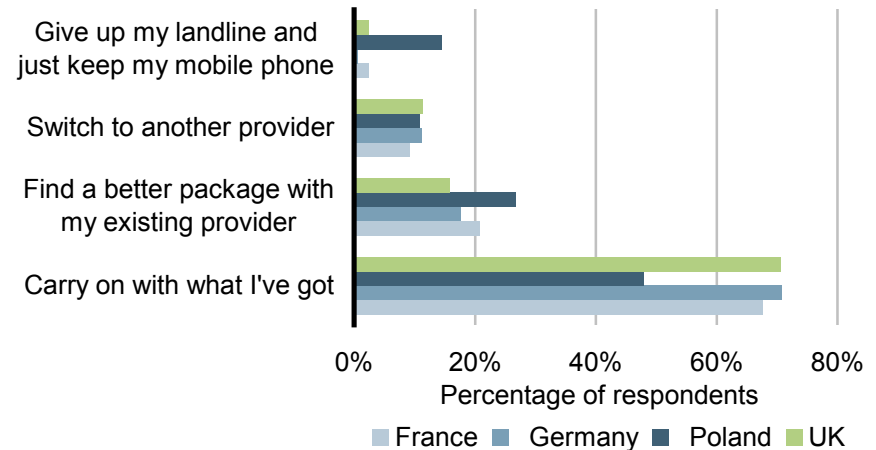


Inertia characterises the fixed-line markets in France, Germany and the UK, but the Polish market is more fluid

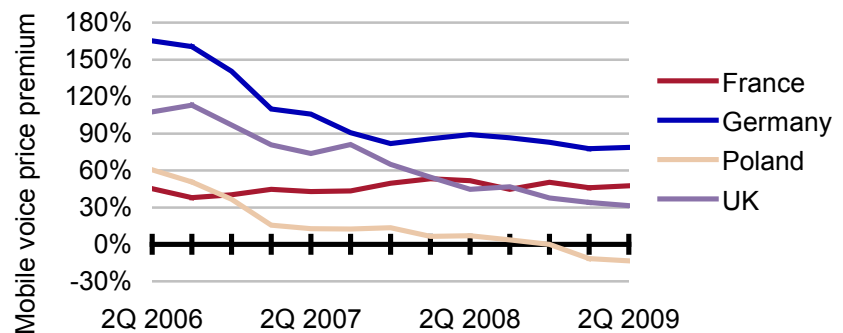
- In France, Germany and the UK, about 70% of respondents who subscribe to fixed-line services planned to retain their current services, while about 20% aim to find a new package with their current provider and 10% aim to find a new provider. Almost no respondents in those markets intend to give up their landline.
- By contrast, 15% of Polish respondents plan to abandon their landline altogether, which reflects the fixed and mobile service usage trends discussed on slide 17.
- The mobile premium is a significant factor in consumers' decision to retain a fixed-line subscription. As this premium continues to erode in Germany and the UK, it is likely that more consumers will consider abandoning their fixed-line services.

Figure 11: Intentions of users of fixed-line telephony services by country¹ [Source: Analysys Mason, 2009]



¹ Question: "Which of the following best describes your future plans for your landline telephone service in the next 12 months?"; all countries; respondents with a fixed-line phone; $n = 3665$.

Figure 12: Mobile voice price premium by country, 2Q 2006–2Q 2009 [Source: Analysys Mason, 2009]



Most users employ mobile broadband as a complement to fixed services, but MNOs must be prepared for churn

- Consumers show little interest in migrating fully from fixed to mobile broadband: most will retain their fixed-line service and use mobile services as a complement for the foreseeable future:
 - more than 70% of respondents that have fixed and mobile broadband subscriptions plan to retain both, which indicates that consumers prefer to use each service type for specific applications
 - 13% of respondents intend to drop fixed broadband and switch to using only a mobile service
 - a further 13% plan to abandon mobile broadband and switch or return to DSL- or cable-based services only, indicating that there could be substantial mobile broadband churn.
- Of respondents that have only mobile broadband services, 72% plan to stay mobile-only, but 28% intend to also take up a fixed broadband service.

Figure 19: Intentions of users of both fixed and mobile broadband¹ [Source: Analysys Mason, 2009]

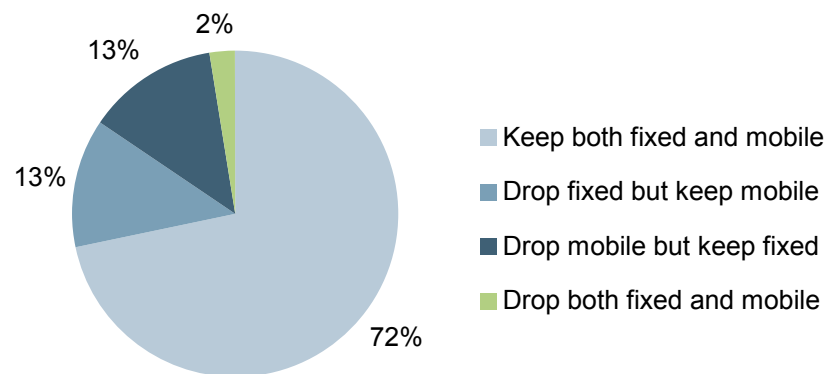
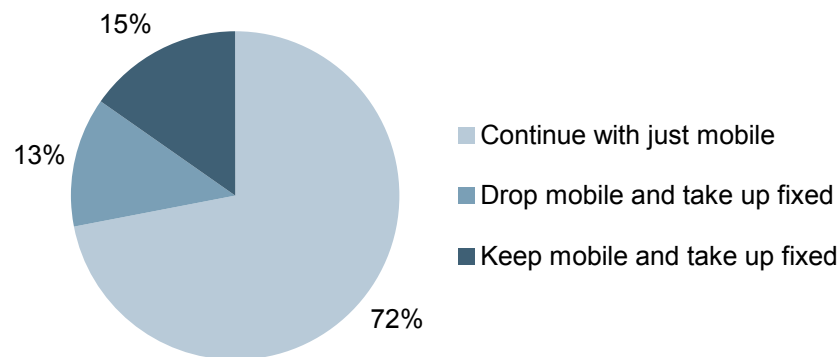


Figure 20: Intentions of users of only mobile broadband² [Source: Analysys Mason, 2009]



¹ Question: "What are your future plans?"; all countries; respondents that take both fixed and mobile broadband; $n = 745$.

² Question: "What are your future plans?"; all countries; respondents that take only mobile broadband; $n = 111$.