



**STRATEGY ANALYTICS: European advanced TV revenues to
soar 31 percent in 2002
Market To Reach \$55.7Billion By 2008**

London, England - August 14, 2002 - The Broadband Entertainment Strategies (BES) service of Strategy Analytics today published 'Interactive Digital TV Market Forecast - Europe' its latest European forecast for advanced television services. In spite of the high-profile closure of services such as ITVDigital and Quiero, Strategy Analytics predicts that consumers will spend \$13.4 billion on digital and interactive television services in 2002, a 31 percent increase over 2001. Premium content subscriptions will remain the primary business model. Revenues from interactive services are still limited, but will grow significantly over the next six years.

This report assesses the outlook for digital and interactive television services across 16 European markets. On a country-by-country basis, it describes current levels of usage of digital and interactive television, revenue streams and market segmentation, and forecasts demand to 2008.

"Consumers are clearly unaffected by the doom and gloom within the digital TV industry," suggests Nick Griffiths, Director, Broadband Entertainment Strategies of Strategy Analytics. "They continue to demand better television, and demonstrate a clear willingness to pay for it."

According to Strategy Analytics, satellite players such as BskyB, and Canal Plus, will benefit most from this growing demand. Revenue from satellite platforms will reach \$9.8 billion this year, and \$23.8bn by 2008. However, cable operators will take an increasing share of the market once the industry consolidates and upgrades to digital. By 2008, Strategy Analytics predicts that cable will be the leading platform, accounting for 45% of revenues.

European Interactive TV Market Forecast

Consumer Revenues (\$M)	2002	2008
TV Messaging/Email	10	234
TV Betting/Gambling	10	64
Interactive TV Games	36	448
Enhanced TV	35	712
Other iTV revenue	1	26
TOTAL INTERACTIVE TV	92	1484

Source: Strategy Analytics' Broadband Entertainment Strategies service