

## BRINGING TV TO THE PC

Brussels, April 2008

This document is confidential and is intended solely for use by its original recipient for informational purposes. Neither the document nor any of the information contained in this document may be reproduced or disclosed to other persons without the prior written approval of Zattoo.



## ZATTOO IS LIVE TV FOR FREE – FINANCED BY ADS



### Live TV on the PC

- Proprietary player (free download)
- Popular public and private stations
- Channel line up country specific
- Retransmission simultaneous and unchanged
- Channel Manager and EPG, more to come

total of 130 channels in 8 countries (April 2008)



### Ads during channels switches

- 5-7 seconds when buffering
- Animations and sounds
- Interactivity

122 campaigns run in 2007 (starting April)

Live demo

## PRESENCE IN EIGHT COUNTRIES



### Europe

- Live in Belgium, Denmark, France, Germany, Norway, Spain, Switzerland and UK
- Planned launch in Q2 2008:
  - » Austria, Italy, Netherlands, Portugal, Sweden, Finland, Hungary, Czech Rep.

### North America

- Planned launch in 2008

### Asia\*

- Planned launch in 2008

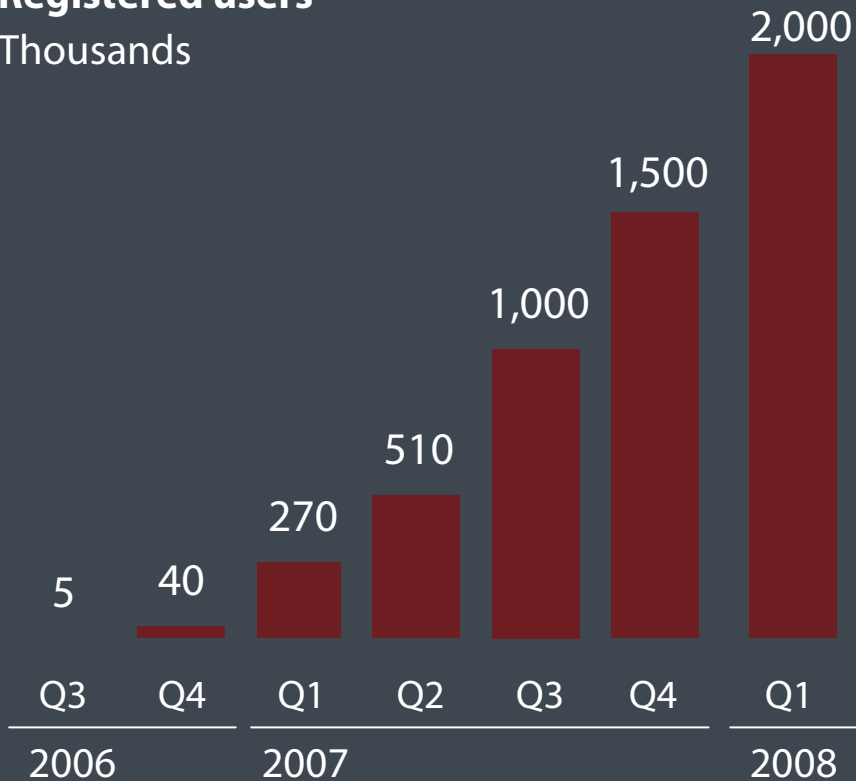
\* Japan, South Korea, China, Australia



## 2M USERS WATCH ZATTOO AS TV COMPLEMENT

### Registered users

Thousands



### Triggering factors driving adoption

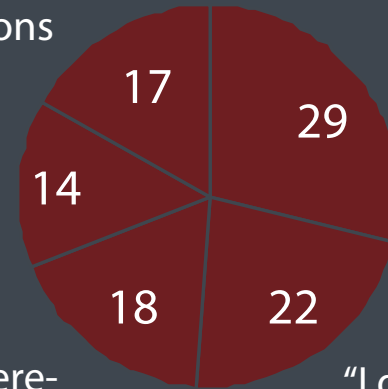
Percentage

"I use Zattoo because..."

Other reasons

"The TV is occupied"

"I'm in a different place than my TV"



"I want to watch TV while doing other stuff with my PC"

"I don't have a TV"

- 400'000 downloads in CH in 1 year
- 100' downloads in ESP in 1 week
- ~ 1/3 of users are active every month

- Zattoo is not a substitute but a complement and an extension to classic TV viewing
- Average usage approx. 3h per week

# THREE MAIN MARKETS WITH SIGNIFICANT PENETRATION

Major Markets as of March 2008

## Spain

- Registered Users: 835,000
  - » 11% of broadband population
- Avrg. weekly usage: 160 minutes
- Channel switches (Dec 07): 6 million
- 21% female, 79% male

## Switzerland

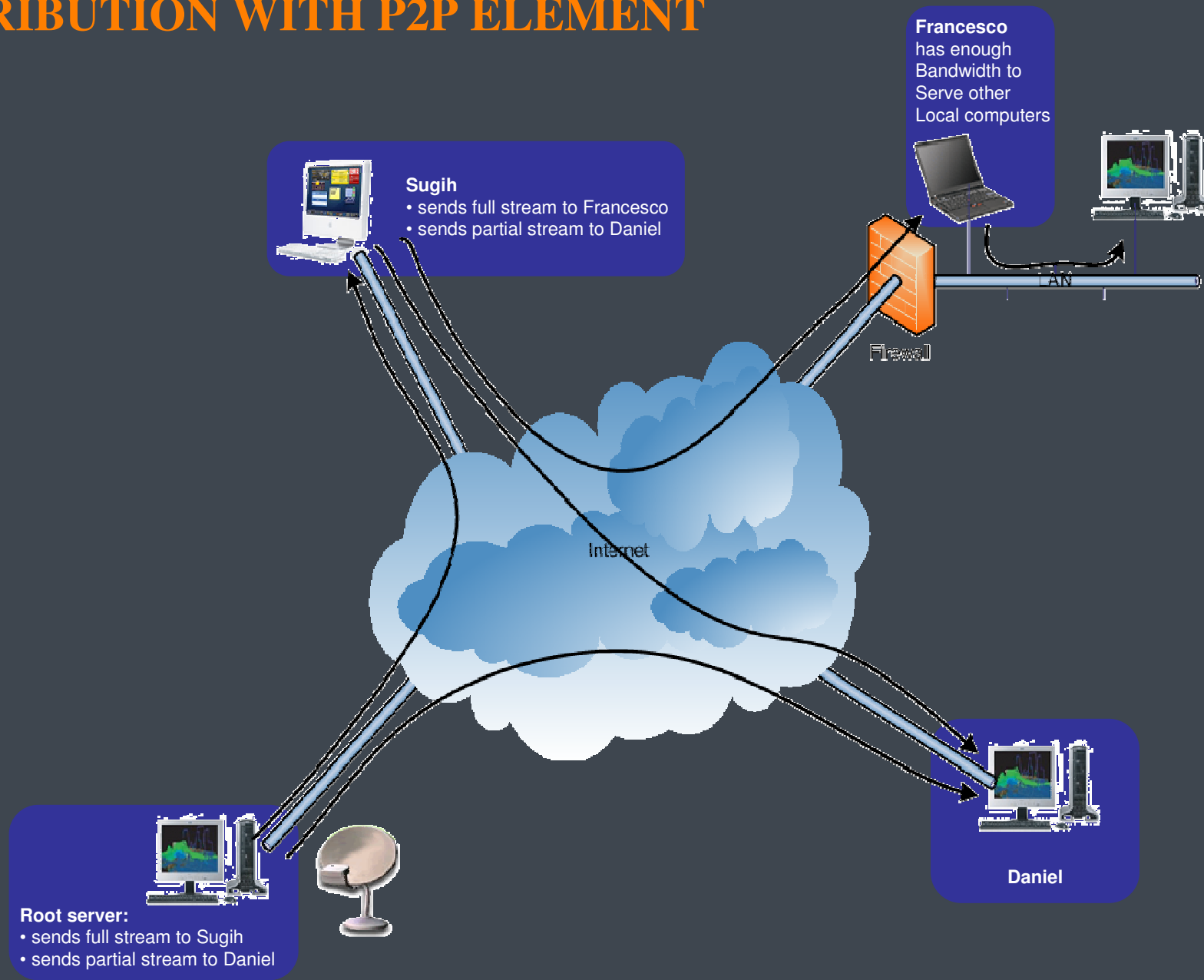
- Registered Users: 611,000
  - » 26% of broadband population
- Avrg. weekly usage: 210 minutes
- Channel switches (Dec 07): 6.3 million
- 25% female, 75% male

## Germany

- Registered Users: 252,000
  - » 1.4% of broadband population
- Active Users (Dec 07): 75,000
- Avrg. weekly usage: 120 minutes
- Channel switches (Dec 07): 1.8 million
- 10% female, 90% male



# DISTRIBUTION WITH P2P ELEMENT



# ACCESS PROBLEMS IN SWITZERLAND COULD BE RESOLVED

## *Zattoo Splash Screen during time of access problems*

### **An Kunden von [REDACTED]:**

Leider gibt es zurzeit Probleme mit dem Zugang zum [REDACTED] Netzwerk, was negative Auswirkungen auf die Bildqualität von Zattoo hat. Wir sind dran, mit [REDACTED] eine Lösung zu finden und danken in der Zwischenzeit für Ihre Geduld.

Ihr Zattoo Team

### **Chers clients utilisateurs de Zattoo avec un abonnement haut débit [REDACTED]:**

Malheureusement nous devons faire face à des difficultés d'accès à notre service via le réseau [REDACTED], ce qui a des effets négatifs sur la qualité de Zattoo. Aussi, nous travaillons actuellement avec [REDACTED] pour trouver une solution et vous remercions pour votre patience en attendant.

Votre équipe Zattoo

### **Ai clienti [REDACTED]:**

Si è verificato un problema all'accesso della rete [REDACTED], con conseguente deterioramento della qualità di Zattoo. Stiamo facendo del nostro meglio per trovare una soluzione con [REDACTED]. Nel frattempo vi ringraziamo per la vostra pazienza.

Il team Zattoo

## ZATTOO INFLUENCES CHOICE OF BANDWIDTH

*Would you be willing to change Internet service provider, or to subscribe to a higher bandwidth subscription, if this were to improve your Zattoo experience?*

(answers in % of Zattoo users)

- 4% have subscribed to a better service because of Zattoo
- 8% are considering a change because of Zattoo
- 69% are happy with Zattoo experience / internet service as it is
- Only for 9% quality does not play a role when choosing ISP and internet service