



Press Release

Bonn, 6 May 2013

Page 1 of 3

ADDRESS
Tulpenfeld 4
53113 Bonn

TEL +49 228 14-9921
FAX +49 228 14-8975

pressoffice@bnetza.de
www.bundesnetzagentur.de

2012 Annual Report published

Homann: "We aim for future-oriented, high-performance networks"

Today in Bonn, the Bundesnetzagentur presented its Annual Report for 2012 to the public. "The report contains comprehensive information on what was an eventful and successful year in all regulated sectors", said Jochen Homann, Bundesnetzagentur President, at the presentation of the market data and figures.

"Our aim is to give people future-oriented, high-performance networks. The construction and expansion of modern infrastructures in telecommunications, electricity and gas, as well as the postal and rail sectors, are key concerns for the Bundesnetzagentur. In 2012, broadband rollout and the Energiewende, above all, were the focal points in the public and political spheres. The Bundesnetzagentur has assumed a central role in the planning and approval procedures in the areas of electricity and gas. We are aware of the dimensions of the decisions to be made, and are thus intensifying our dialogue with companies and politicians, but also in particular with the citizens directly affected", Homann underlined.

Electricity and gas

The integration of renewable energy sources in the existing networks is a task of great significance for the Energiewende. Last year, the Bundesnetzagentur examined and confirmed the very first Electricity Network Development Plan submitted by the transmission system operators. On the basis of this, the Bundestag then adopted the Federal Requirements Plan Act for the electricity transmission networks in April this year, which determines all expansion measures in the extra-high voltage network deemed necessary and given priority in order to meet supply requirements for the next ten years. The Act will then be debated upon in the Bundesrat at the beginning of June, with the intention that specific planning and approval procedures can begin in summer. "The Bundesnetzagentur is well equipped for its new grid expansion duties. We will continue to draw upon our close and trusting cooperation with the federal states here", stressed Homann.

The liberalisation of the energy market, driven forwards further by the Bundesnetzagentur, offered end customers better opportunities to change contracts. Consumers' ability to choose from a wide range of suppliers continued to improve.



Bonn, 6 May 2013

Page 2 of 3

The number who switched to another supplier or who received a special rate from their existing supplier continued to rise for both electricity and gas. Jochen Homann: "I'm pleased to see the positive trend in switching supplier continue. Nevertheless, almost 40 percent of all household customers remain with their default supplier – and this is still the most expensive means of supply. In light of this, I advise all consumers to check whether better-priced offers are available." In general, when switching supplier, the offers should be examined closely and extreme caution exercised where prepayment and promises of large bonuses are involved, as in these cases the customer bears the risk of the supplier's insolvency.

Telecommunications

Broadband was still an agenda-setting topic in the telecommunications market last year. At the end of 2012 some 28m broadband lines were operational (2011: 27.3m). DSL, with 23.3m lines and an 83 percent share of the market, continues to be the dominant access technology. However, the number of lines has declined for the first time since the introduction of the technology. In 2011, 23.5m DSL lines were sold.

The development has been balanced out by the gains in the cable networks. At year's end, around 4.4m customers used broadband cable connections – an increase of 800,000. Other technologies covered approx. 0.3m connections. All-fibre optic connections have hardly had an impact to date.

"There is still a large discrepancy nationwide between supply and demand for higher bandwidths. Companies are increasingly offering speeds of at least 16 Mbit/s, and even more than 100 Mbit/s. Yet around 60 percent of broadband customers are still using bandwidths of less than 10 Mbit/s, although faster connections are available," stressed Homann.

The volume of traffic over these connections is constantly increasing. According to the Bundesnetzagentur's estimates, this volume grew to a total of 4.3bn GB by the end of 2012. In particular, data-intensive applications such as video streaming have led to the rise in traffic.

"Mobile broadband, too, is riding high. The growing data traffic does however pose a challenge for the mobile networks' ability to perform. Approx. 140m GB were transmitted in 2012 – a further significant increase in volume", said Homann. "The strongly increasing demand for mobile broadband has also led to frequency requirements climbing further. That's why last year we presented scenarios for the future provision of mobile spectrum concerning in particular the GSM frequencies that expire in 2016."



Bonn, 6 May 2013

Page 3 of 3

Post

On the postal market, a clear distinction can be made between letters and parcels in terms of the current competition situation. While several large providers with nationwide delivery networks are active on the parcels market, the letters market (up to 1,000 grams) continues to be dominated by one single provider, the Deutsche Post Group. Flourishing online trade has led to positive development on the parcel market.

For the first time in 15 years, in price cap proceedings, the Bundesnetzagentur approved an increase in standard letter charges from Deutsche Post AG. The postage price per item with fewer than 50 items increased for example from 55 cents to 58 cents. Germany continues to rank in the middle on a European level in terms of postage.

Rail

In a market environment that was positive on the whole, regional passenger rail, long-distance passenger rail and freight transport services developed to widely varying extents last year also. As in previous years, regional passenger services saw a new high in turnover achieved. Long-distance services also enjoyed increased demand. Despite stagnating turnover in the freight sector, an overall revenue level of 18.5bn euros was reached – another new high.

Competitors in regional passenger services were once again able to expand their market share. This rose by one percentage point to 15 percent last year. Despite the entry of a new competitor, the long-distance passenger service competitor share remained under one percent. Despite a general decline in freight services, competitors in this area were able to increase their market share to 27 percent (2011: 26 percent). Freight companies in the DB Group were particularly affected by the decline in traffic.