Taiwan Internet Trend & Our Solutions

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2008/02/25
Agenda

• TWM Solution Profile
• Taiwan Internet Trend
• Our Solutions
About TWM Solution

TWM Solution is the new brand of TFN, TTN, and TWM, Your Partner · Our Solution
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• TWM Solution Profile

• Taiwan Internet Trend
  – From Narrowband to Broadband
  – From Wired to Wireless
  – The Reason for Change

• Our Solutions
Steady Growth of Internet Interconnection

- In Jan. 2008, Taiwan’s bandwidth amount of Internet interconnection reached 962 Gbps., which grew around 21% YoY in 2007. Both the local and international interconnection increase steadily.
Followed the development of advanced Internet application; users’ demand changed from dial-up to ADSL.

Broadband penetration rate raised from 39% in 2003 to 66% in 2008.
• Broadband users growth trends stable.
• Wireless Internet users increase during 2003-2006 and trends stable since 2007. In 2008, its penetration rate is 20.27%.
• FTTx grow rapidly, but ADSL seems to be decreasing.
  - Compared to Dec. 2006, the number of ADSL subscribers in Oct. 2007 decreased by 1% (3.79 M → 3.85M), but at the same time the number of FTTx subscribers increased by 131%. (185 K → 429 K)
The bandwidth in 2011 may be eight times of the one in 2005.
P2P and Internet video to PC & TV cause bandwidth to increase.
The Future- Triple Play

Triple play: the convergence of mobile, Cable TV, and broadband

On the strength of experience and resource, TWM Solution is excellent in providing Internet services to end users and ICT services to operators.
The Market Position of TWM Broadband

- TWM Broadband is the brand of TFN ADSL/FTTx, TTN ADSL, TFN Media cable modem.
- TWM Broadband is the second largest operator.
  - CHT leads with a market share of 84% of subscribers.
  - In Dec. 2007, the number of TWM broadband subscribers was around 280 K.
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Taiwan Digital Content Industry

- The story, Internet service, and managerial capacity are the KSFs.
- Reduce the portion of agency, raise the portion of R&D.
- Emphasize the integration of culture, science and technology; reserve and popularize those valuable knowledge.
- Switch to service industry, commercialize the services to grasp chance to diversify.
- Integrate with other industries, create new service model.
- Web2.0 increase the flow
- Establish the multimedia platform; enrich the fun of mobile life.
- Build up the global E-learning system to teach Chinese.
- The synergy of triple play: wireless broadband + digital TV + digital broadcast.
- The government co-operate with enterprises, internationalize the local animation industry.
Biz Scope of Content Industry

- Materialized Products
  - Digital Multimedia Application
  - Digital Animation
  - Digital Game
  - Digital Publishing and Reservation
  - Digital Learning

- Internet/Digital Broadcast

- Handheld Device

- Mobile Application

- Internet Service

- Digital Content

Resource: Industry Support Div of Institute of Information Industry
Solutions

Content

- Video
- Game
- E-Book
- E-learning
- Voice
- Music
- download

Internet

User

- ADSL, FTTx
- Cable, Mobile

Application Layer
- VoIP, Web Hosting, Mail Hosting

Network Layer
- ADSL, Internet Access Line, Metro Ethernet Access, Transit, IDC, IP VPN, Intl. VPN, FR, ATM, X.25

Physical Layer
- Leased Line, Metro Ethernet Fiber Link, IPLC
Summary

TWM Group uses the brand “TWM Broadband” to promote ADSL/FTTx service under TWM Solution’s business process and operation.

TWM Broadband is the second largest operator, and we believe that ADSL will be replaced by FTTx gradually.

TWM Solution provides excellent services (ex. IDC and IP infrastructure) to satisfy consumer customers and ICT operators.

Following the industry development, TWM Solution will transformed into a total solution provider via IP platform.
Thank you!