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BROADBAND DSL ACHIEVES RECORD BREAKING GROWTH FOR THE THIRD CONSECUTIVE QUARTER

New global total - 73.4 million DSL subscribers

Broadband DSL won another 9.5 million subscribers around the world in its second consecutive record-breaking quarter ending 31 March 2004. Now 73.4 million globally subscribe to broadband DSL, according to the latest figures prepared for the international DSL Forum by telecommunications analyst firm, [Point Topic](#).

"This is the biggest ever quarterly addition to the global DSL subscriber figures, representing growth of nearly 15%. It is also the third consecutive quarter to produce a record-breaking subscriber increase - this time almost double that of the same period in 2003. This is strong evidence of the growing popularity of high-speed broadband DSL connections among businesses and consumers for email, shopping, online entertainment services, telecommuting, and more," said Tom Starr, president of the DSL Forum.

Three countries represented more than half of the new subscribers:

- China added 2.85 million in the quarter and now has almost 14 million subscribers to DSL services - the largest DSL population in the world.
- The USA added 1.18 million - a growth of 13% - significantly closing the gap on Japan, the second largest DSL country.
- France was the fastest growing of the major DSL countries in the quarter adding 1.07 million, a growth rate of 35%.

13 countries now have more than one million broadband DSL subscribers and 16 countries have more than 10% of phone lines delivering DSL services.

Countries with over 1 million subscribers, 31 March 2004

<i>Global Ranking</i>	Country	Q1 2004	<i>Global Ranking</i>	Country	Q1 2004
1	China	13,995,000	8	Taiwan	2,590,000
2	Japan	11,196,830	9	Canada	2,340,699
3	USA	10,584,281	10	UK	2,272,270
4	South Korea	6,580,923	11	Spain	1,947,313
5	Germany	4,840,180	12	Brazil	1,160,175
6	France	4,116,000	13	Netherlands	1,118,000
7	Italy	2,875,000			

Market penetration figures indicate that the popularity of DSL in Asia Pacific continues to be strong. In 2002, South Korea was the first country in the world to achieve the DSL Forum's goal of mass-market status - 20% DSL penetration of phone lines. The latest figures confirm that South Korea maintains its global lead of DSL market penetration, at 28.3% of all phone lines, and 6.85 million subscribers at the end of March 2004. Taiwan, ranked second in the world by penetration, was just 0.2% away from mass-market classification in the period.

Over the quarter, no less than six countries, France, Italy, The Netherlands, Norway, Spain and Switzerland, achieved more than 10% of total phone lines providing DSL services - half way to mass-market status. Belgium overtook Hong Kong to become the first European country to enter the global top three by penetration. Finland also overtook Singapore in this category. Israel leads the DSL market share among the countries of the Middle East and Africa, with 40,000 new subscribers, raising the penetration figure to 14.5 per cent.

Top 10 Countries by penetration of DSL per 100 phone lines, 31 March 2004

Global Ranking	Country	DSL per 100 phone lines	Global Ranking	Country	DSL per 100 phone lines
1	South Korea	28.3	6	Israel	14.5
2	Taiwan	19.8	7	Denmark	14.2
3	Belgium	16.7	8	Finland	13.6
4	Hong Kong	16.1	9	Singapore	13.4
5	Japan	15.7	10	France	12.1

The European Union, including the new accession states, is now fast approaching Asia Pacific's global market share, accounting for just over one per cent fewer subscribers. With for 28.18% of global subscribers, the European Union added 3.36 million subscribers in the quarter, an increase that accounted for more than one-third of the total new subscribers worldwide.

Breakdown of global regions

Region	DSL subscribers at 31 March 2004	% DSL subscriber growth Q104	% share of global DSL subscribers
Asia Pacific	21,543,350	7.03	29.34
European Union	20,693,700	19.41	28.18
S & SE Asia	14,689,000	24.30	20.00
N America	12,924,980	11.72	17.60
Latin A & Caribbean	1,948,447	17.24	2.65
Other Europe	1,054,350	22.29	1.44
MEA	572,939	10.53	0.78
Global Total	73,426,677	14.93	

"While the big economies continue to dominate the rankings, take-up of DSL is by no means confined to these markets. This quarter we have also seen substantial success in less developed countries as they start to appear on the percentage growth charts. Peru, Malaysia, Mexico and Turkey are all growing fast on a significant installed base," said Tim Johnson, senior analyst and founder of Point Topic.

Ten biggest percentage increases in Q1 2004
(Countries with over 50,000 lines at Q4 2003)

Global Ranking	Country	Q1 2004 % increase	Global Ranking	Country	Q1 2004 % increase
1	Peru	60.8%	6	Portugal	25.6%
2	Malaysia	52.2%	7	China	25.6%
3	France	35.3%	8	UK	24.9%
4	Mexico	27.7%	9	Turkey	23.8%
5	Italy	26.1%	10	Switzerland	22.4%

Tom Starr explains how the DSL Forum is helping the market stay on track for a global mass market by the end of 2005:

"The DSL Forum is working with key industry players to ensure that standards and interoperability support the

variety of exciting new service offerings that maintain DSL's position as the first choice for broadband delivery around the globe. Recent developments in interoperability testing such as the publication of the TR-067 (Technical Report) raise the performance threshold for DSL technology even higher, as increasing numbers of customers sign on to enjoy faster service speeds and a range of value-added services."

About the DSL Forum

DSL Forum is an international industry consortium of about 200 leading service providers, equipment manufacturers and other interested parties, focused on developing the full potential of broadband DSL to meet the needs of the mass market. With the established goal of 200 million customers by 2005, the DSL Forum works to streamline processes, develop specifications and share best practices that set the stage for effective deployments, and explosive global DSL growth. By developing new standards and embracing new applications, the DSL Forum is tailoring DSL to meet the needs of the next generation of multi-media services and the online community. Established in 1994, more information about the DSL Forum is available from its industry site www.dslforum.org.

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