

**T** · · Mobile ·  
prostě blíž



2006: Customers voted for T-Mobile  
No. 1 confirmed

# 2006: Year of challenges



# 2006: Year of challenges

- Mobile number portability (start on Jan 15, 2006)
- Mobile topic of the year in Europe: roaming
- Other global players enter Czech market
- Save for Growth program – further focus on efficiency
- And... T-Mobile celebrated 10th anniversary of the presence in the Czech market



# 2006: Year of challenges



## Our answer

- MNP
  - Positive balance + nearly 5000 new customers
- Roaming
  - T-Mobile customers first to enjoy new roaming pricing (Cestovatel)
  - Self-regulation (Code of Conduct)
- Competition
  - Customer choice No. 1: more than 5 million customers at the end of the year
  - Excellent financial results
  - Progress in value creation

## 2006: Focused on customer care and fix-mobile substitution

Most highly regarded service company

- Value-based customer service differentiation
- Good reputation and high quality products and services
- Intensive development of CSR program
- Brand experience



# 2006: Focused on customer care and fix-mobile substitution

## Innovative services, new business opportunities

- More than data
  - web'n'walk
  - Further development of the broadband coverage
- More than calling
  - Number of tariff offers and add-ons
  - Tariff BAV SE
  - Roaming offers
- More than entertainment
  - FIFA World championship
  - DVB-H
  - jaXmobilem project
- More than business
  - Innovative and Insight Workshop
  - Partnership program innovation
  - Special website for business clients



# 2006: Achievements

We are proud of...

- Good Brand 2006
- WebTop 100 – 1st place
- Zlatý středník (Golden semicolon) competition – several prizes on corporate media (magazines, web pages, brochures...)
- The best customer care award, the best in e-mail communication



# 2006 in Figures



Excellent results in saturated market

# Customer Base

No.1 confirmed

	2006	2005	Change %
Penetration (%)	119.7	111.2	7.6
Total customers ( '000)	5,049	4,634	9,0
Post-paid	1,809	1,288	40.5
Pre-paid (TWIST)	3,240	3,347	(3.2)
New customers ( '000)	415	274	51.2
Post-paid	522	183	185.1
Pre-paid (TWIST)	-106	91	n.a.
Average monthly churn blended (%)	1.4	1.1	26.7p
Average monthly churn post-paid (%)	0.7	0.6	5.5p

Long-term strategy on high service culture results in excellent results number of new customers, loyalty of current customers and boosted position in post-paid customers' segment.

# Financial Results

## Growth in revenues, EBITDA and ARPU

In CZK mio	2006	2005	Change %
Total revenues	29,548	27,915	5.8
ARPU revenues incl. visitors	28,075	25,841	8.6
EBITDA	12,746	12,232	4.2
EBITDA margin - total revenues(%)	43.1	43.7	(0.6p)
EBITDA margin - ARPU revenues (%)	45.4	47.2	(1.8p)
Net income	5,365	4,967	8.0
ARPU incl. visitors	492	482	2.0
Non-voice ARPU (%)	21.1	21.4	(0.3p)

Financial results according IAS/IFRS - unaudited

Growth in all relevant indicators reflects operational excellence and ability to attract and maintain valuable customers.

# Progress in value creation

Stable growth in all key parameters

- 8.9% customer base growth
- 4.2% EBITDA growth
- 5.8% revenues growth



# The Year 2007

## More challenging mobile market conditions

- Further consolidation of the market
- Converged solutions
- “Fourth mobile operator“
- New technologies
- Legal changes necessary



# The Year 2007

## Clear strategy guarantees further development

- Most highly regarded service company
  - Customer orientation
  - Maximum customer experience
  - Operational efficiency
  
- Brand fortification – Simply Closer
  - We enable people to be in close contact both in their private and business lives
  - Reliability-Simplicity-Inspiration
  - CSR activities
  
- Services: creating the future
  - Building communities (user-generated content)
  - New advantageous voice tariffs
  - VAS and innovative services
  - Content services: DVB-H, t-music PLAY!...



Do you have any questions?



Thank you for your  
attention.