

## PRESS RELEASE

### Slight Margin Recovery forecasted by IEMR in the German mobile operator market, according to new mobile operator market research report by IEMR

**Vancouver, October 16, 2008 – IE Market Research Corp. (IEMR)**, the Canadian-based provider of market intelligence services, announced today the release of its 4Q08 Germany Mobile Operator Forecast.

“We continue to broadly maintain our previous forecasts for Germany, given that operating metrics among German mobile operators moved in line with previous quarters’ trends for 1Q08,” said Christopher Fry, Principal Research Associate at IEMR.

Service revenues declined by only -0.5%, a significant improvement from the 4% declines in previous quarters due to the VAT increase affecting the year-ago numbers. Prices continued to fall in Germany, as RPM fell by -16.6% YoY in the quarter, though the pace has moderated in relation to the 21% - 23% declines in previous quarters. MOU/subscriber came in at 5.4% YoY, though the rate of growth has been decreasing in recent quarters (8% in 1Q08, 9% in 4Q07, 11% in 4Q07, 13% in 2Q07). “All of these fundamentals are very much in line with our previous forecasts and we have, therefore, broadly maintained our forecasts for the German market,” said Mr. Fry.

IEMR’s Germany Mobile Operator Forecast covers up to 65 financial and operational metrics on four wireless operators. Notable highlights of the 4Q08 Germany Mobile Operator Forecast include:

- The number of total subscribers in Germany will increase from 97.2 million to 105.1 million between 2007 and 2010. The wireless penetration level will continue to increase. We are now forecasting a wireless penetration level of 127.1% (same as our previous forecast) in 2010.
- Our model is now forecasting only slight changes in subscriber market shares in the German market. We expect that T-Mobile’s market share will continue to decline from its current level to reach 35.8% in 2010 while E-Plus and O2 will continue to see some increase in their market share figures.
- In 2010, we are predicting that O2 will generate the highest ARPU of EUR 21.58 while T-Mobile will generate the lowest ARPU of EUR 15.84 per month.
- We are now forecasting that there will be some margin recovery among operators in Germany. T-Mobile, E-Plus, and O2 will see an increase in margins at 38.2%, 38.4%, and 27.4% in 2010; while and D2 (Vodafone) will see some declines in EBITDA margins over the forecast period, coming in at 41.1% in 2010.

IEMR's Global Mobile Operator Forecast covers up to 65 operational metrics of 213 mobile operators in 50+ countries, making up 80% of the world's population. Forecasts are based on our proprietary, country-specific forecasting models. These models deploy multiple regression analysis and cross-impact matrices that estimate relationships between subscriber data, technology use and deployment data, overall economic and demographic changes expected in a particular country; and relate these to company operational and financial metrics.

#### Companies Covered in this Country Mobile Operator Forecast

T-Mobile  
D2 (Vodafone)  
E-Plus  
O2

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\* Available only for CY04 – CY07

For more information, visit

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#### About IE Market Research Corp.:

IE Market Research Corp. ("IEMR") is a market intelligence and business strategy consulting firm. Our goal is to assist our clients build value and compete in international markets. We build value in four sectors: wireless telecommunications, health care, finance, and government. We build value for our clients by undertaking international brand perception surveys, consumer satisfaction surveys, distributor/channel partner selection and due diligence, market size and opportunity assessments, competitor strategy assessments, government regulatory analysis, and public opinion surveys.

We offer a variety of research products including **CONSUMEREADY™** and **EXPORTREADY™**. **CONSUMEREADY™** provides detailed demographic information on brand strengths and marketing strategies that are crucial to know when competing in international markets. **EXPORTREADY™** is based on our on-going business strategy research that allows us to establish strengths and weaknesses of firms in a wide variety of areas, ranging from intellectual property portfolios to strengths of marketing strategies to quality of engineering. These results are highlighted in our **EXPORTREADY™** publications and form a valuable tool for firms wanting to strategize their market entry options in international markets.

Our corporate values are: Top-Quality Service to Clients, Commitment to see the Client Succeed, Excellence and Integrity in Research, Transparency and Respect toward our Employees. These core values drive all of our research and every client engagement.

For more information, visit our web-site: [www.iemarketresearch.com](http://www.iemarketresearch.com)



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