

DIGITAL TV IN THE EU-5

70% OF TV HOUSEHOLDS IN THE EU-5 ACCESS DIGITAL TV ON THEIR MAIN TV SET

- DESPITE RECESSION, DIGITAL TV HAS POSTED SOLID GROWTH DURING THE YEAR ENDING JUNE 2009
- WITH A 40% SHARE, DTT HAS OVERTAKEN SATELLITE AS THE DOMINANT DIGITAL TV PLATFORM IN THE EU-5

e-Media Institute (www.e-mediainstitute.com) today publishes its 2nd quarterly release of the EU-5 TV Market Maps highlighting recent developments in major Western European TV markets as of June 2009.

The most striking of such developments is that at the end of June 2009 digital TV penetration in the five largest European TV markets finally reached the **landmark figure of 70%** of total TV households, meaning that **92 of the 132 million TV households** in Germany, UK, Italy, France and Spain have now access to digital TV on their primary TV sets. This figure has increased by 21.3% during the year ending last June, the highest yearly increase since December 2007. This is particularly good news considering that recessionary forces are still pushing most European consumers to keep their belts tightened.

A major role in such a sharp rise in digital TV take-up was undoubtedly played by the forthcoming first big analogue terrestrial switch-offs in Italy, Spain and the UK. Following on from the first pilot schemes that have taken place since 2008, the switch-off process in these three markets (and to a lesser extent France) has in fact entered a decisive phase and e-Media Institute estimates that an overall **17 million households** in these four countries will have lost their analogue terrestrial TV signal by the end of the year. By that time, around **76%** of TV households in the EU-5 will receive a digital TV service on their primary set.

As a consequence, the largest share of total digital net additions in the year was captured by digital terrestrial TV (DTT), which accounted for almost **56%** of all digital TV newcomers. Satellite and IPTV followed at some distance, with 16% and 14.5% of net adds respectively.

At the same time a historic shift has occurred in the market shares of digital TV platforms: in June DTT finally reached the leading position with **40% of all digital TV households in the EU-5** (up from 36% in June 2008), while satellite slipped back to second place, accounting for 39% of digital TV households in June 2009 against 44% one year earlier.

Ranking of the largest digital TV platforms in the EU-5 by number of users and growth rate over previous year

Rank 1H-09	<i>Rank 1H-08</i>	PLATFORM	USERS 1H-09 (000)	<i>GROWTH 1H-09 / 1H-08</i>
1	<i>2</i>	DTT	36,782	<i>32.5%</i>
2	<i>1</i>	SATELLITE	35,742	<i>7.8%</i>
3	<i>3</i>	CABLE	12,304	<i>22.0%</i>
4	<i>4</i>	IPTV	7,415	<i>46.1%</i>
TOTAL			92,242	21.3%

Note: figures for digital TV households refer to the first TV set. DTT households figures refer to those households with sole access to the DTT service (DTT-only).

Source: e-Media Research Ltd.