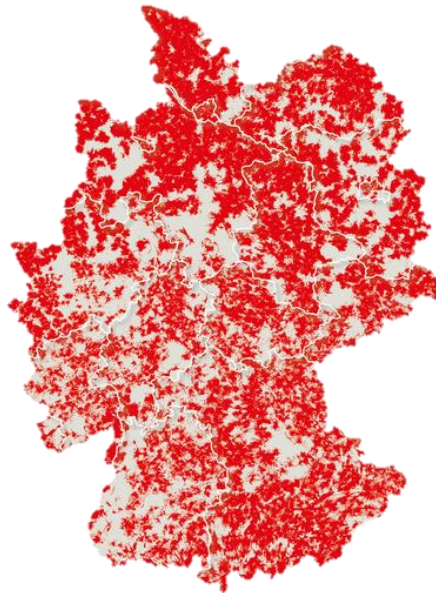
## Deutsche Telekom

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## Vodafone/ Kabel Deutschland

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## Telefonica/ePlus

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LTE available in 8 so-called „O2 LTE 4G Highspeed Areas“

- Berlin
- Duesseldorf
- Frankfurt
- Hamburg
- Cologne
- Munich
- Ruhr Area
- Leipzig

# Selected Internet-Services Germany

		  	 	
Smartphone-Apps		✓	✓	✓
Online Storage		✓	✓	✓
Mobile Payment		✓	✓	✓
Music Download		✓	✓	✓
Music Streaming		✓		✓

# Cooperations Germany

## Deutsche Telekom

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## Vodafone/ Kabel Deutschland

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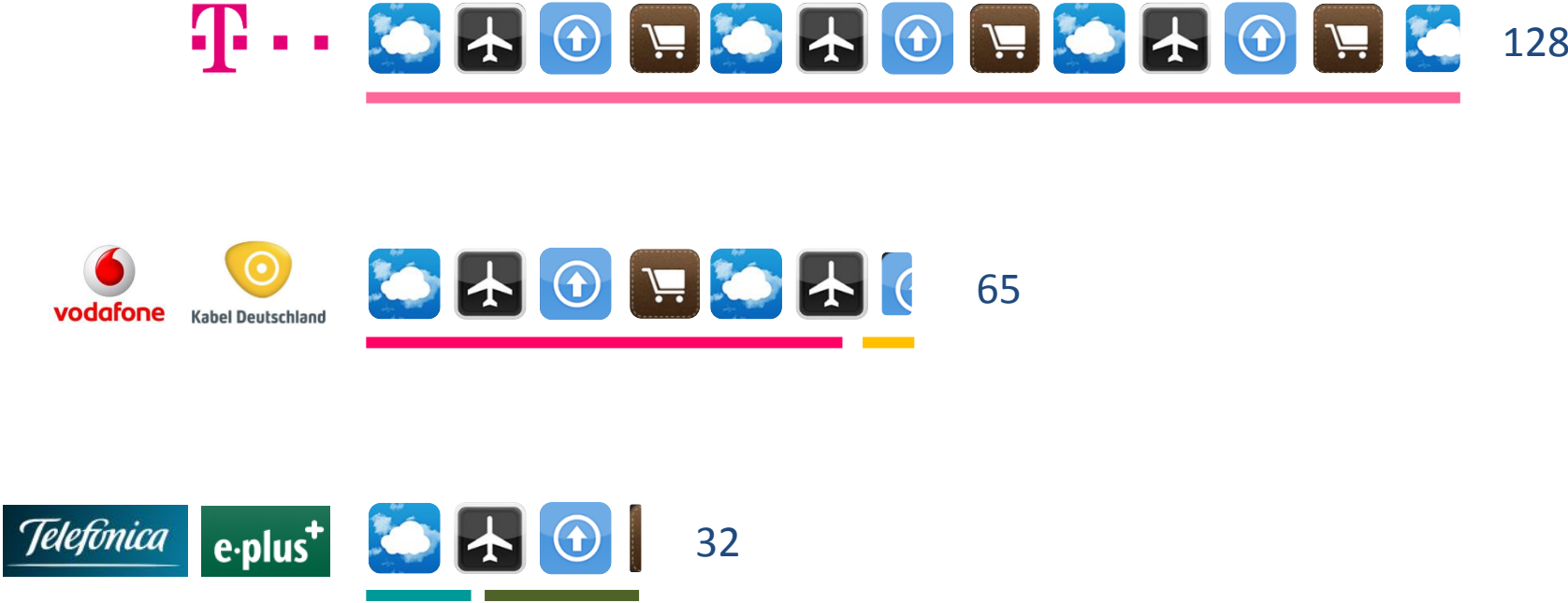


## Telefonica/ePlus

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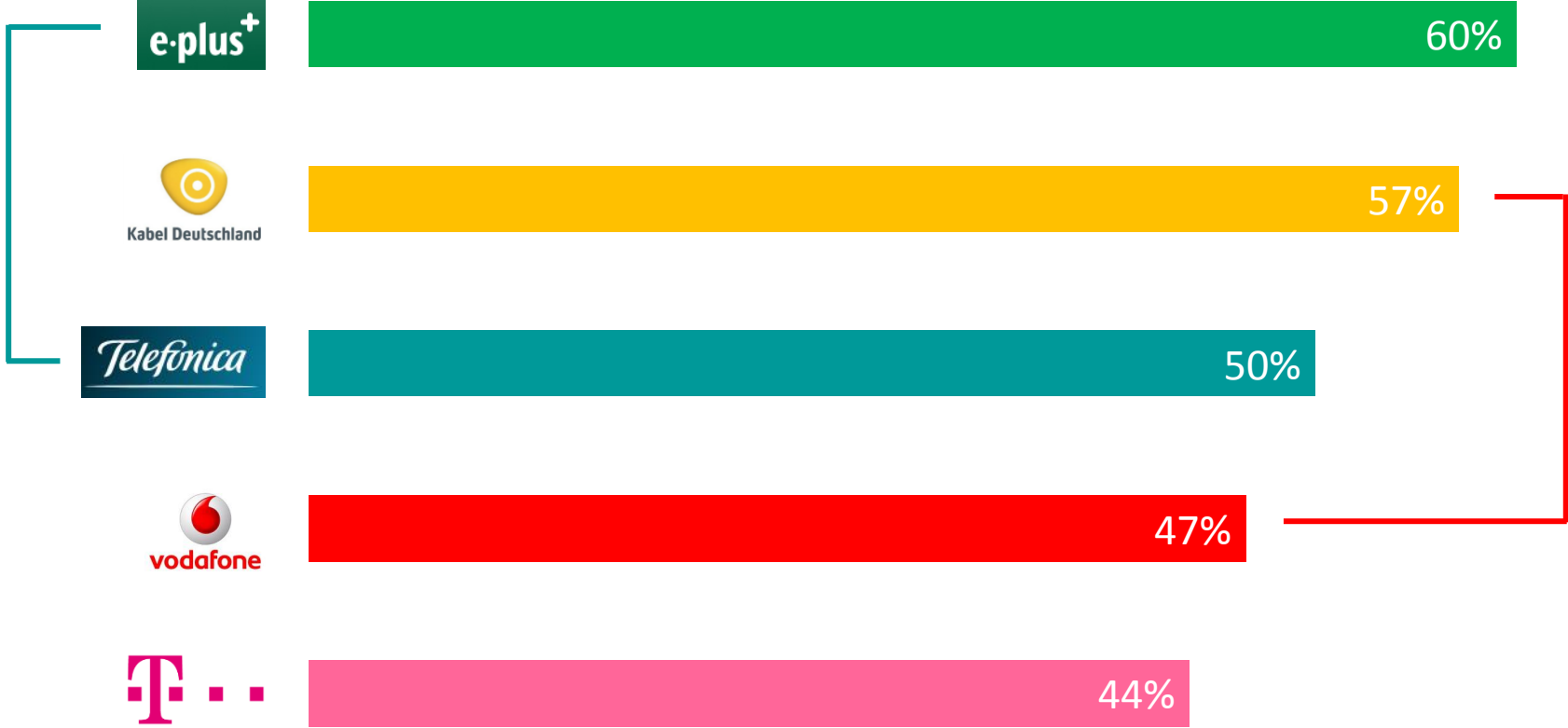


# Number of Apps per Company Germany 8/2013





# Share of Android Apps in Product Portfolio Germany



# Alexa Website-Ranking Germany 10/2013



# Market Leadership per Segment in Germany

Total  
Turnover



23 EUR bn



Internet  
Customers



12.4 mil



TV  
Customers



8.7 mil



Mobile  
Customers



43.8 mil



# Ranking by number of Customers Germany per Q2/2013



# Contact



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