

Telefónica Ireland issues Q3 KPI statement

24,000 new O2 postpay customers added in year to end of September 2011

Friday, 11th Nov, 2011 – Telefónica Ireland, which operates the O2 brand in the Irish marketplace, today issued its Q3 Key Performance Indicators (KPIs). For the 12 months to the end of September 2011, O2's postpay customer base increased by 24,000, driven by the continued uptake of Smartphone usage and data services. The number of O2 customers using Smartphones increased 43% in the same period, resulting in a 21% uplift in non-SMS data revenue and a 42% increase in data traffic on the O2 network year on year.

The growth in data usage has been enabled by the ongoing expansion of O2's 21Mbps high speed broadband network nationwide. Already live in urban centres – including Dublin, Cork, Limerick, Galway, Waterford and Sligo – and in a number of regional towns, a further 38 towns around the country are being upgraded to 21Mbps by the end of the year.

O2's fixed line business customer base has increased by over 13,000 in the 12 months to the end of September 2011, reaching a new base of 21,000. O2's total customer base, including mobile and fixed customers, was 1.680 million at the end of September 2011.

Monthly average blended ARPU was €32.46 for Q3 2011, down from €33.99 from the previous quarter. In the 12 months to the end of September, O2 customers sent 3.237 billion text messages, and used 4.558 billion voice minutes.

The O2 Money Card continues to perform strongly with over 65,000 cards sold since launch in February of this year. Telefonica Ireland's joint venture with Tesco - Tesco Mobile - also continues to perform well with over 115,000 customers. Tesco Mobile is an MVNO on the O2 network in Ireland.

Commenting, Paul Whelan, Chief Financial Officer, Telefónica Ireland, said, "We continue to see strong growth in our postpay base. Compared to last year, our smartphone customer base has increased by over 40% with a corresponding increase in data traffic volumes on our network as our customers use more of our data services and products. On the network, we have invested heavily to deliver higher broadband speeds and capability to support the exceptionally strong growth in data traffic. However, the overall trading and macro environment remains very difficult, with our customers continuing to optimise their monthly spend and choosing to avail of increased value for money products and service from us".

Telefónica Ireland is part of Telefónica, one of the largest telecommunications companies in the world.

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