



PRESS RELEASE

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STRATEGY ANALYTICS RESEARCH: INTERACTIVE TV AUDIENCE FORECAST TO GROW 180% IN 2000

16.9 Million Homes Will Have Access To TV Shopping, Banking, Email, Say Analysts

Luton, England -- After years of disappointing results, the interactive television market is finally taking off, according to new research from Strategy Analytics. By the end of this year the analysts expect nearly 17 million homes worldwide to have access to online shopping, banking, email and other services via their TV sets.

These conclusions are presented in a study entitled "Interactive Digital Television: Worldwide Market Forecasts" and published recently by Strategy Analytics within its strategic advisory service, The Interactive Home.

Amongst the report's findings are that Europe is leading the way in rolling out interactive TV services, and accounts for 81% of the world market. But operators in the US and elsewhere are expected to roll out interactive services over the next year or so. By 2005, Strategy Analytics projects that 179 million homes worldwide will access online services via their TV sets.

Interactive services are being rolled out on the back of worldwide adoption of digital television. Operators' strategies involve building the initial customer base with premium television services and then offering those customers enhanced interactive services at no extra cost.

The most advanced services, such as those offered by Teledanmark, TPS, Stream and Open, now offer a range of online services such as Internet email, online shopping, financial services and interactive programming. Such services can provide operators with valuable additional revenue streams as well as enhancing customer loyalty.

"Interactive television gives broadcasters the chance to compete with Internet service providers for e-commerce revenues," says David Mercer, Senior Analyst with Strategy Analytics. "Next-generation advanced set-top boxes will also position TV service providers as key gateway owners in tomorrow's interactive home."

The study also identifies the world's leading digital TV markets. The UK is now the world's most advanced market, with an expected 29% of homes having switched to digital by the end of 2000, followed by the US (24%), France (15%) and Spain (15%).

Worldwide Interactive Digital Television Market Forecast

	1999	2000	2001	2002	2003	2004	2005
No. of Homes (Millions)	6.1	16.9	31.6	54.7	86.2	129.2	178.8

Source: Strategy Analytics

Company Background:

Strategy Analytics provides information and insights which help competitors develop strategies in consumer electronics and media, Mobile and fixed communications, personal computing, automotive multimedia, and enabling technology business.

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