



Press release

Annual press conference 2021

Bonn, 19 May 2021
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Bundesnetzagentur publishes Annual Report 2020

The Bundesnetzagentur today published its annual report for 2020

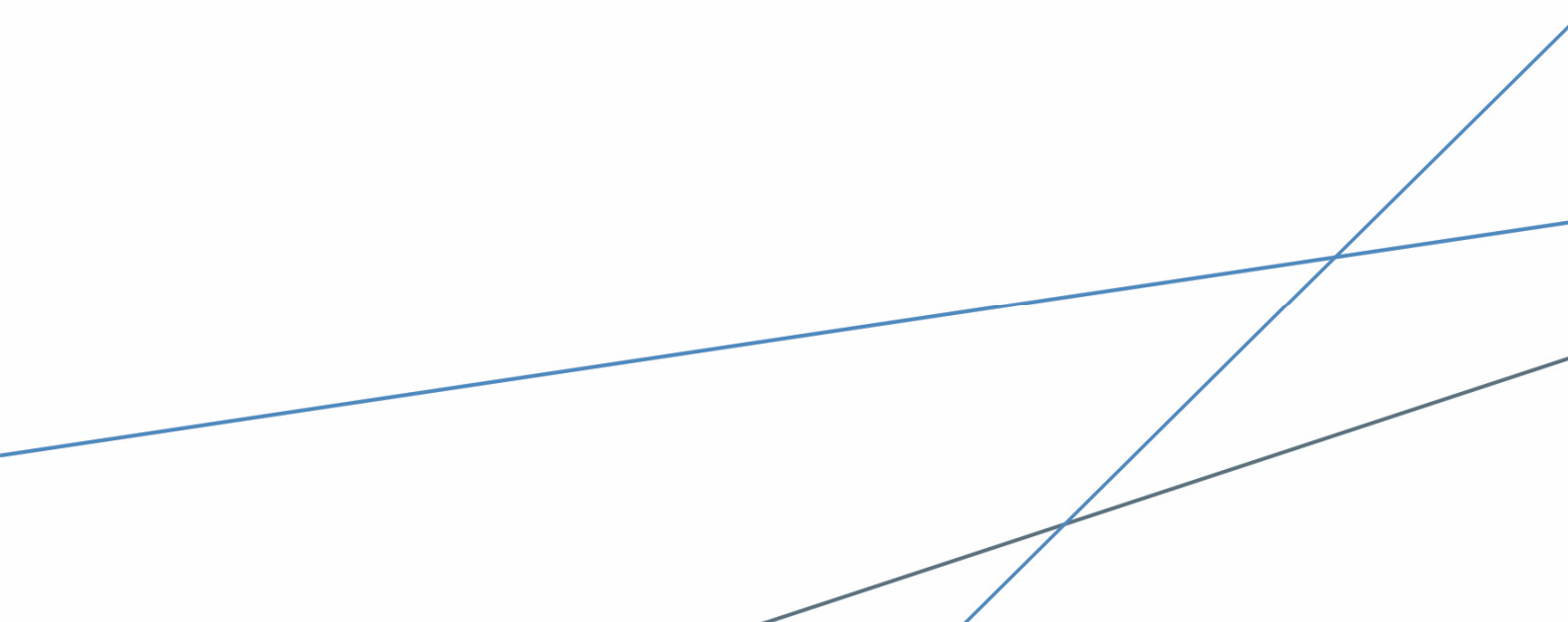
Telecommunications

Market figures

Consumer behaviour during the coronavirus pandemic

Up until 2019 the volume of calls from landlines had been decreasing. In the pandemic year 2020 total outgoing calls from landlines increased again to about 104bn call minutes. Outgoing mobile calls in Germany totalled around 155bn minutes. The year-on-year growth rate in mobile telephony in 2020 was 22%.

The changes in consumer behaviour as a result of the coronavirus pandemic led to a marked increase in the volume of data used over fixed connections to about 76bn GB (gigabytes) in 2020 (2019: 60bn GB). This equals an average data use of around 175 GB per user per month (2019: 142 GB). Mobile data volumes are still increasing steeply. The total volume at the end of 2020 stood at nearly 4bn GB (2019: 2.8bn GB), which corresponds to a monthly average of just under 3.1 GB per actively used SIM card.





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Demand for line speeds

In the broadband market, demand for connections with fast nominal speeds continued to increase in 2020. At the end of the year around 11.6m out of 36.1m lines had a speed of at least 100 Mbit/s (megabits per second), including 1m with an advertised speed of 1 Gbit/s (gigabit per second) or more (2019: 0.2m).

At the end of 2020, 2.3m broadband customers still used connections with a nominal speed of less than 10 Mbit/s (2019: 2.9m).

Network expansion

Investments in fixed assets on the telecommunications market have been increasing steadily for years. In 2020 investments totalled €10.5bn, up €0.7bn (7%) on the previous year.

Expansion in fibre infrastructure continues. The number of customers passed with FTTB/FTTH (fibre to the building/fibre to the home) increased in 2020 to 6.6m (2019: 5.3m). At the end of the year, there were around 1.9m active FTTB/FTTH lines (2019: 1.5m).

Expansion of the mobile networks is also making progress. The number of mobile base stations increased by 18% to 224,554 at the end of 2020. The number of LTE (long term evolution) base stations in operation stood at 75,901. There were 56,934 UMTS (Universal Mobile Telecommunication System) and 72,209 GMS (Global System for Mobile Communications) base stations. The number of 5G (fifth generation mobile) base stations was 19,510 (2019: 139).

Campus networks

Since November 2019, spectrum in the 3.7-3.8 GHz band has been available for campus networks. The spectrum can be used in particular for industrial automation applications, but also in the agricultural and forestry sector. Up until the beginning of May 2021, spectrum had been assigned for 120 campus networks. Since January 2021, further spectrum at 24.25-27.5 GHz has been available for assignment for 5G applications. So far, 5 assignments have been made for spectrum in this band.



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The Bundesnetzagentur continues to receive a lot of interest in spectrum for local networks. Spectrum authorities in other countries are also showing increasing interest in Germany's chosen approach to designate spectrum specifically for campus networks.

Consumer issues

In 2020 there was a significant increase in the number of complaints made to the Bundesnetzagentur about unsolicited marketing calls, reaching more than 63,000. The trend has continued in 2021, with around 30,000 complaints up to the end of April. Complaints about nuisance marketing calls for insurance and financial products or energy supply are particularly common. In the same period in 2020, about 18,000 complaints had been received.

In 2020 the Bundesnetzagentur imposed fines totalling some €1.35m for nuisance calls. Up to mid-May 2021 fines amounting to €800,000 had been imposed.

In 2020 around 92,000 complaints were made about number misuse. There has been a marked increase here as well, with more than 70,000 complaints made up to the end of April 2021. Many of these complaints are about spam faxes and texts.

By the end of April 2021, a total of 214 numbers had been cut off and billing and collection bans had been issued for around 4,304 telephone numbers because of number misuse.

Energy

Expansion of the electricity grid

Expansion of the electricity grid is continuing to make progress. At the end of 2020 a total of about 3,524 kilometres of electricity lines were in the approval procedure. The lines currently in the approval process comprise 667 kilometres under federal state responsibility and 2,646 kilometres under federal responsibility from the Federal Requirements Plan (BBPlG), together with 211 kilometres from the Power Grid Expansion Act (EnLAG) (under federal state responsibility).



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At the end of 2020 the total of 7,783 kilometres of lines in the 65 network expansion projects in progress included 734 kilometres of lines that had been approved or were under construction and about 1,600 kilometres of lines that had been completed. More than 3,500 kilometres of lines are in or about to start the planning approval procedure, which is the last step in the approval process.

It is estimated that overall up to about €102bn will need to be invested in onshore electricity networks up to the end of 2030, comprising €55bn for transmission networks and €47bn for distribution networks.

Electricity network charges

In a positive development, the electricity network charges of the distribution system operators were largely unchanged at the beginning of 2021 on a national weighted average. The network charge for a typical household customer, for the network operators regulated by the Bundesnetzagentur, is 7.65 ct/kWh (cents per kilowatt hour), compared with 7.60 ct/kWh a year earlier (+0.7%). Commercial customers continue to pay 5.80 ct/kWh. Small and medium-sized industrial customers have to pay network charges of 2.64 ct/kWh in 2021, compared to 2.62 ct/kWh the year before (+0.8%).

Considerable cost increases have been observed in some distribution networks, however, as a result of investment due, among other things, to the expansion needed at distribution level for the energy transition. This expansion is by no means needed in all distribution networks, so the spread of network charges from individual network operators is widening.

Gas network charges

There will be changes in the gas transmission system operators' charges due to the merger of the two market areas Gaspool and NCG to form the single German market area Trading Hub Europe as of 1 October 2021. The charges for the new market area will then be higher than the charges in the two current ones (+14%/+1%).



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There has been a slight increase on average in the charges of the gas distribution system operators regulated by the Bundesnetzagentur. The increase for household customers is around 2.6%. The average increase for commercial customers is similar (2.2%), and for industrial customers slightly higher (4.2%).

Post

Developments on the postal markets have been characterised by the spread of digital technology. Growth in the CEP (courier, express and parcel) services market continued into 2020, driven by the steady growth in e-commerce, which in turn was boosted by the coronavirus pandemic. The letters market reported further decline.

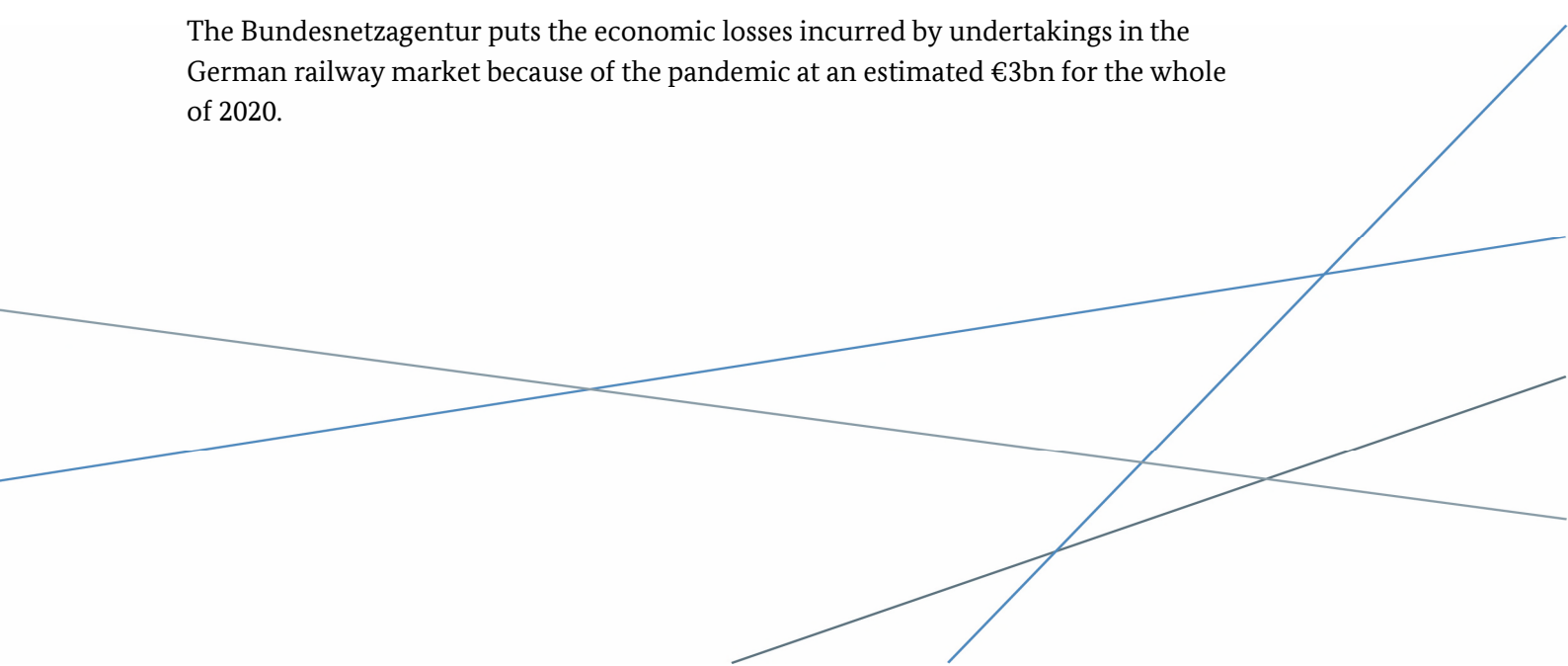
Volumes in the licensed letters market are forecast to have fallen in 2020 to 12.4bn items (2019: 13.6bn). Deutsche Post Group continues to dominate the licensed letters market, but forecasts show a slight decrease in its share of the market's volume to about 85%.

The total number of parcels transported in 2019 was nearly 3.1bn. The volume is set to increase by about 17% (3.6bn items), based on forecasts made by the providers surveyed.

Rail

By contrast, the coronavirus pandemic has led to a decline in traffic volumes in the railway market. Passenger rail transport, in particular, is still severely affected. In the first half of 2020 demand in the regional passenger segment fell by 36% and in the long-distance passenger segment by as much as 47%.

The Bundesnetzagentur puts the economic losses incurred by undertakings in the German railway market because of the pandemic at an estimated €3bn for the whole of 2020.





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The Bundesnetzagentur's annual report has been published online at www.bundesnetzagentur.de/berichte (in German).

The Bundesnetzagentur is an authority under the responsibility of the Federal Ministry for Economic Affairs and Energy. Its core tasks include supervising the energy, telecommunications, postal and railway markets.

As part of its mandate, the Bundesnetzagentur ensures that as many undertakings as possible can use the infrastructure in these sectors so that consumers benefit from competition and favourable prices.

The authority employs over 2,900 people at its headquarters in Bonn and Mainz and its 46 regional offices.