

E-MEDIA INSTITUTE UNVEILS NEW RESEARCH PROGRAMME FOCUSING ON VIBRANT AND INCREASINGLY COMPETITIVE ITALIAN TV MARKET, A MARKET IN WHICH:

- TELCOS ARE GETTING READY TO LAUNCH TV-OVER-DSL PACKAGES;
- 234 DIGITAL TELEVISION CHANNELS AVAILABLE;
- NET TV ADVERTISING REVENUES INCREASED BY 11%;
- DIGITAL TERRESTRIAL TELEVISION HAS REACHED 1.3 MILLION HOUSEHOLDS.

With the roll-out of digital terrestrial television now underway, new forms of competition are emerging in the Italian TV market. Satellite TV operator Sky Italia and fiber-to-the-home provider FastWeb, the only two digital pay TV operators in Italy at the end of 2004, are now facing the competition of Mediaset and La7's digital terrestrial pay-per-view offerings.

Over the last few years, the total number of television channels available in Italy has grown strongly. There are now 234 digital television channels broadcasting in Italy, either free-to-air or encrypted ([www.e-mediainstitute.com/static/mappe/Digital television in Italy.pdf](http://www.e-mediainstitute.com/static/mappe/Digital%20television%20in%20Italy.pdf)). The top genre is sport channels (36), with generalist / mini-generalist channels ranking second (19). Erotic channels have also grown strongly in the last years, from 2 in 1998 to 10 in 2005.

Figures provided by ITALY TV MARKET WATCH, e-Media Institute's new Research Programme, show net television advertising revenues in Italy rose 11% to 3.8 million euros in the 12 months ending December 2004, from about 3.4 million euros in the like, year-earlier period. National analogue broadcasters account for nearly 87% of the total, yet due to the increase in multichannel homes in Italy, "Other" digital channels are steadily increasing their share of the TV advertising pie.

The launch of ITALY TV MARKET WATCH also comes amid a strong increase in the number of digital terrestrial households in Italy, with the number of state-subsidized digital terrestrial set-top-boxes topping 1.3 million in February 2005. Moreover, the new terrestrial pay-per-view services introduced by Mediaset and La7 in January 2005 have shown promising results, with an estimated 200,000 prepaid cards sold in the first month alone.

In 2005, new television services (on TV) using broadband Internet as the distribution channel are expected. Among these, the most eagerly awaited is a new TV-over-DSL service from Tlc incumbent Telecom Italia. At the moment, Telecom Italia offers a broadband video service on PCs. Fellow Italian Tlc operators Wind and Tiscali are also planning to launch a new TV-over-DSL service before the end of the year.

For further information about ITALY TV MARKET WATCH, please contact e-Media Institute: 02 6269 5285 / 53331 - press@e-mediainstitute.com.

ITALY TV
MARKET WATCH

ITALY TV MARKET WATCH is the e-Media Institute's Research Programme dedicated to the television market in Italy. For more details see: http://www.e-mediainstitute.com/researchprogrammes/italiantvmarket_en.content. All e-Media Institute's Research Programmes are updated live and provide you data and analyses periodically.

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e-Media Institute is an independent organisation that provides impartial research and consulting services on communications market. ITALIAN TV MARKET is a Research Programme which aims to give a comprehensive picture of the main developments in the television market in Italy.