



**QSC AG:**  
YOUR PARTNER FOR  
PREMIUM TELECOMMUNICATIONS

November 2009

Corporate Presentation

Corporate Communications


**QSC**<sub>AG</sub>  
Ihre Premium-Alternative

# OUR MISSION STATEMENT

- QSC is the leading medium sized telecommunications provider in the telecommunication industry, creating sustainable value for its medium sized customers, its partners and employees through superior quality and customer orientation.

# OUR WAY TO

- Customer satisfaction is the yardstick by which our success is measured
  - Best possible fulfilment of customers' needs from an economic, technological, and organizational point of view
  - Customer service during and after the implementation phase
- The foundation of success
  - High-quality and reliable products on the basis of the Next Generation Network (NGN)
  - Simplified voice and data services through convergence
  - Comprehensive customer service and professional advice
  - Management and optimization of a secure communication infrastructure

 Increased efficiency and profitability
- QSC – The medium-size provider for medium-size enterprises

# QSC AT A GLANCE

- QSC is a nationwide telecommunications provider for enterprise customers and focuses on three strategic business segments:
  - Managed Services: Custom-tailored solutions based on interconnected company sites
  - Products: Voice and data access products and standardized solutions
  - Wholesale: pre-products for carriers, ISPs and wholesalers
- QSC is a premium provider for enterprise customers, and as such offers compelling solutions with high security standards, state-of-the-art technology, and simplicity, as well as excellent customer service.
- Today QSC employs 700 staff, of which 449 are based in Cologne. QSC has seven additional offices in Berlin, Bremen, Frankfurt, Hamburg, Hanover, Munich, and Stuttgart.
- QSC is listed in the TecDax stock index.

# FINANCIAL OVERVIEW

(in € million)

	<b>2008</b>	<b>2007</b>
• Revenues	413.3	335.2
• EBITDA	67.3	34.9
• Net income	+0.8	-11.7

(in € million)

	<b>Financial Outlook 2009</b>
• Revenues	between 420 and 440
• EBITDA	between 68 and 78
• Free cash flow	more than 10
• Net income	sustainable positive

- Consistently positioning itself as a medium-size service provider for medium-size enterprises
- Expanding its solution portfolio of managed services and products with more NGN-based applications up to 'Network as a Service'
- Strengthening its market position as one of Germany's largest DSL and NGN network providers

# QSC OWNS ONE OF GERMANY'S LARGEST BROADBAND NETWORKS



- Virtually nationwide voice and data portfolio
- Own DSL infrastructure (operated by Plusnet GmbH) with 1,900 collocation rooms in more than 200 German cities with over 40,000 inhabitants
- Next Generation Network and ADSL2+ compatible
- Nationwide voice network with 474 points of interconnection in Germany
- Wireless Local Loop Network in almost every metropolitan area across Germany

- QSC offices
- Cities with QSC network infrastructure

# QSC's MANAGEMENT - TEAM

**Dr. Bernd Schlobohm**  
Chief Executive Officer (CEO)



Bernd Schlobohm is the co-founder of QSC and has been Chief Executive Officer of QSC AG since May 1999. Beforehand, he served in various leading positions at Thyssen group. Schlobohm is a post-graduate information technology engineer.

**Jürgen Hermann**  
Chief Financial Officer (CFO)



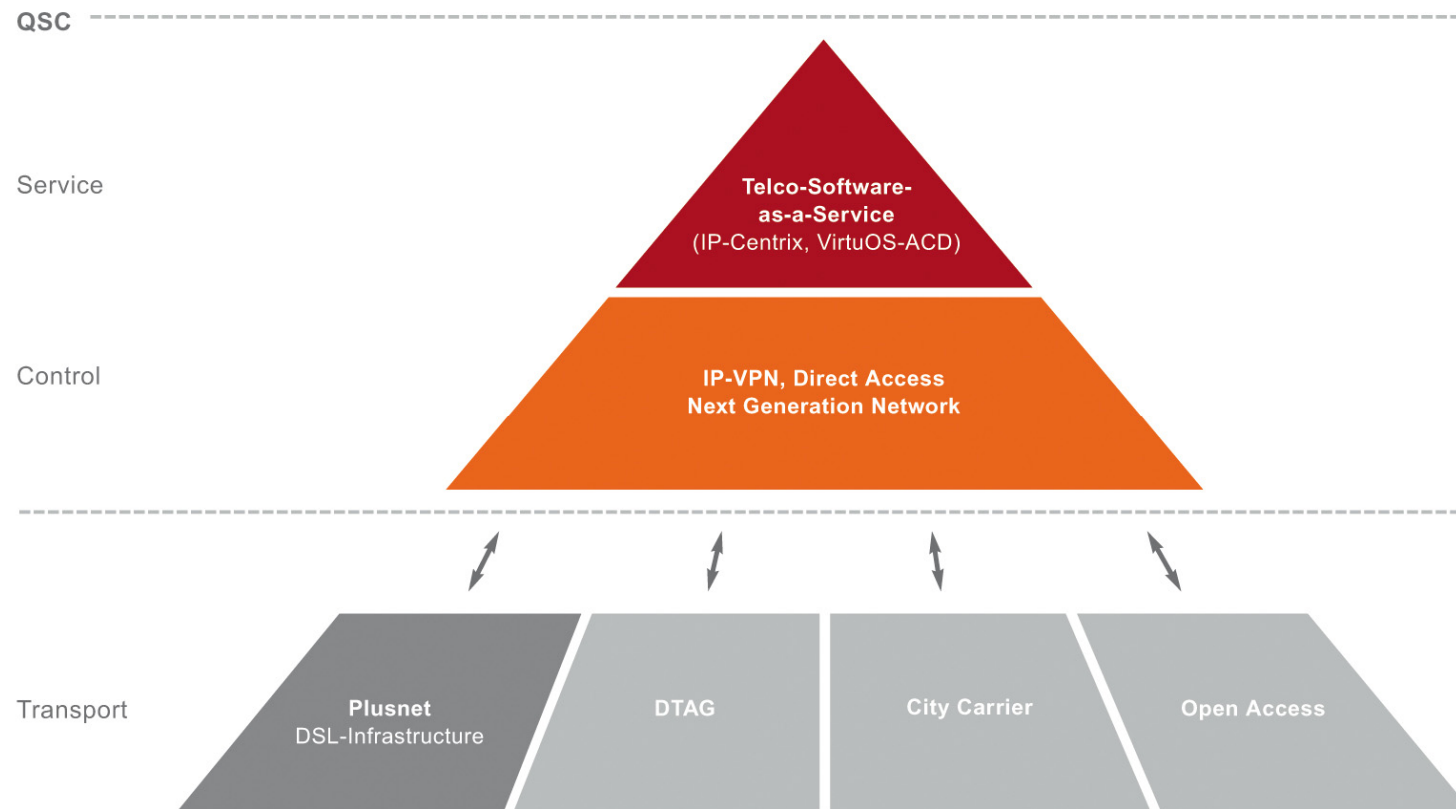
Jürgen Hermann began his career at QSC in 1997 as head of the finance department. Since April 1, 2009 Hermann has been a member of QSC's management board as Chief Financial Officer. He studied Economics and is a telecommunications expert.

**Joachim Trickl**  
Chief Operating Officer (COO)



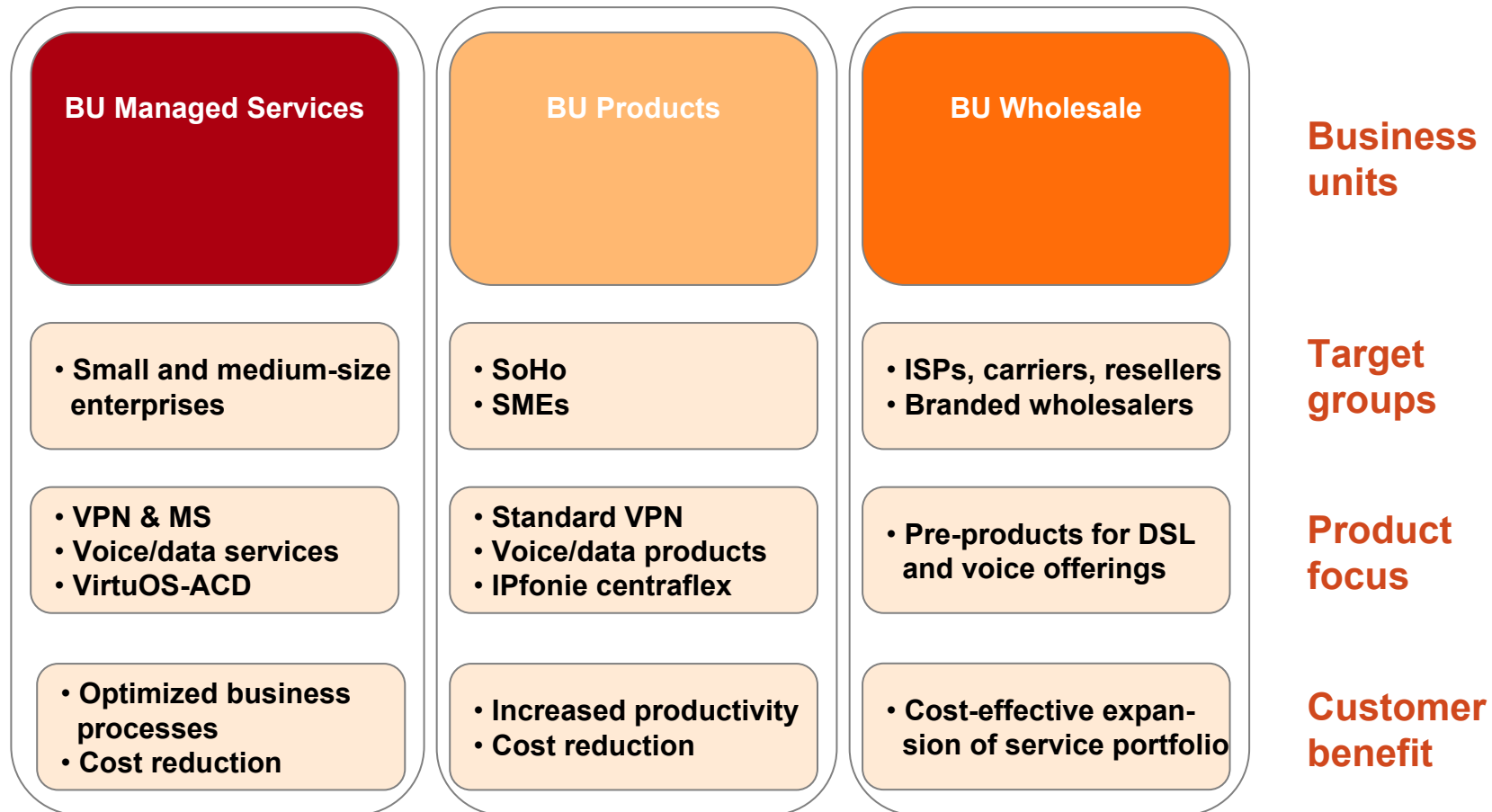
Joachim Trickl is a member of QSC's management board since February 2009. Beforehand, he was Managing Director of Reliance Globalcom/Vanco GmbH responsible for the areas Germany, Austria and Switzerland. Trickl is a post-graduate physicist.

# THE FUTURE OF QSC: SOLUTION PROVIDER WITH NETWORK ACCESS

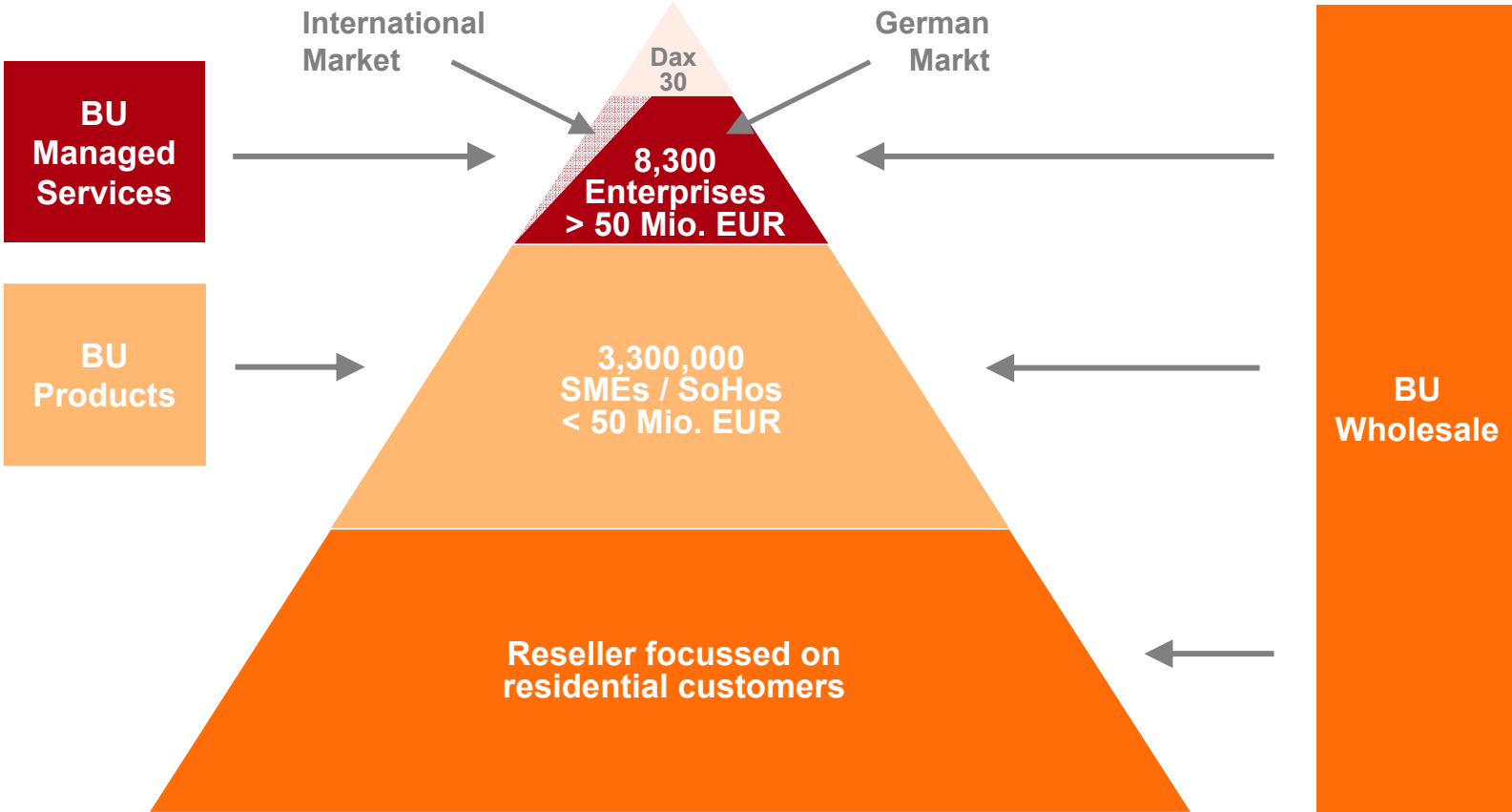


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# QSC'S THREE BUSINESS UNITS



# THE BUSINESS UNITS AND THEIR CUSTOMER SEGMENTS



# MARKET DEVELOPMENT FOR MANAGED SERVICES



## Customer requirements

- Flexibility of connecting company sites and home offices
- Integration of Voice over IP technology plus various services
- IT/Telco integration up to 'Software as a Service'

## QSC's success factors

- Network know-how
- Flexibility and service quality
- Integrated voice/data solutions

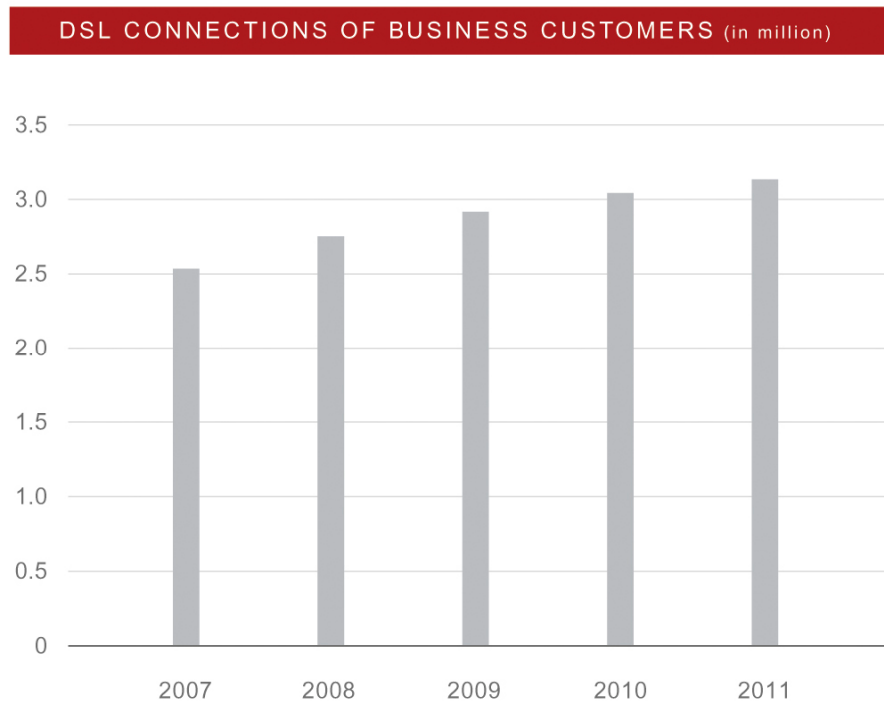
# BENEFITS FOR MANAGED SERVICES' CUSTOMERS

- Custom-tailored networks for interconnecting company sites, as well as network-related services that enhance customer networks' efficiency and productivity.  
Examples: IP-VPN, VoIP, Security, LAN, and further services.
- One-stop shop from individual consulting, design, and rollout-planning to permanent network monitoring and administration
- Specifically NGN-based voice/data applications, such as
  - Intelligent call management systems
  - IP-Centrex "web-based extension system"
  - Desk sharing und virtual Automatic Call Distribution (ACD)
  - Interweaving of telephony with Unified Communications (eg Outlook, Domino)

**We sell more productivity to our customers!**



# MARKET DEVELOPMENT FOR PRODUCTS



Source: IDC "Telekommunikationsmarkt in Deutschland", January 2008

## Customer requirements

- Replacement of ISDN and Pre-selection
- Increase in efficiency by VoIP/data integration

## QSC's success factors

- Innovative bundle products
- Strong price-performance ratio
- Premium customer service

# BENEFITS FOR PRODUCT-PARTNERS

## QSC-Data

- DSL access, leased lines and additional services nationwide for small and medium-size businesses as well as resellers (Q-DSL®)

## QSC-Voice

- Telephony for business customers, ie direct access, pre-selection, call-by-call, as well as Voice over DSL and Voice over IP products (VirtuOS®, IPfonie®centraflex)



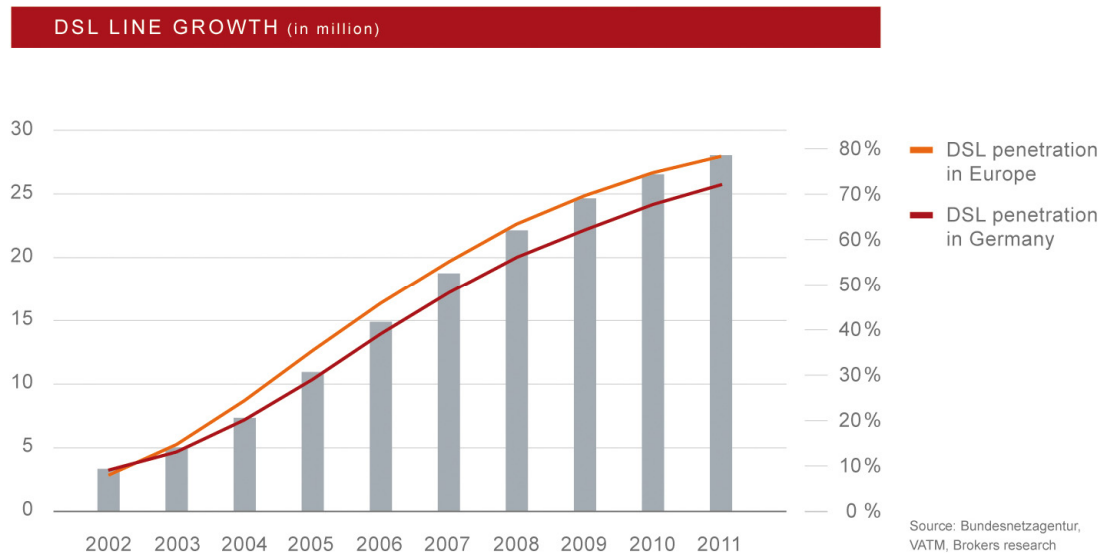
## QSC-Complete

- Bundle solution combining DSL connection and telephony with flat-rate pricing. Premium solution for companies of all sizes (QSC®-Complete)

## Trainings, workshops and partner certification program

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# MARKET DEVELOPMENT FOR WHOLESALE



## Customer requirements

- Broadband access with different bandwidths
- Comprehensive offerings of alternative DSL providers based on unbundled lines
- Decreasing prices for DSL lines

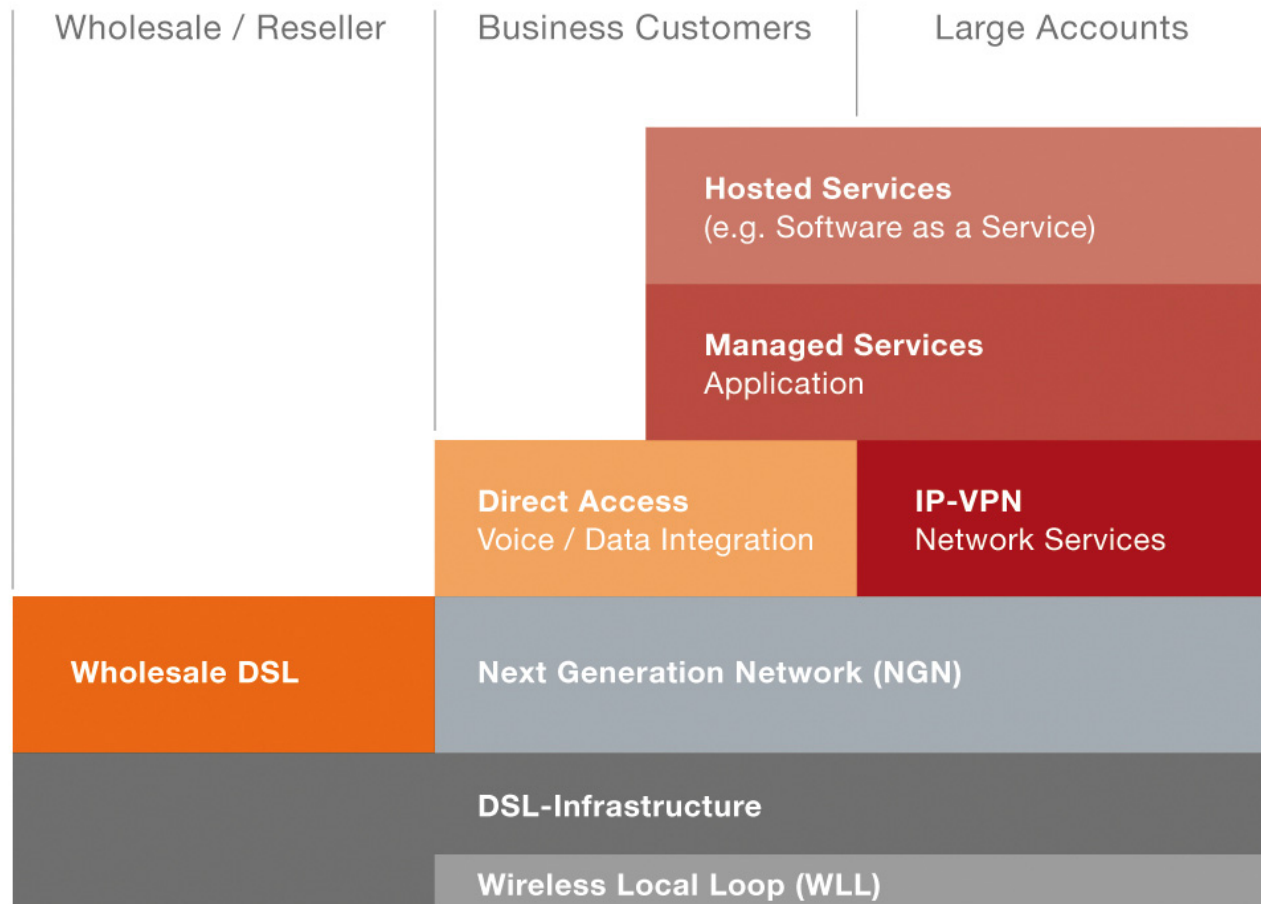
## QSC's success factors

- High network capacity
- Process automation/IT competence
- One of Germany's largest networks

# BENEFITS FOR WHOLESALE PARTNERS

- Pre-products for customers, who refine and sell the former under their own name and for their own account
  - **ADSL2+ wholesalers:**
    - ADSL2+ pre-products for the residential-customer market (HanseNet, freenet, 1&1, congstar)
  - **Business wholesalers:**
    - ADSL/SDSL and voice pre-products in the field of enterprise customers
  - **Resellers:**
    - IP-based access services for the business customer market
- Mapping and handling of the entire process chain if needed, including customer management and end-user device logistics

# QSC'S VALUE CHAIN



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# TÜV RHEINLAND BERLIN BRANDENBURG

“The quality and availability of the Q-DSL links are outstanding. The crucial factors, aside from costs, were QSC’s flexibility and speed.”

*Constantin Kontargyris, Group CIO*

## Project

- VPN for locations
- All communications, test reports, statistics, e-learning, inventory management system

# HECTAS<sup>\*</sup>

“QSC is a resourceful solution provider, always dedicated to finding the best solution for its customers. That’s how we define partnership.”

*Hartmut Schröder, Head of IT*

## Project

- VPN for locations, home offices and mobile agents in Germany, Belgium, France, Austria, Poland, Czech Republic, and Hungary; 6 service classes
- All communications, inventory management system, etc.

\* Facility management, subsidiary of VORWERK group



# WORMLAND\*

„QSC not only delivered the right concept for us, it also offered outstanding service during the implementation phase.“

*Friedrich Jonas, Head of IT*

## Project

- VPN for locations (incl. VoIP)
- All communications, staff-time registration, Internet security, enterprise resource planning

\* Men's fashion retail chain



# SELECTED REFERENCES



- ARAG
- Asklepios
- Blennemann
- DERTOUR
- Deutscher Städtetag Köln
- Fila
- Fries Printmedien
- HECTAS
- INN SIDE Residence Hotels
- Köller + Nowak
- LCS
- MediClin GmbH
- n-tv
- Peakom
- Ramada Hotel Frankfurt
- Theo Wormland
- ThyssenKrupp
- TÜV Rheinland
- W.I.R
- Warsteiner Brauerei



# QSC AG

Premium Telecommunication