

IDATE
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Consulting

FTTH/B Panorama

Europe (EU39) at September 2017

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●●● Contact
Roland MONTAGNE
Principal Analyst
+33 680 850 480
r.montagne@idate.org

www.idate.org

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Study background

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> Mission on behalf of the FTTH Council Europe – 16th edition

> 39 countries analyzed

- For each country, IDATE provides data per player for FTTH/B and other fiber-based architectures
- Each player is characterized via dedicated parameters: technical, financial, business model, figures



> Methodology: bottom-up approach

- Desk research
- Direct contacts with leading players and IDATE's partners in the countries
- Information exchange with FTTH Council Europe members

> Results

- Both quantitative and qualitative data, presenting the status in the country and the strategic approach of involved players



General overview and main trends

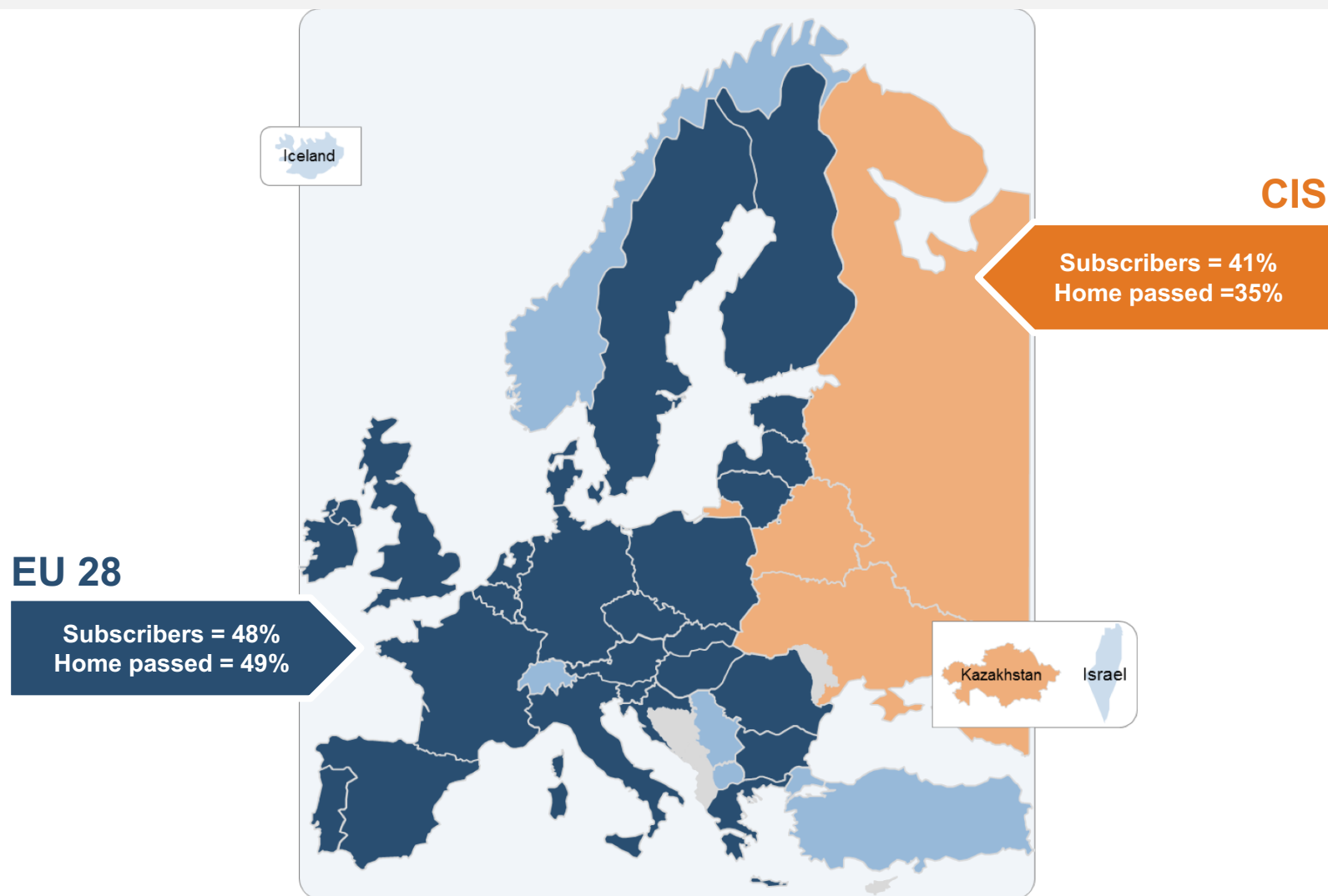
Figures at September 2017 and focus in EU28

Historical data and growing trends

Main categories of players

FTTH/B figures at September 2017

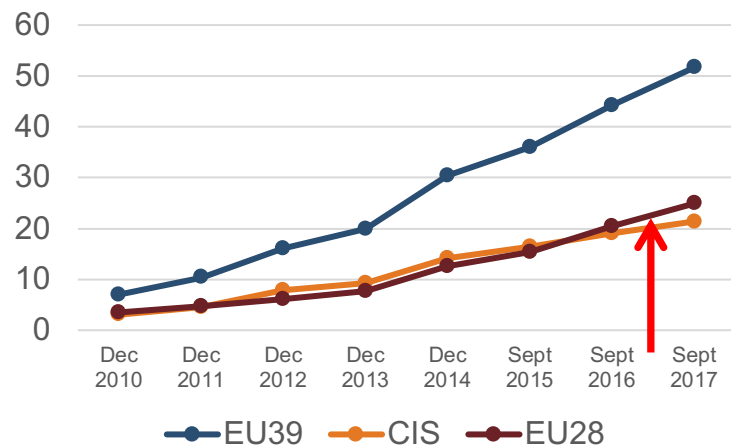
There were close to 51.6 million FTTH/B subscribers
and more than 148 million FTTH/B Homes Passed in EU39 at September 2017



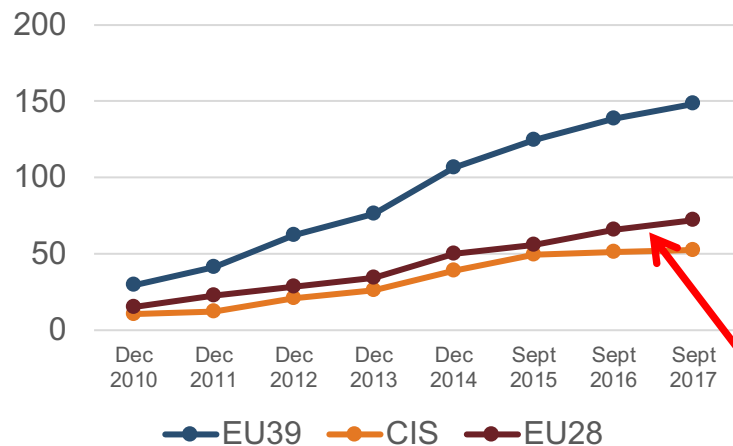
Historical data and growing trends

- > Interesting dynamism of the European Union since 2013
- > CIS countries : higher growth rates for subs since 2015 ; flat growth for HP between September 2016 and 2017
- > EU 28 dynamism : an increase of the growth rate for subs. since 2015 and same dynamism for Homes Passed !

Growth of FTTH/B subscribers
(million)



Growth of FTTH/B Homes Passed
(million)



Source: IDATE for FTTH Council Europe

Major projects / categories of players

> Around 400 analyzed FTTH/B projects in EU39 at September 2017:

- There are less and less new projects from one year to another
- All major operators are involved in each country, among which 35 incumbents at least
- There will probably be more and more small players involved in local deployment in the coming years (Rural and Suburban)

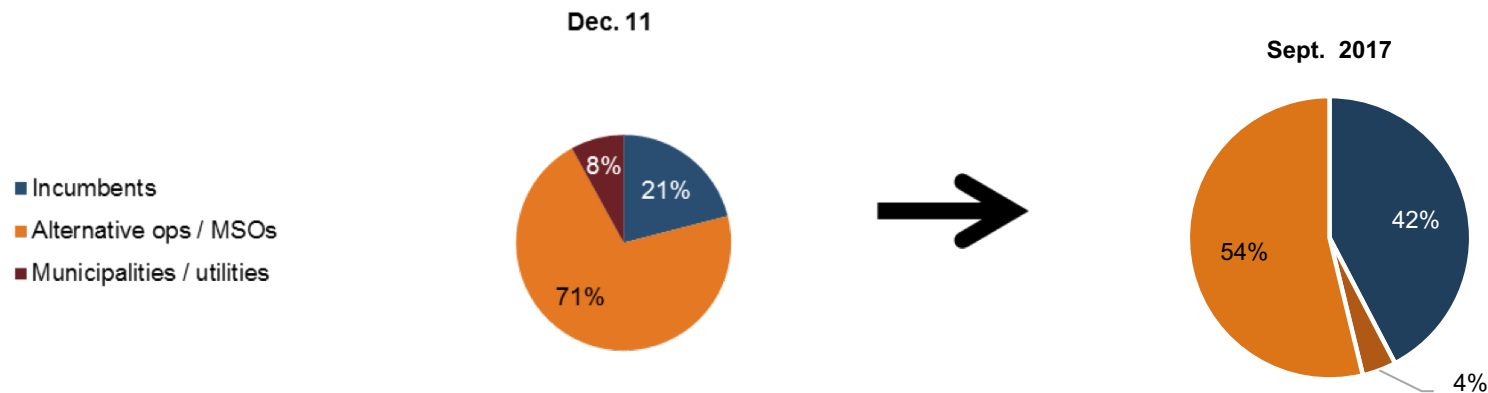
> Incumbents now represent 42% of the total number of Homes Passed

- This ratio was only 21% at end 2011
- **Alternative players**, which promoted FTTH/B in most countries since 2008-2009, now represent 54% of the total number of HP; this ratio is increasing

> The market is clearly dominated by those two categories of players.

> But municipalities/Local Authorities, along with utilities when appropriate, will remain those ones that will help ensure an exhaustive coverage at term

% of Homes Passed per category of player



Source: IDATE for FTTH Council Europe

Leading countries

General ranking HP & subscribers

Highest growths

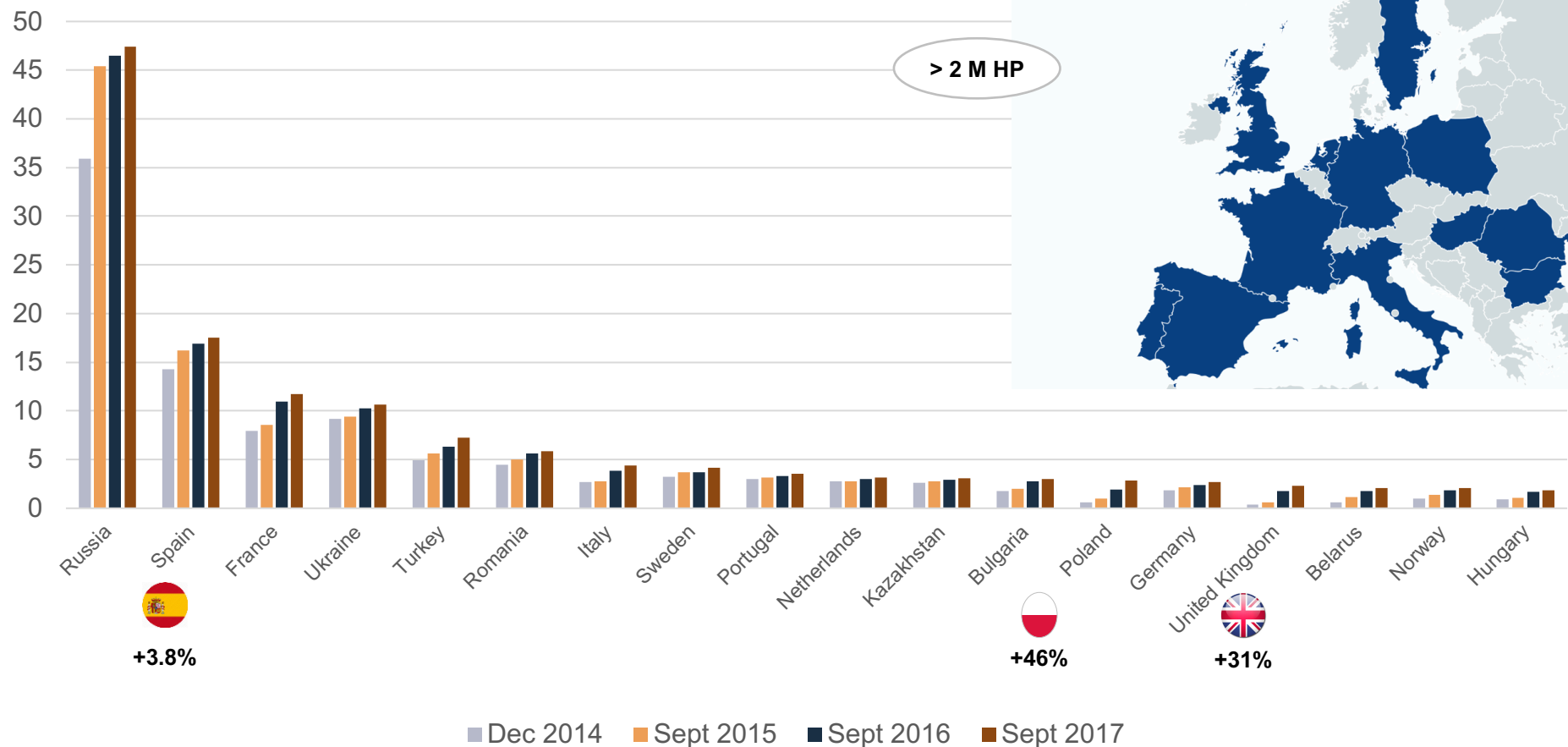
Key Points

General ranking: FTTH/B Homes Passed

> 18 countries with 2 M HP or more in EU39 (12 countries in EU28, in blue on the map)

> Most significant growth rates do not necessarily concern the largest market but this confirms that, even in countries where FTTH/B is not the leading NGA solution, the interest is growing (e.g. Poland: +46% and UK: +31%)

Countries with 2 M HP or more at Sept 2017 [Top 5 Growth annual rates]
(million)



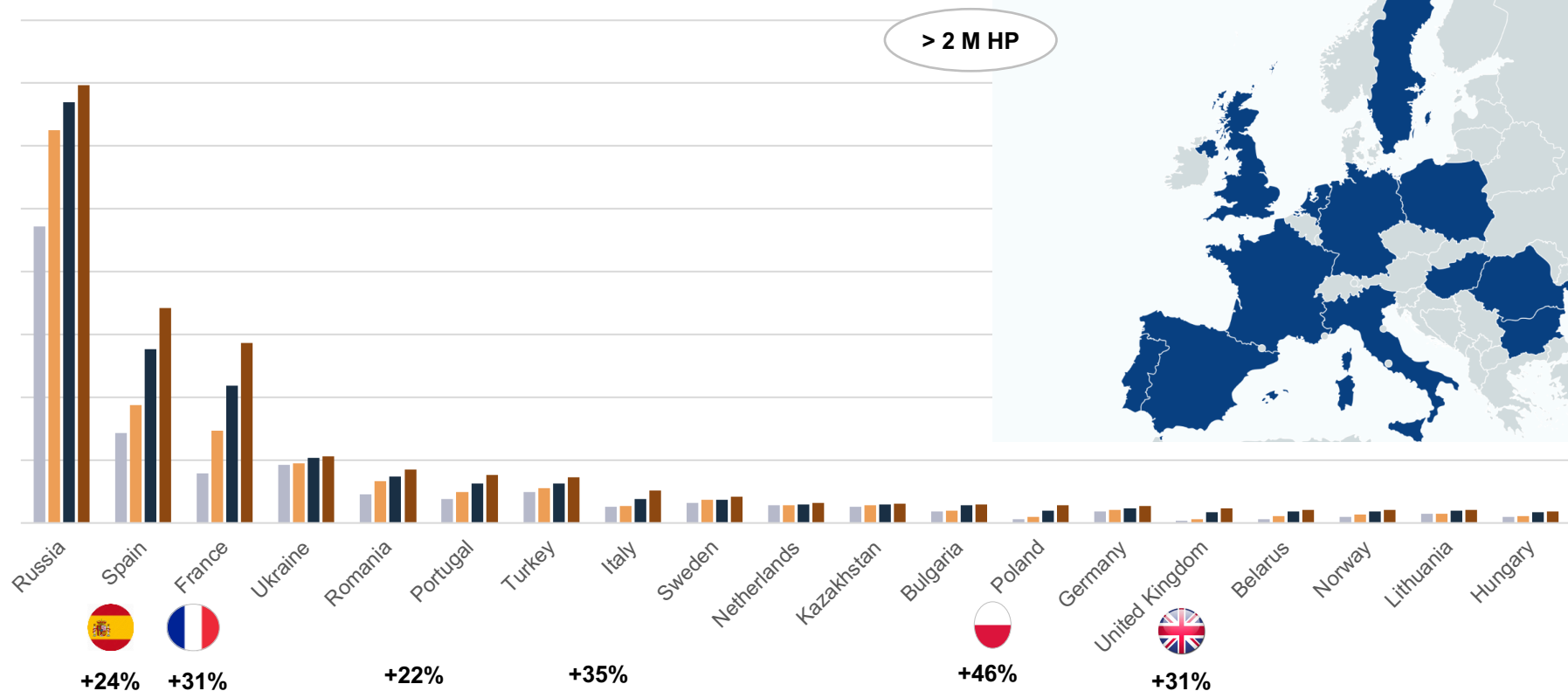
Source: IDATE for FTTH Council Europe

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General ranking: FTTH/B Optical Sockets Deployed – **New this Year !!!**

- > 19 countries with 2 M Sockets deployed or more in EU39 (12 countries in EU28, in blue on the map).
- > This is the total amount of FTTH/B optical sockets deployed by each player in each country. Total sockets deployed sometimes is higher than the total Homes Passed since one household can be reached by one or more players (overlap).
- > Most significant growth rates in sockets deployed by players were observed in: Poland, Italy, UK, France, Spain, Portugal

Countries with 2 M Optical Sockets or more at Sept 2017 [Top 6 Growth rates for 9 first months
(million)



Source: IDATE for FTTH Council Europe

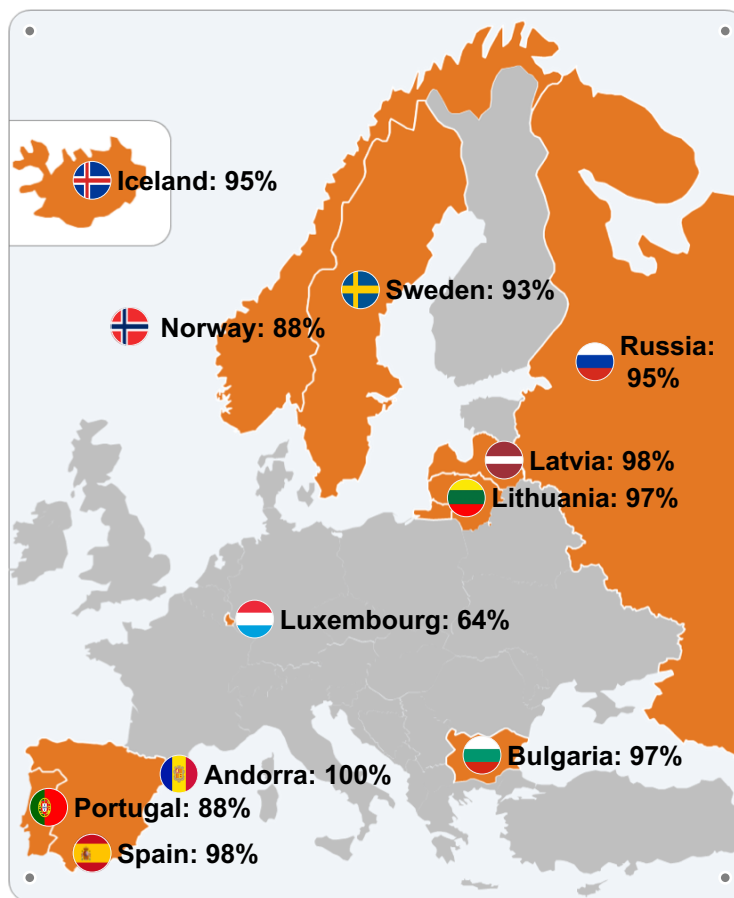
■ Dec 2014 ■ Sept 2015 ■ Sept 2016 ■ Sept 2017

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General ranking : FTTH/B coverage

Average FTTH/B coverage stable in 2017 (*): EU39 → 45%
 EU28 → 33%

(*) Number of HP/total number of Households



• Top countries in coverage at September 2017

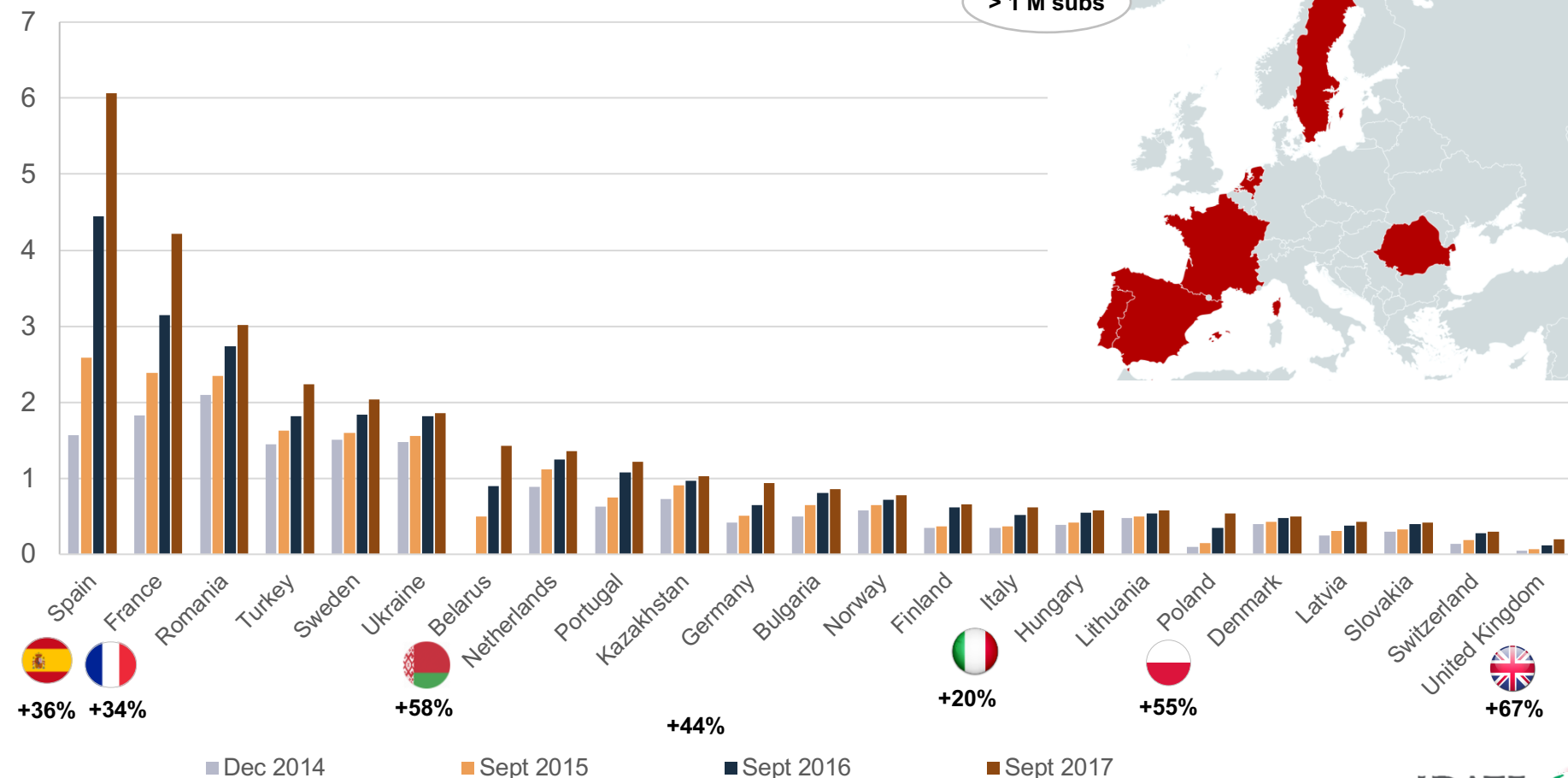
• Source: IDATE for FTTH Council Europe

General ranking: FTTH/B Subscribers

- 11 countries with 1 M subscribers or more in EU39 (6 countries in EU28, in red on the map)
- Russia with nearly 19 M subscribers is leading by far (+11% growth YoY) – not present on the graph below)
- Strong growth in Belarus, Germany, Poland and UK
- Dynamism to highlight in France, Spain and Italy

Countries with 200 K subs or more at Sept 2017 [Top Growth rates for 9 first months 2017]

(million)

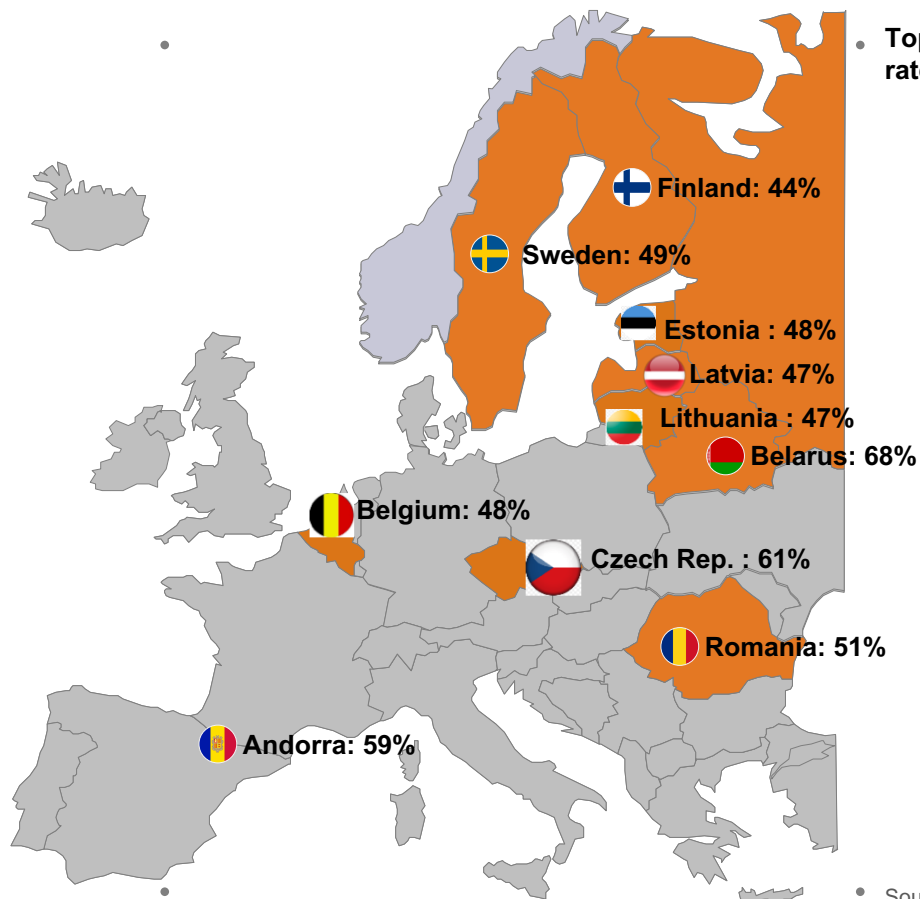


General ranking : FTTH/B take-up rate

Average FTTH/B take up rate (*): EU39 → 35%

EU28 → 32%

(*) Take up rate = number of subscribers / number of Homes Passed

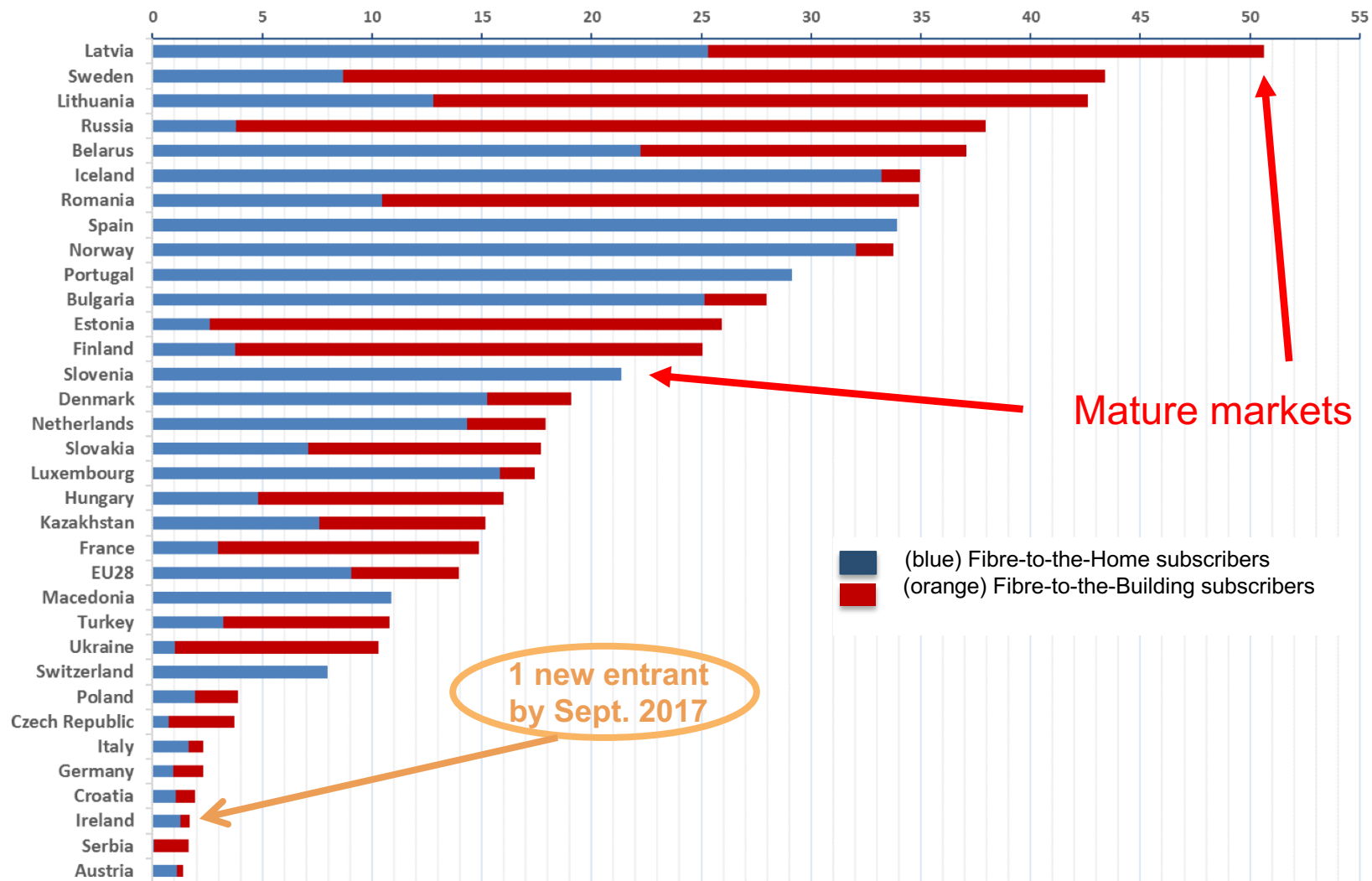


Source: IDATE for FTTH Council Europe

European ranking

European ranking at September 2017

- The European Ranking includes countries of more than 200 K HH where the part of FTTH/B subs in the total number of HH is at least 1%
- With 14/33 European countries with a penetration rate > 20%



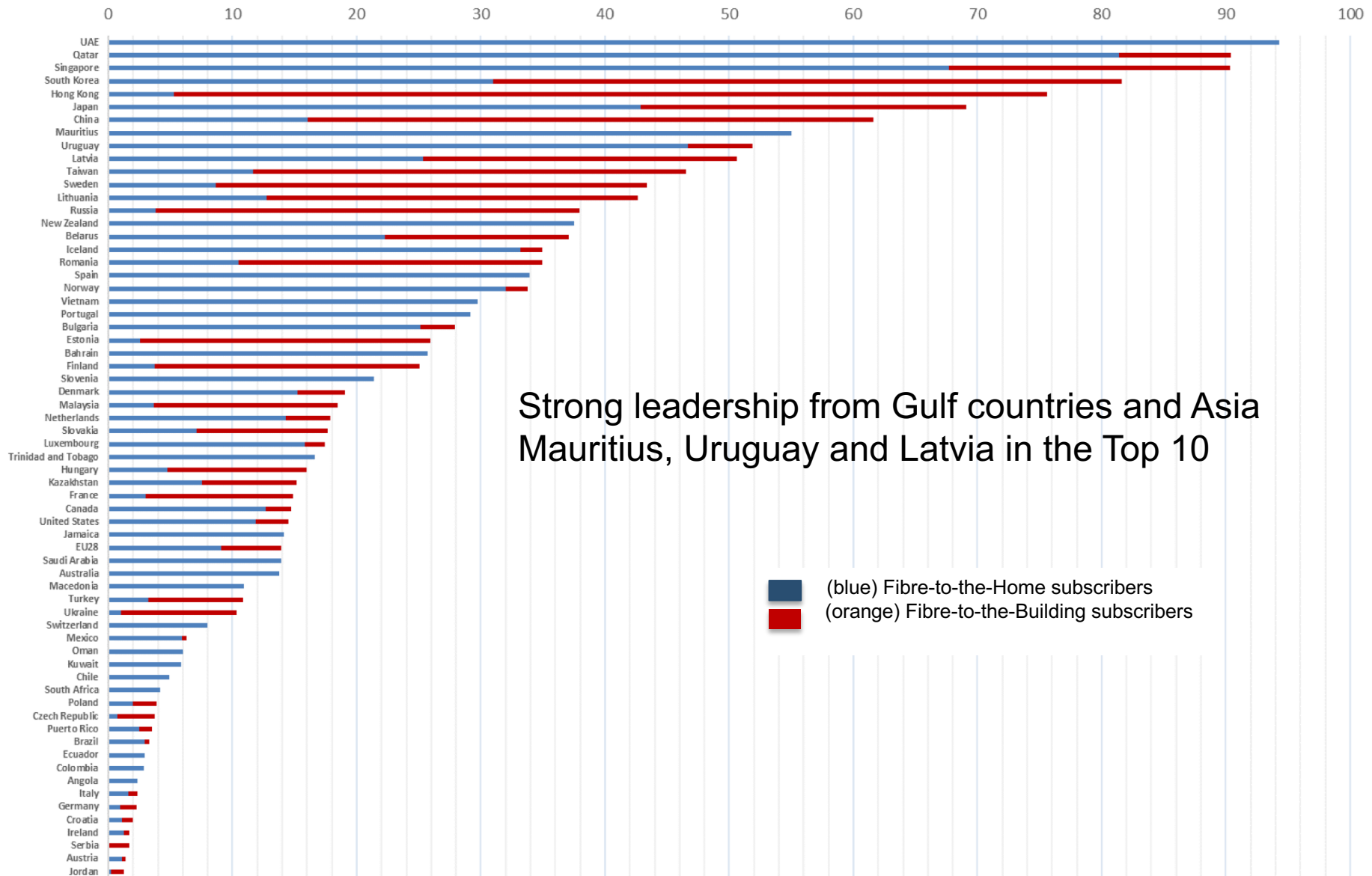
Key conclusions

Key conclusions

- > **There now 33 European countries that are part of the Global ranking ... a positive sign even if the bottom line is only 1%.**
- > **Even the “reluctant” countries are moving towards FTTH/B technologies. The historic trend shows this evolution and there are more countries approaching the 100% of coverage!**
- > **End users are migrating to FTTH networks. But the switch to FTTH/B connection is not systematic yet and therefore there is still a large room for communication by operators.**
- > **Governments and local authorities are now clearly in the game and the Digital Agenda is one of the main important objectives to achieve.**
 - > DAE's main requirements are respected in all EU28 countries
 - Local authorities are more dynamic in Scandinavian countries and in France: they should impulse a new dynamic to reach more rural areas and in countries where FTTH/B is lagging far behind other architectures
 - “French Model” as an example for Europe? (in Poland around 60 regions engaged in deploying FTTH Open Acces Network)
- **Open Fiber in Italy has been the most dynamic player in FTTH deployment (reaching now 2.5 M Homes Passed)**
- > **Highest take up rates in Northern and Eastern countries: still strong competition from other architectures elsewhere.**
- **Nearly all players, even if less involved in FTTH/B than other architectures, consider that FTTH is the end game! ... and 5G will need Fibre!**

Global ranking at September 2017

➤ The Global Ranking includes countries of more than 200 K HH where the part of FTTH/B subs in the total number of HH is at least 1%



Format	Type deliverable	Title	Publication date	Pages	Unit price (EUR)	Product Code
Upcoming publications - 1st half 2018						M 16500
doc + ppt	Report	FTTH rollout strategies in Emerging Countries	April 2018	30-60	3 000	M 16530M R
doc + ppt	Report	Open access FTTx networks	June 2018	30-60	3 000	M 16520M R
xls + ppt	Dataset+Report	World FTTx Market	June 2018	n.r.	5 000	M 16510B
Available publications						M 17500
xls	Dataset+Report	World FTTx Market - data & forecasts up to 2021	28/12/2017	n.r.	5 000	M 17510B
doc+ppt+xls	Dataset+Report	Virtualisation in telco networks - Which markets for SDN & NFV	11/09/2017	52	4 000	M 17450B
doc + ppt	Report	G.Fast	21/12/2017	16	2 000	M 17520M R
doc + ppt	Report	Is there an opportunity for FTTH in emerging countries?	18/12/2017	53	3 000	M 17530M R
doc + ppt	Report	Monetising fibre	23/10/2017	86	3 000	M 17530M R
doc + ppt	Report	Broadcast & Broadband TV	26/09/2017	45	3 000	M 17230M R
doc + ppt	Report	Gigabit Nations	18/05/2017	46	2 000	M 17540M R

 Contact
 Roland MONTAGNE
 Principal Analyst
 +33 680 850 480
r.montagne@idate.org

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