Autorità per le garanzie nelle comunicazioni

Quarterly Telecommunications Observatory (*)

- Updated to 30 September 2011 -

(*) – Informations showed in the following figures represent Agcom evaluation on data provided by the operators
Index

1. Fixed access lines (total)
2. Fixed access lines (only new entrants)
3. Retail broadband access lines
4. Mobile subscribers – customer base
5. Mobile broadband
6. Mobile virtual operators (MVNO)
7. Mobile telephony: number portability
Over the past twelve months, direct wireline access lines were down -0.4 million (growth of alternative operators ca. + 0.3 million, TI - 0.7 million).

Consequently, TI's Italy market share was 2% down.

Vodafone Italy and Wind have grown respectively by 0.9% and 1.2%.

Vodafone has consolidated its position as third largest fixed network operator (7.9% vs 7.4% for Fastweb).

(1) – Figures consistent with AGCOM’s Annual Report 2011. Includes: Telecom Italia’s access lines, full unbundling (voice and data), Dsl Naked, Fiber

Source: Agcom on data provided by operators
2. Fixed access lines (only new entrants)

- In Q3 (cutoff date: 30 Sept.), compared with the previous quarter, for the first time the number of the new entrants direct access lines, even though slightly, decreases in absolute value.
- In Q3, unbundled access lines (full and virtual) exceeded 4.9 million, an increase of 0.3 million compared to Sept. 2010, but compared to Q2, due to a decline in TeleTu customers, decreased by about 18,000 access lines.
- In the distribution of direct access, Wind holds the first place (38.4%).
- Vodafone up to 26.8%, Fastweb down to 25.2%.

Source: Agcom on data provided by operators
In absolute values, broadband lines down compared to the previous quarter (approximately -0.18 m) (*).

YoY broadband growth was + 0.3 million hits, reaching an aggregate 13.3 million at the end of Q3.

Avg. download speed increased. YoY lines with nominal speed equal to or greater than 2 Mbit/s increased from ca. 80% to 86%.

TI's market share (53.6%) falls YoY by 1.5%, Vodafone and Wind gain cumulatively about 3.5 percentage points.

Fastweb market share down 1.4%. (*)

(* - As a result of the settlement of litigations Fastweb reduced the number of access lines by 197,000 in the third quarter of 2011. Source: Swisscom Interim Report January-September 2011, pag. 34.

Source: Agcom on data provided by operators
4. Mobile subscribers – customer base

- Active lines grew YoY (1.7 million) mainly due to the adoption of SIMs used for data traffic.
- 45% of the total growth in customer base is due to business customers.
- Growing market share of TI (+0.5%) and Wind (+0.9%), Vodafone down by 1.3%.
- 83.2% of the active lines are "prepaid", a slight decrease compared to Q3 2010 (84.2%).
- Business customers reached 11.5 million rising from 11.9% to 12.5% of the total customer base.
- The telephone traffic (more than 98 billion minutes) increased almost 10% compared with the first nine months of 2010.
- The SMS sent (over 66 billion in Q1 2011) were 3.7% up.

Source: Agcom on data provided by operators
5. Mobile broadband

- In the 9M2011, SIMs with broadband data traffic exceeded 18.1 million (+9.8% compared with Q3 2010).
- The "connect cards" passed the 6 mln mark (+16.3%).

Source: Agcom on data provided by operators
6. Mobile virtual operators (MVNO)

- Continued growth of MVNO subscribers (+0.7 million in the last twelve months), for a total which exceeds 4 million SIMs, with 4.4% market share.
- Poste Mobile exceeds 50% (+4.7 percentage points) due to the integration of mobile and postal services.
- Fastweb, in the last year, gains more than 100,000 subscribers and gets just under 14% of the market to strengthen its position, distancing Coop Italia.
- Voice Traffic and SMS sent in the 9M2011 increased respectively by 23% and 52%.

Source: Agcom on data provided by operators
7. Mobile telephony: number portability

- In 3Q, the number of mobile lines ported reached 34.7 million (cumulative).
- The mobile virtual operators subscribers were up 900k in 3Q (out of which about 50,000 in the third quarter of 2011).
- With reference to Telecom Italia, on a quarterly basis, the balance “donating-recipient” although still negative in the third quarter (-138,000) confirms upper trend since the last quarter of 2010.
- Vodafone back to positive growth (from -31,000 for the second quarter to +69,000 of the third), while Wind was still positive but slowing (from +131,000 to +57,000).

Source: Agcom on data provided by operators