

## Internet, data and value added services

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In the area of fixed internet access, in May Telefónica O2 introduced a revamped offer with an ADSL broadband internet option which already included access (fixed line rental) and did not require a separate provision (the so-called naked ADSL). O<sub>2</sub> Internet became the backbone of Telefónica O2's new proposition to the consumer market, which let customers combine services into bundles freely, based on their actual need. The new service concept is described in detail in Section Convergent services.

At the end of 2009, Telefónica O2 had the broadest portfolio of mobile data access services, which gave it an evident competitive edge on the other mobile operators in the Czech Republic. The CDMA technology was available to 90.4% of the Czech population at the end of 2009. The UMTS/HSDPA 3G mobile network was significantly expanded in coverage during 2009. In addition to Prague and Brno, the benefits of the fastest mobile internet and broadband data transmission could be enjoyed by residents of all 13 regional capitals, with GPRS, EDGE and HSCSD service available in the remaining parts of the country. The roll-out of the 3G network coverage was supported with a campaign to acquire new customers – O<sub>2</sub> Mobilní Internet could be activated for CZK 600 inclusive of VAT per month.

Simultaneously to expanding its new generation mobile network coverage, Telefónica O2 also introduced a new USB data modem to its portfolio. The modem works in all O<sub>2</sub> networks (GPRS, EDGE, UMTS, HSDPA) and, as in the case of the Combo modem, is capable of recognising the fastest service available in the given location and connects via it to the internet. The modem is also very portable and easy to install.

From 1 February, all customers receive a new anti-virus protection in the form of a professional product F-Secure Profi Antivir. The service was designed for both the new and existing customers of all variants of the broadband internet service O<sub>2</sub> Internet, as well as to mobile customers. The new anti-virus protection was free-of-charge for the whole duration of their usage of the service.

In the first half of the year, the Company made its BlackBerry service available to all customers. The service was previously marketed only to business customers. In order to use BlackBerry Internet Service, one needed only to own a BlackBerry handset and to activate the BlackBerry Email tariff. For a monthly fee of CZK 299, it included unlimited internet connectivity, including sending and receiving email. The service can also be roamed internationally provided the BlackBerry Email Roaming is activated and data roaming is allowed.