

Make revenue-Rich application DTAC partnering with Nokia

Pakorn Pannachet
Value Added Service Director
DTAC, Thailand



Agenda

- DTAC Background
- Success with SMS premium
- Open Developer Model
- Co-operation with Nokia Networks
- EASY Application Factory
- Role of TradePoint
- Results
- Future vision

Thailand & DTAC Overview

Thailand

- Population of 67 million
- Cellular penetration of 30%
- Crowded market with international player
 - Orange, Hutch, Singapore Telecom (AIS)
- Low in VAS revenue around 6% of total revenue

DTAC

- 2nd largest operator with 6 million subscribers
- Market share 32.4%
 - Postpaid 25%
 - Prepaid 75%
- VAS penetration 42.4%
- Still low SMS usage at 5 sms/sub/month
- All Nokia infrastructure

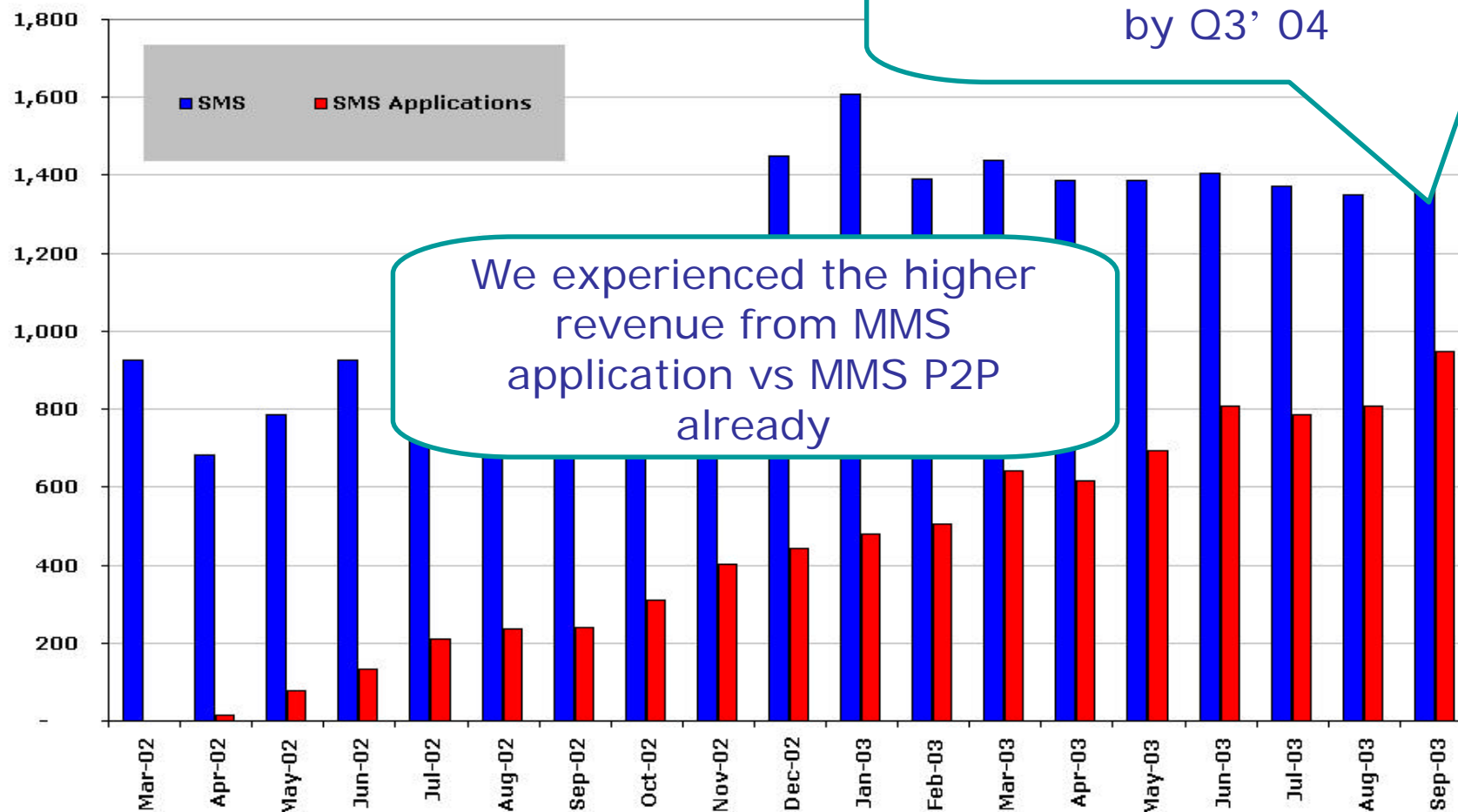


SMS Contents and Applications Market

- The market for contents and applications started in April 2002
- The market for SMS contents and applications has grown to 2 million USD/month in September 2003
- We expect the market to grow to 3 million USD/month by end of 2003
- Although we have 30% market share but we have around 40% of content market revenue
- Although we do not offer the best revenue sharing but we offer better cooperation and marketing support

DTAC SMS Premium VS SMS P2P

('000 USD)



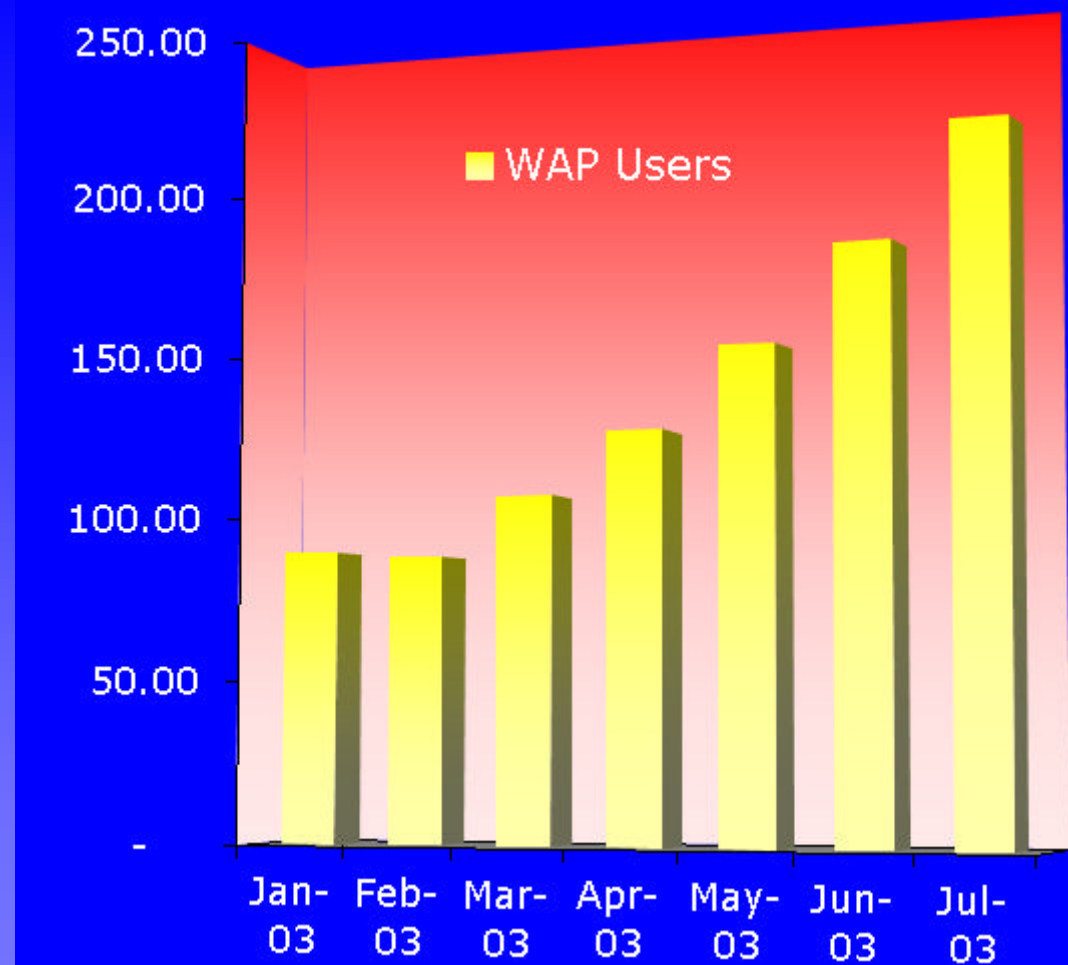
We expect SMS premium revenue to surpass SMS p2p by Q3' 04

We experienced the higher revenue from MMS application vs MMS P2P already

The others “technology”

- WAP/GPRS

We foresee strong growth in WAP users especially from GPRS which account for 70% of WAP users



Open Business Model

- DTAC believes in open business partnership and win-win relationship
- We have successfully sign up more than 150 content providers in 15 months
- Our system is flexible and robust to support complex applications



Flexible Business Model

Business Model

- Pure revenue sharing
- Fixed monthly + revenue sharing
- Fixed monthly or licensed purchase

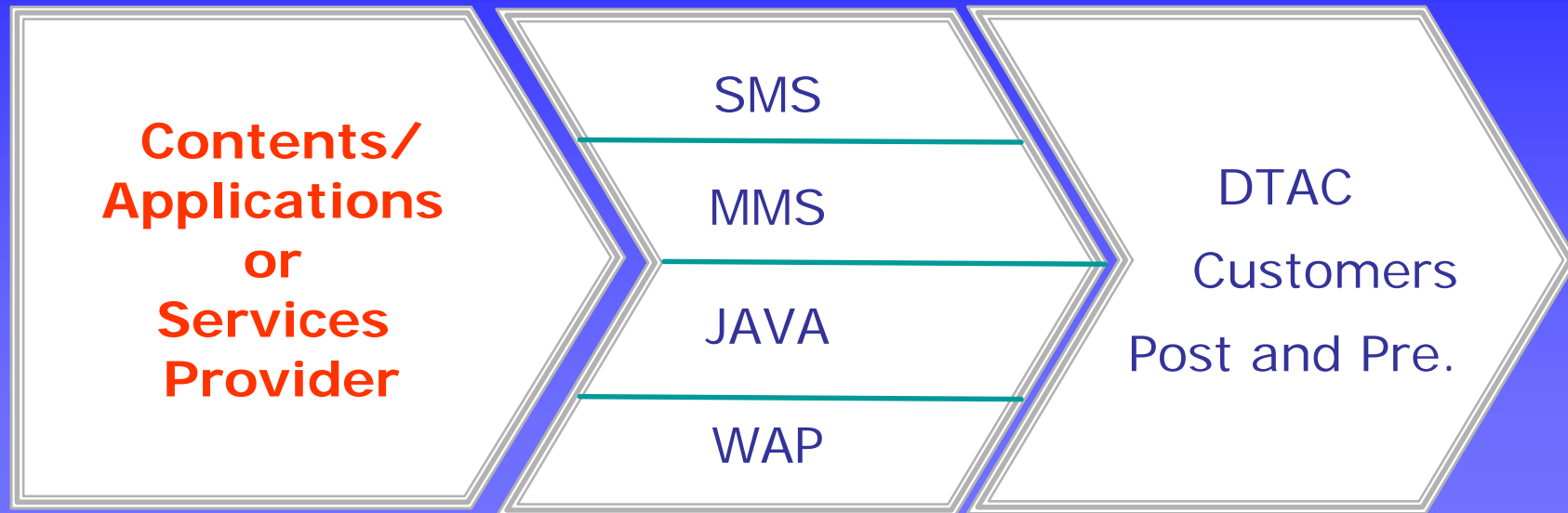
All combination is possible depends on business discussion

However for fast time to market, go with standard agreement



Partnership

- DTAC provides SMS, WAP, JAVA and MMS charging services for providers



Contact : machidat@dtac.co.th

Cooperation with Nokia Networks

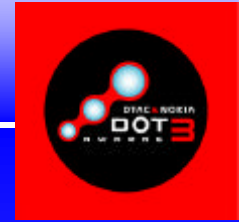
- Co-marketing programme started in 1H-2003
- Launch MMS together with
 - Premium Sports Content package Essential Sports for WAP & MMS
 - Awareness Event: use Nokia MMS Board in huge consumer event
- Joint promotions in press
 - Joint mobile data development campaigns
 - Press Interfacing cooperation
- Nokia support in EDGE Trial press event
 - Promote DTAC Leadership targeting early adopter segment
- Relationship developing towards partnering direction

Structure Co-operation in Q2

EASY Application Factory in Short

- Both parties invest resources to secure new services launches
- Develop locally and source from Nokia TradePoint
- Target 5 joint launches in 2003 [June-Nov]
 - N3650 and Video Streaming Services,
 - 6/03 [Music, Karaoke and Movies]
 - Multiplayer Games 8/03
 - Nokia One Business Access 11/03
 - XHTML Portal, More downloads, mAdvertising [Q4]

Role of Nokia TradePoint in DTAC



Background

- Nokia introduced TradePoint to new VAS Marketing and content acquisition team in Feb 2003 through a workshop
- 30 games [e.g. J2x] sourced through this channel already by end March 2003

We use TradePoint to source rich content

- MMS content
- Business Applications such as Nokia One

The Co-operation continues:

- Select applications from TradePoint, roll-out in EASY Application Factory
- Joint DTAC – Nokia Developer Incubation
- DTAC-Nokia DOT–awards in Nov 2003-Feb 2004

“Supporting operators in bringing new & fresh ideas”



Benefits of using TradePoint

- Benefits of using TradePoint
 - Networking with operator
 - Easy introduction to the market
 - Support from both Nokia and operators

DTAC on tradepoint

- Vision

- Through internet, we foresee content branding to be global brand in the near future
- We foresee people search the content in the web and buy it online
- Therefore, if tradepoint can be aggregator to take all of your partners and make the products available for customer around the world it would be great
- Pricing level can be leveraged from country to country

Next Steps for Developers

- Contact information
 - machidat@dtac.co.th

Thank you !
Q&A