



Ecosystem of Internet in Mobile Phone and its development

Ladislav Mozný, Vice President Strategy



T-Mobile Czech Republic



- Founded in 1996 under the name Radiomobil (Paegas)
- Offers converged telco services both to business and retail customers
- No 1 in SIM cards since 2005

- Q1 2009 results:
 - Total revenues (CZK million) : 7,594
 - EBITDA (CZK million): 3,518
 - ARPU (CZK): 452
 - Number of customers: 5,411 million

Mobile Internet - History



.. T .. Mobile ..

How it started



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Press

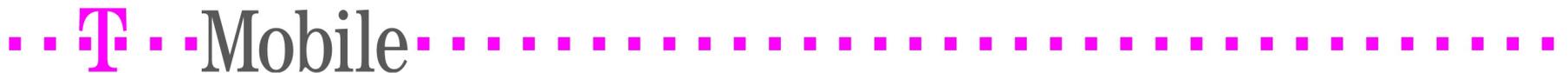
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Nokia unveils the world's first media phone for Internet access

February 23, 1999

The Nokia 7110 dual band GSM 900/1800 media phone brings Internet content and other services to every pocket

Nokia has today announced the world's first media phone that is based on the Wireless Application Protocol (WAP) in Mobile Media Mode (WWW:MIMM). The Nokia 7110 dual band GSM 900/1800 media phone was introduced at the GSM World Congress in Cannes, France. The new product has been designed to



web'n'walk hero devices for launch



Hero devices for both web'n'walk classic and light editions

- web'n'walk classic



- MDA Compact II

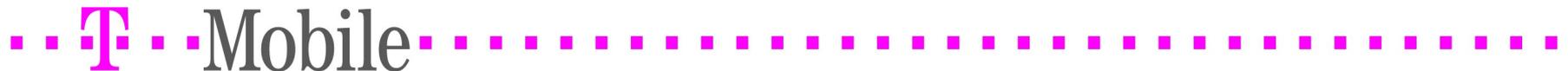


- MDA Vario



- Nokia 9300

- web'n'walk light



Competitor review & outlook

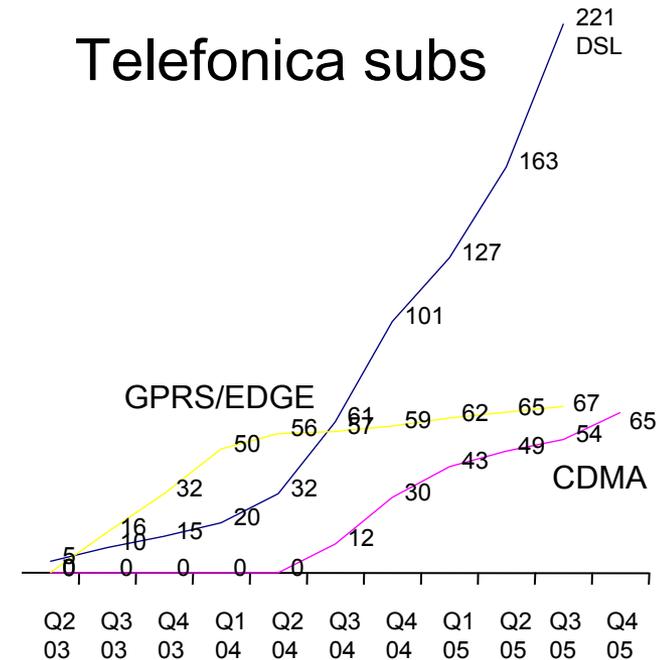
Competition is increasing the attractiveness of their offers and the capabilities of their broadband networks.



- Very strong DSL sales (ca. 60k per quarter)
- DSL to be upgraded to >6Mbps in 2006 to support Triple Play
- Matched TMCZ promo offer in terms of modem price (CZK 1) and one monthly fee for free
- Additionally, free activation (TMCZ = CZK 99)
- Continuously strong ATL, "co Cech to Internet" campaign; heavy TV advertising

- CDMA sales rebounded to 11k in Q4 – 6 times TMCZ TDD sales on ca. 7 times coverage
- Outphasing of NMT to increase CDMA capacity by 50%
- Considers introduction of Rev. A* in mid 2006
- Dropped CDMA MF by CZK100 to CZK699 to match TMCZ offer;
- New CDMA modem for CZK1, prepares CDMA/GPRS combicard
- Multi-bearer UMTS/GPRS tariff for CZK549 (with 24 mo. contract)

Telefonica subs



... T ... Mobile ...

Mobile Internet Today



.. T .. Mobile ..

T-Mobile and the Apple iPhone: a succes story.



- 1st generation iPhone (launched in Nov 2007)

-

-

- 2nd generation iPhone 3G (launched in July 2008)

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- T-Mobile sells iPhone 3G in

-

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* exclusive sales partner



Customer Insights



How to get on Internet

- I want to know, how to start Internet.
- I don't want to be confused with these icons. What does it really mean?

Speed and Coverage

- It must be quick. I takes ages to see pages.
- I want to use Internet anywhere and anytime.

User Experience

- Content must be adjusted to my display.
- My home portal must be transparent, with good & fast search.

Mobile device trends from Internet perspective

- Mobile handsets are becoming more attractive as Internet devices



A close cooperation with device manufacturers required to ensure an optimal user experience

... T Mobile ...

Real value adding usage patterns already exist

Budte si vždy nablízku s internetem v mobilu

Díky internetu v mobilu můžete být stále se svými kamarády a blízkými. Noste si internet pořád s sebou a surfujte po oblíbených stránkách, kdekoliv vás napadne. S tarifním zvýhodněním Surf+ jen za 99 Kč měsíčně můžete mít všechny přátele a celý internet i ve svém mobilu. Aktivujte na www.t-mobile.cz/surf nebo na 803 603 603.

pro společné zážitky **T-Mobile**

Tarifní zvýhodnění Surf+ za 99 Kč (117,81 Kč vč. DPH) měsíčně je možná aktivací 1. listopadu 2010. Platnost do 31. 10. 2010. Neplatí pro Surf+ za 99 Kč. DPH je vč. v ceně. Aktivace k dispozici jen v ČR. Více na www.t-mobile.cz.

Budte vždy na správném místě s internetem v mobilu

Díky internetu v mobilu se ne jen můžete naučit, ale i najít. Noste internet vč. s sebou a surfujte po oblíbených stránkách, kdekoliv vás napadne. S tarifním zvýhodněním Surf+ jen za 99 Kč měsíčně můžete mít všechny přátele a celý internet i ve svém mobilu. Aktivujte na www.t-mobile.cz/surf nebo na 803 603 603.

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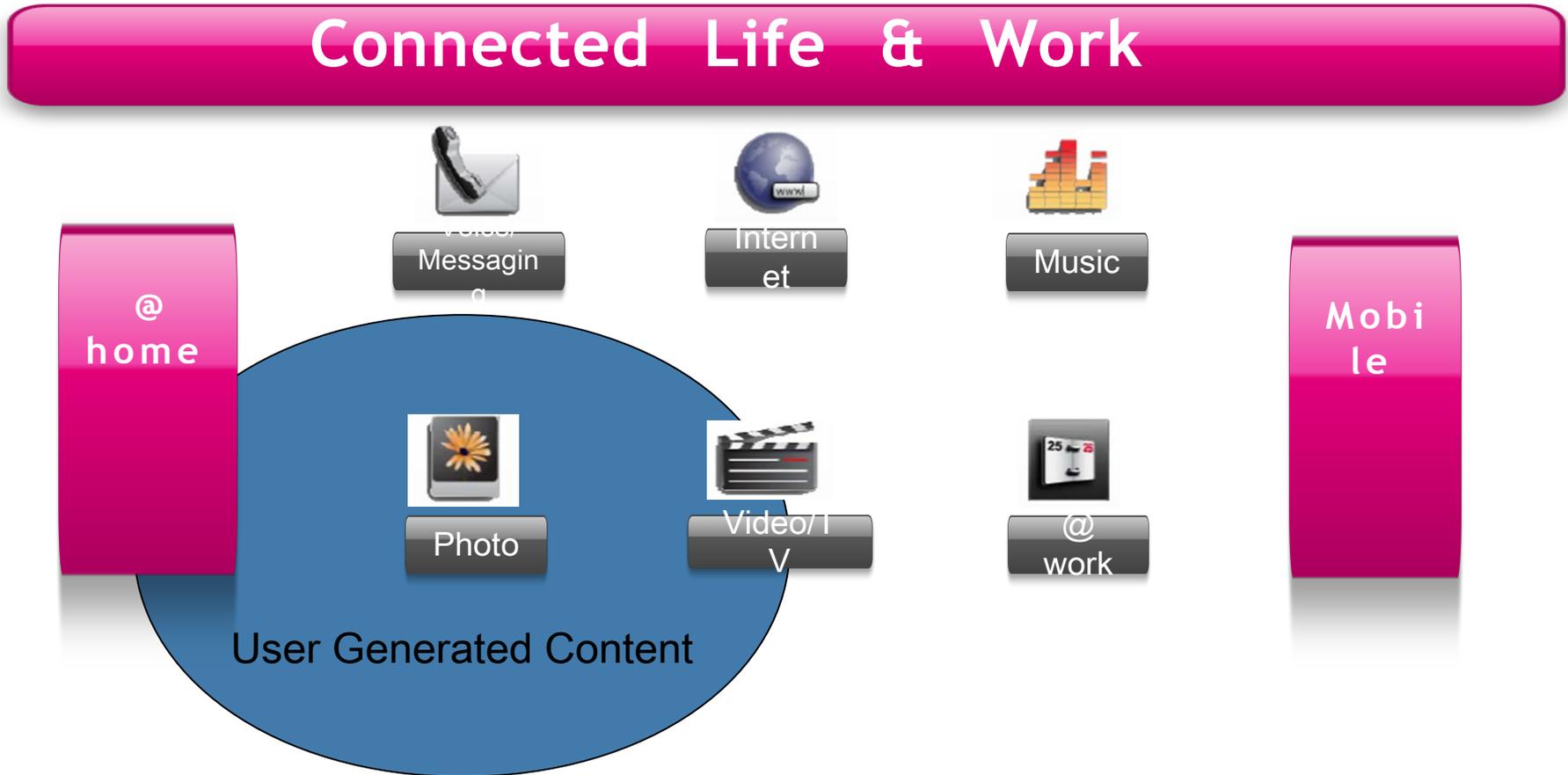
T-Mobile

Mobile Internet Future



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Mobilization of Content – potential future driver



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New potential areas – Gadgets as an interface

Banking, payment, m Identity management

Japan/Korea
Mobile
Market Update

April 2009

Deutsche Telekom
Regional Office Japan

1. Japanese Operators Explore Non-Traffic Revenue Through Personal Financial Applications

- Two of the three operators in Japan have recently decided to invest in financial businesses; KDDI's retail banking business ("Jibun Bank") and NTT DoCoMo's credit card issuer business ("DCMX"), under the circumstances of the negative trend of mobile ARPU also in Japan. As the ratio of data flat rate plan subscribers getting higher, with 29% of total mobile users at NTT DoCoMo and 72% at KDDI au in December 2008, mobile operators are eager to develop non-traffic revenue sources.
- The motives of the two operators are to cultivate additional non-traffic revenue utilizing existing resources. The common thoughts of the two businesses are to convert existing customer base into their new business's customers and to utilize its major customer contact points, such as its own brand shop or the mobile preset screen, to promote these new financial services.

KDDI au handsets' main menu



Jibun Bank Application



<Exhibit 1: Jibun Bank Screen How and cash card>
Source: Jibun Bank

Jibun Bank of KDDI

- Most recently, Jibun Bank, a retail bank, is incorporated as the joint investment of KDDI (50%) and The Bank of Tokyo-Mitsubishi UFJ (50%). Its number of subscribers reached 500,000 milestone on April 4th, 2009 after 9 months of operation since its launch in July 2008.
- Jibun Bank provides almost the same service menu as existing Internet banking services on mobile phones but the bank transfer utilizing mobile phone number. Jibun Bank Users are still provided with a plastic cash card for withdrawals to be compatible to existing ATMs.
- Even though the end-user benefit of Jibun Bank is not differentiated, there are competitive advantages of KDDI compared to other banks by;
 - > Utilizing KDDI's subscriber information to acquire customers for Jibun Bank
 - > Pre-installing Jibun Bank application to its mobile phones to

Market: Mobile Banking - Japan

• Mobile banking service is provided by more than 90% of banks and 21% of mobile users utilize mobile banking, according to Impress R&D.

Usage/ Function

• The main usage of mobile banking stays to the basic functions since the launch, such as to check the balance/ statement (71%), bank transfer (41%), settlement service such as Yahoo! Settlement (26%) and cash transfer (25%), followed by a lot less utilization of fixed deposit (6%), according to Rakuten Research's consumer questionnaire.

• Additional mobile banking services that take advantages of characteristics of mobile phones are:

- E-money charge: to charge e-money value, stored on a FeliCa[®] chip on mobile phones
- ATM lock: to lock/ unlock the usage of cash card at ATMs via mobile phone
- Secure Log-in: to authenticate utilizing handset serial

Time for your questions.