

# GLOBAL FORUM 2004

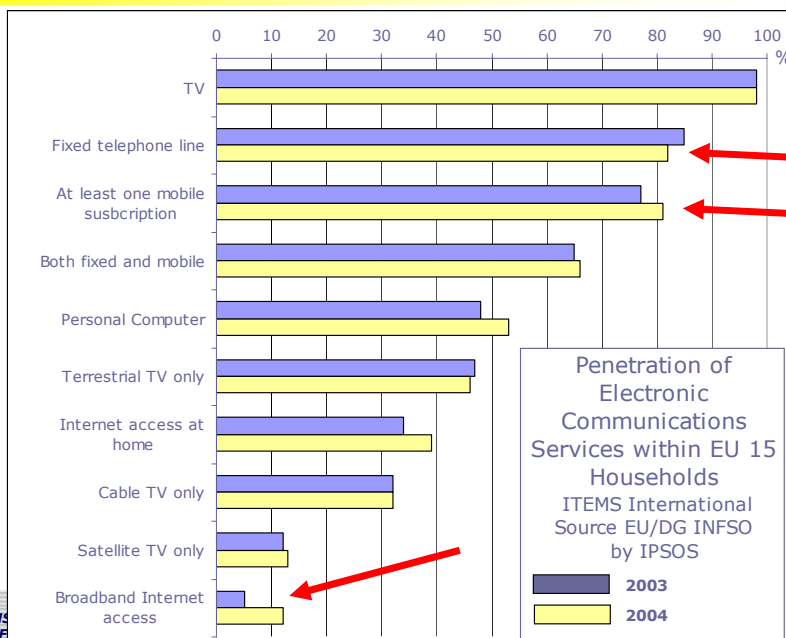
Shaping the Future

## Triple Play Economic Perspectives



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### ICT trend by service

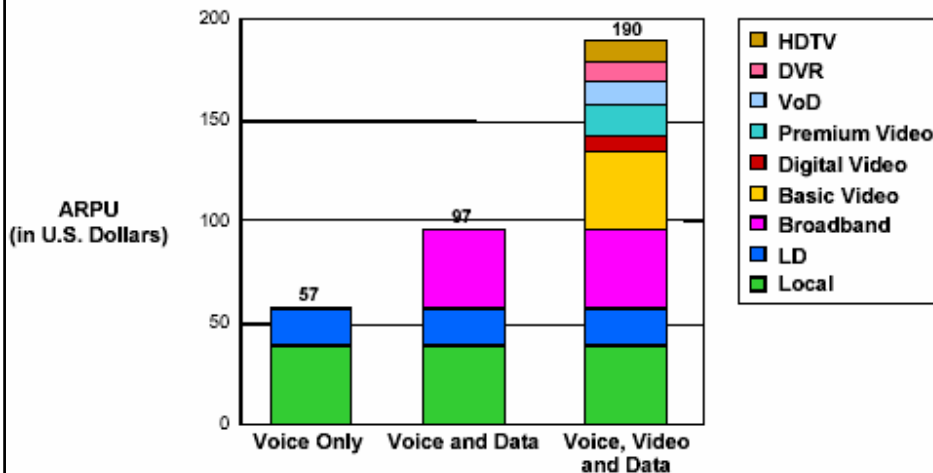


Q1 '04 Revenue and TOP



- Orange: revenues up 12.1%\*\*
- Fixed line, Distribution and Networks: revenues down - 0.6%\*\*
- Broadband : + 416 000 new broadband subscribers in Europe for Wanadoo in Q1 '04
- REAA margin before Commercial expenses\*: 3.3 points above 1Q '03
- REAA margin: 1.3 point above 1Q '03. On track for full year guidance
- CAPEX: full year target maintained despite low Q1
- Q1 2004 revenues up 4.8%\*\* at the upper range of the guidance

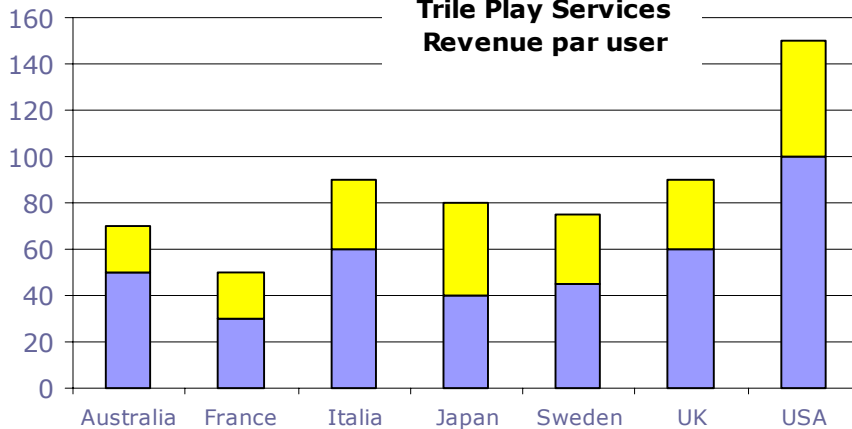
US : Video doubles ARPU for Yankee Group



## Triple Play services ARPU



ARPU €/mth



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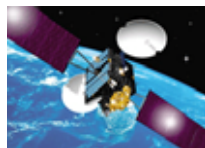
**Who is the model for ARPU trend :  
US, France ... ?**

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## ARPU TV (Satellite / Cable)



- France :
  - About 35 €
  - Increasing
- UK
  - About 32£ (47 €)
  - SKY forecast : Decreasing after 2005 and increasing of acquisition cost (£200 now)

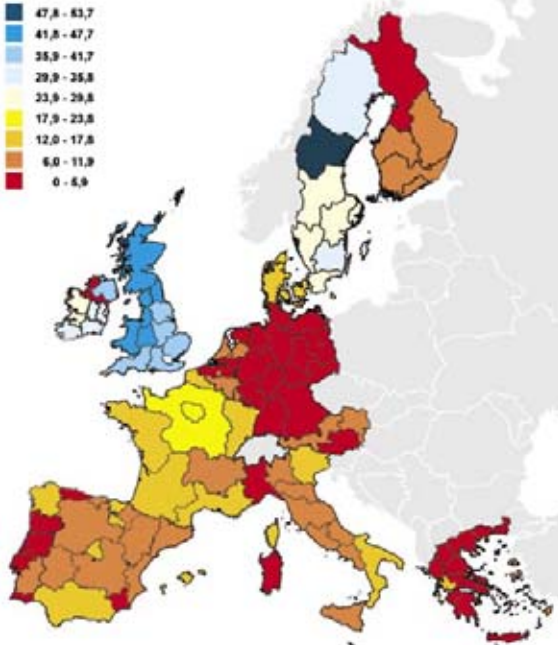


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## Many opportunities in Europe

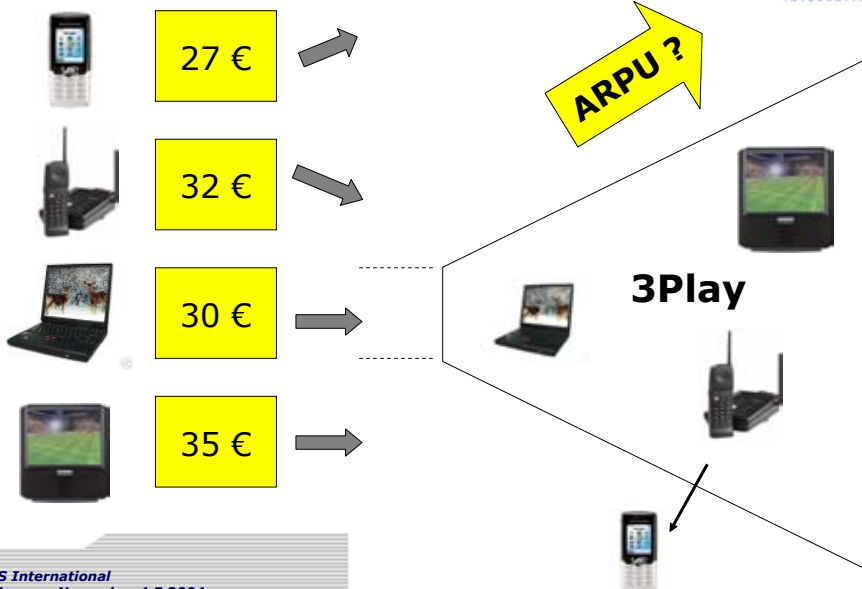


- Digital TV in Europe
  - Source IPSOS



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## ARPU Telephony+Internet+TV

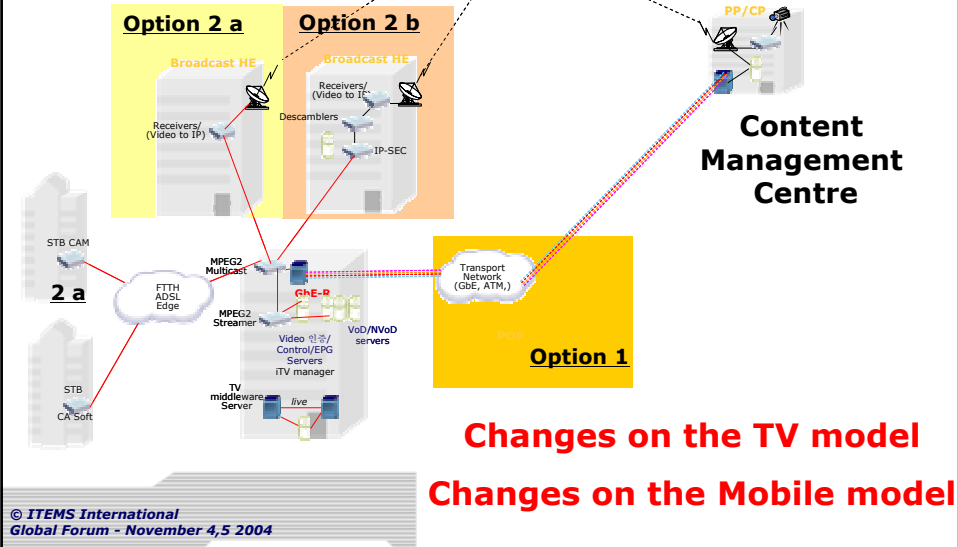


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# Broadband change the architecture and the economy of Video Services

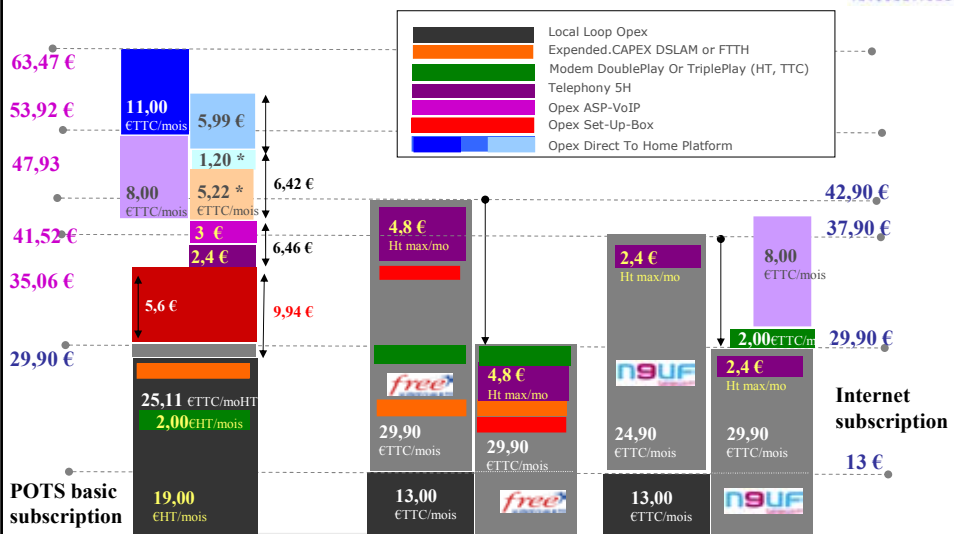


## Triple Play Service Architecture



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## A complex Chain of Value to be controlled



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## How to get benefits on TV services



- Two approaches depending TV services is the core business or not
  - For a Telco or an Internet provider: TV is an appeal product
- Questions
  - 1- What trend for the core business?
    - Value in Internet services?
    - Value in TV?
    - Value in bundled services? ...
  - 2- How to sign agreements with major TV channels?
    - How to be big enough to get them at an acceptable cost?
    - How to bundle the offer and get some profit?
    - How to buy sport events?
  - 3- How big is the risk :
    - for Cable Operators?
    - for Direct-to-Home Platforms?

## Trend : Channel on Demand



Direct-To-Home Platform	Channels On Demand

## Services trend and risks



	New services Today	Risks	Tomorrow
<b>Telco</b>	-TV on DSL/FTTH -Deal with TV Direct-to-Home Platforms	- Fixed VoIP - VoIP Mobile gateways	- TV Channels On-Demand  - Dissemination of specialized channels
<b>Internet Providers</b>	-TV on DSL -Fixed VoIP -VoIP mobile gateways	-Dependant on TELCO price policy -Size (low capacity to deal with Content providers)	-Direct agreements with content providers
<b>Cable Operator</b>	-Fixed VoIP -VoIP mobile gateways	-Bandwidth race -Network extensions and upgrades	-Fixed and mobile VoIP unified services (no more financial gap)
<b>Satellite Platform</b>	-Internet Universal Access	-Bandwidth race	