

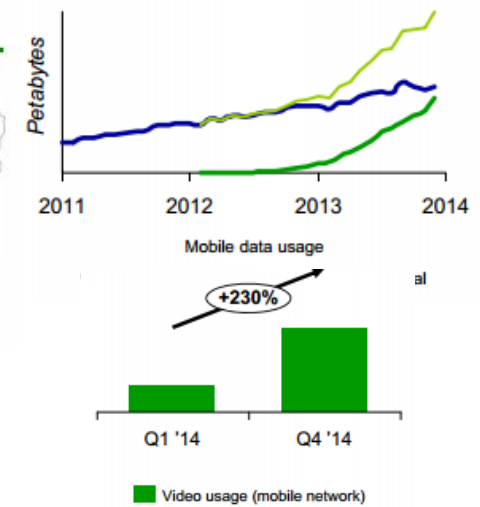
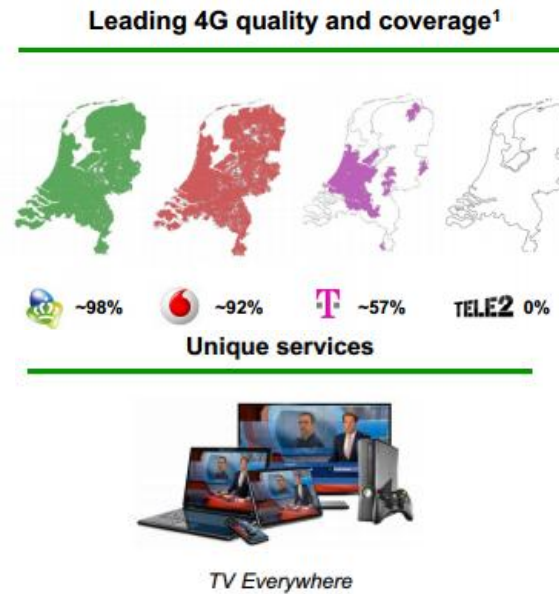
The Netherlands

Competitiveness snapshot
Q1'2015 from an EU market with **real net neutrality rules** since 2012

- **Zero-rating banned**
- All vertical price discrimination banned
- Carriers paid €3.8bn in 2012 competitive multiband spectrum auction (NN rules were already in place)
- Tele2 made entry decision & substantial spectrum investments even though NN rules were already in place
- 4th entrant building nation-wide LTE network from scratch – nation-wide LTE coverage expected Q1 2016
- 4th entrant full commercial launch expected in 2015

N°1 incumbent fixed-mobile telco (KPN) response to competitive pressures and real net neutrality:

- ✓ Nation-wide LTE coverage reached in Q1'2014
- ✓ LTE-Advanced introduced in 2014
- ✓ 100% YoY mobile data growth
- ✓ Innovative mobile video, cloud, m2m services
- ✓ Data bundles boosted to facilitate 'carefree' mobile video usage, 5x fall in price of incremental open internet gigabytes on smartphones between Q1'2014 -> Q1'2015
- ✓ 85% of households access to 100Mbps fixed-broadband by end 2016



Capacity - fixed network
~85% households access to 100Mbps end-2016

Download speed ahead of demand

Download speed ²	2014	2015	2016
>40Mbps	~75%	~85%	~90%
100Mbps	~50%	~70%	~85%
200Mbps	~27%	~55%	~70%
500Mbps	~27%	~30%	~33%

New data bundles facilitate carefree usage

