

Information
and Communication
Networks



SIEMENS

Networking Beyond Limits



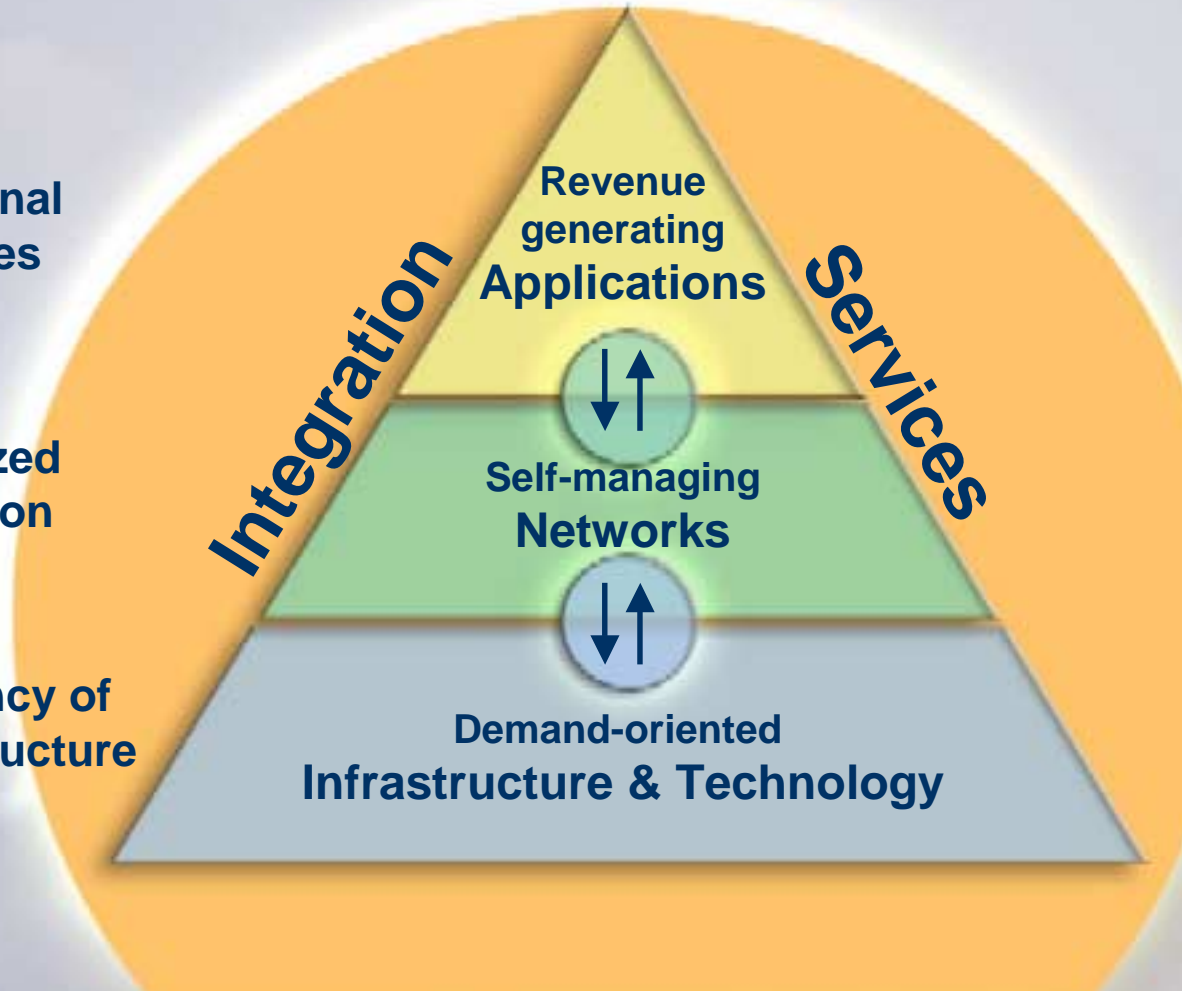
Siemens - Your vendor of choice For the Next Generation Network (NGN)

Needs of customers:

Additional
revenues

Optimized
utilization

Efficiency of
infrastructure



Challenges and opportunities Why Next Generation Networks?

Changing Markets

Carrier
Business
Models



Economies
of scale -
network
costs



Revenue
and time-
to-market
demands

A man in a red shirt sitting on a white ledge, looking up at a desert landscape, symbolizing vision and future-oriented thinking.

Modular
network
architecture

Common tech-
nologies for voice
and data services

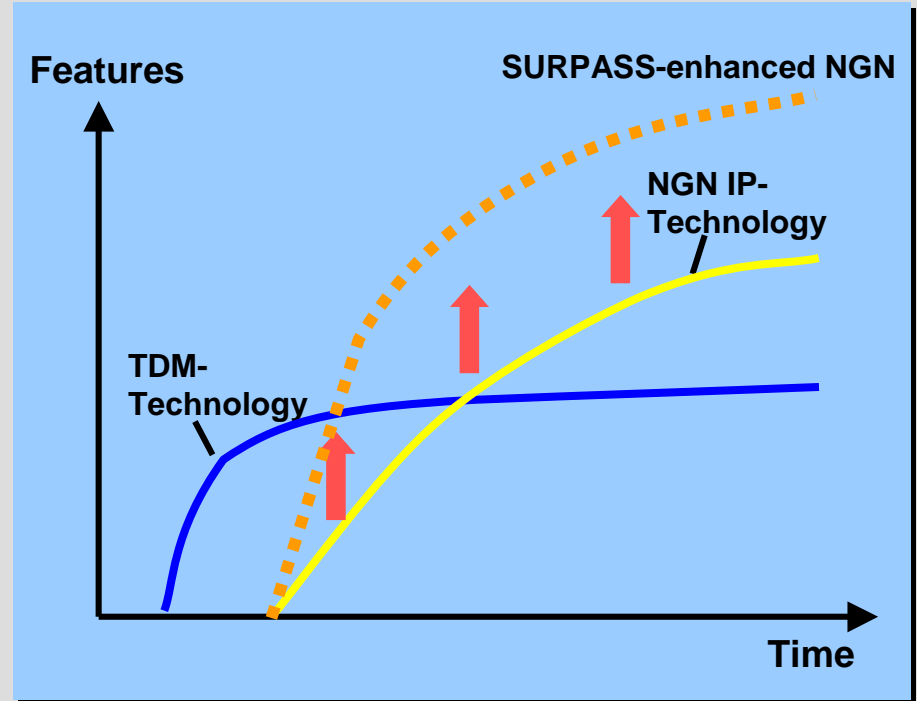
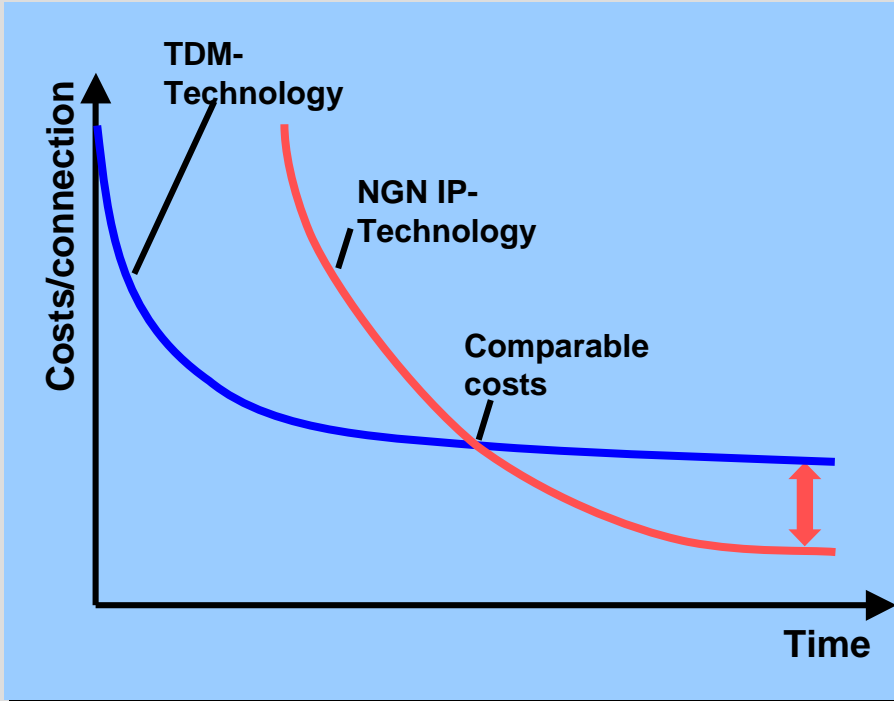
Open platforms
and Application
Interfaces

**Next Generation Networks are driven by a
changing market environment**



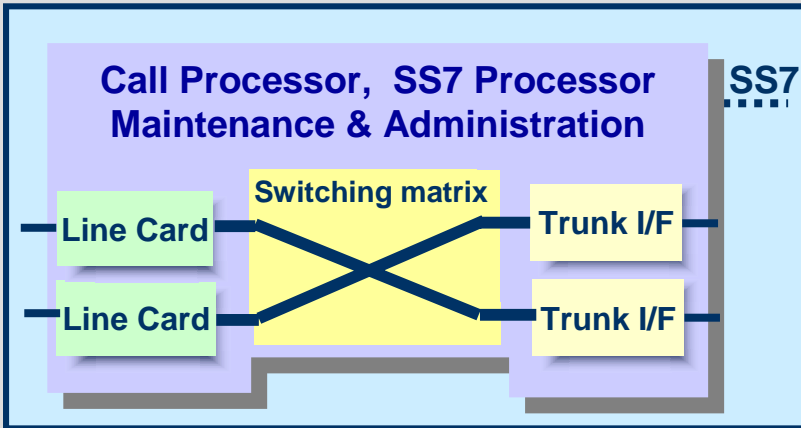
Challenges and Opportunities

A simple TDM-NGN comparison



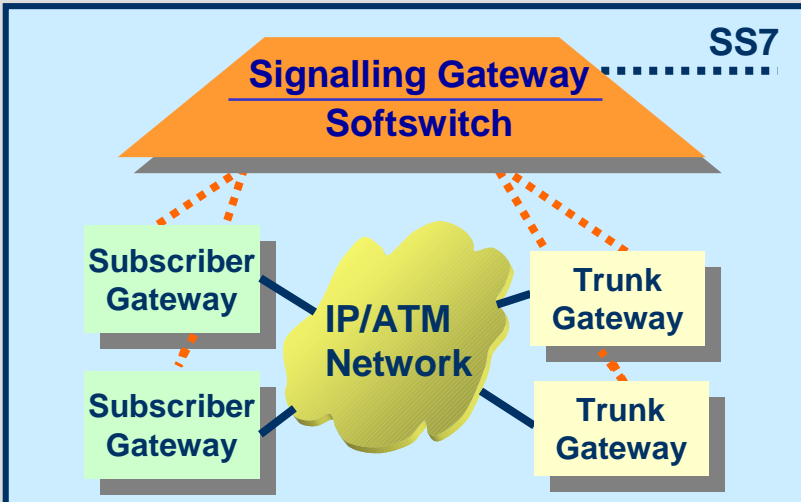
Take advantage of the “Economies of scale” and the service richness of Next Generation Network

Challenges and Opportunities Advantages of a new architectural paradigm



PSTN Switch

- Integrated functionality
- Proprietary platforms and partly proprietary feature development
- Standard IN interface for externally-provided services



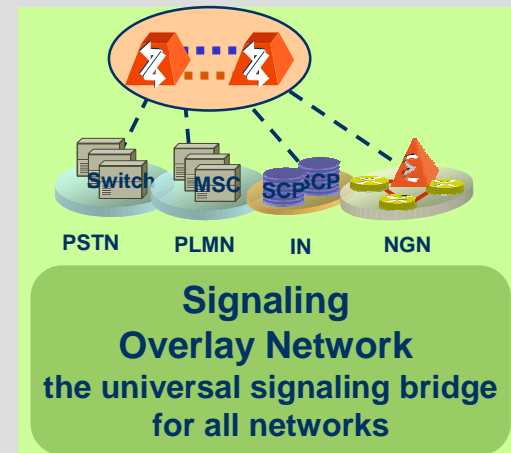
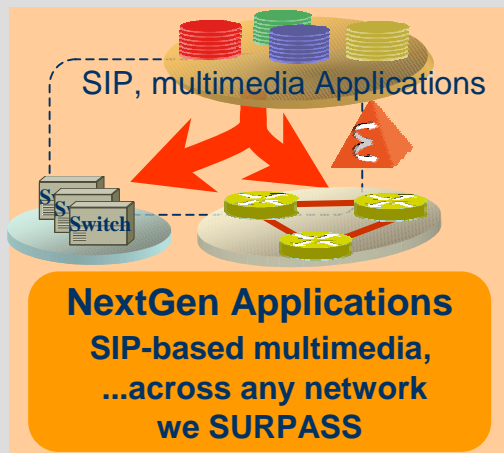
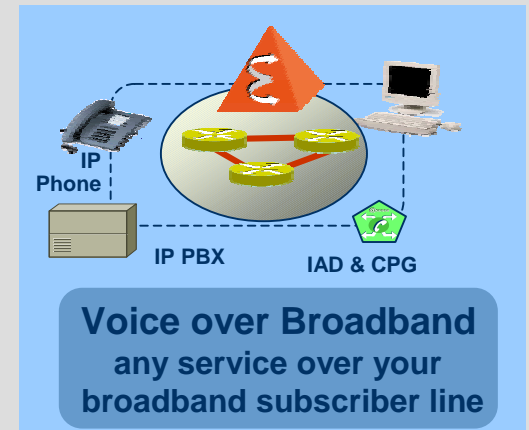
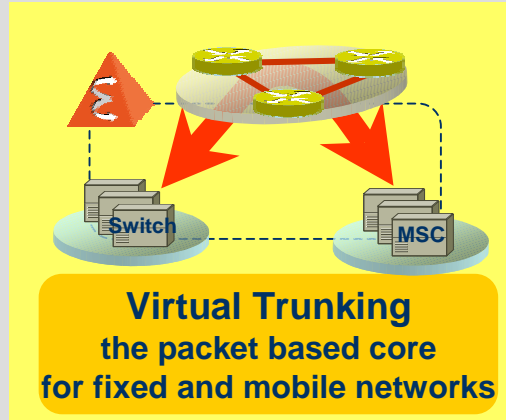
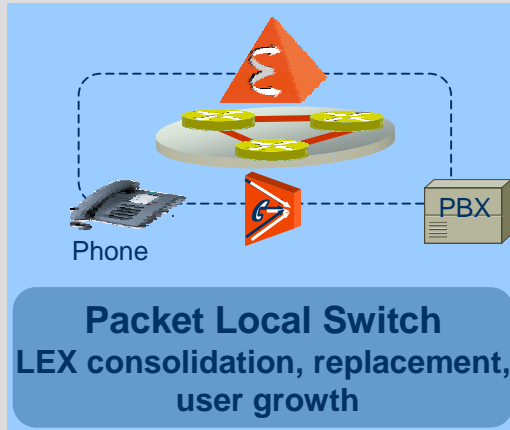
Distributed MSF* Architecture

- Open platforms
- Open interfaces between all components
- Softswitch provides Trunk- and Local-Switch features
- Gateways support various media stream conversions

*MSF=Multiservice Switching Forum; defined a widely accepted architectural model for carrier convergence



SURPASS Solution overview





The bricks that make a voice NGN work



Value adding services platforms
SURPASS hiQ 4000
SURPASS hiQ 6200



Softswitch full feature set
SURPASS hiQ 9200



Gateways to TDM networks
SURPASS hiG 1200

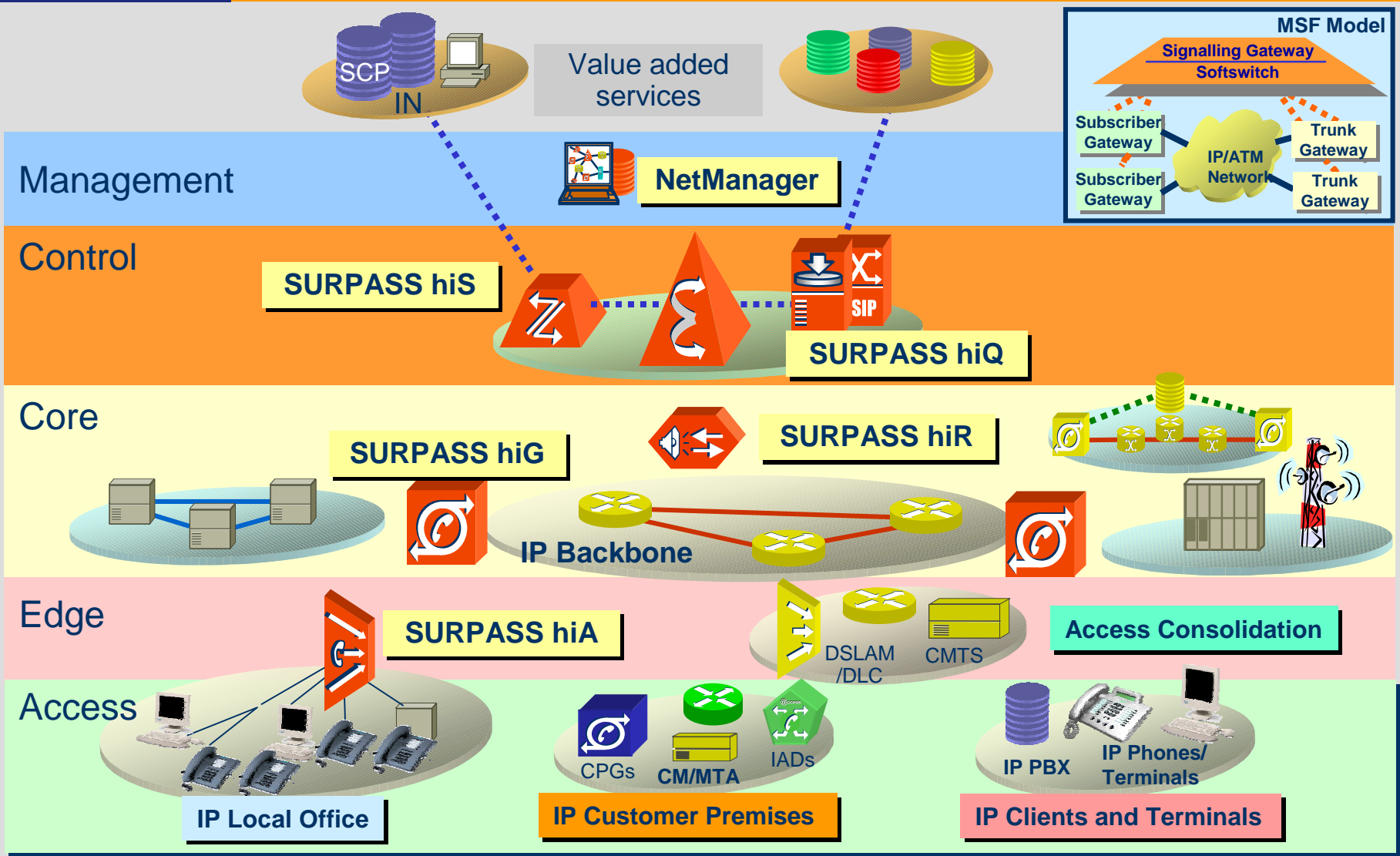


Access gateways
SURPASS hiA 7600

SURPASS - Siemens' complete product portfolio for NGNs



SURPASS - builds the Next Generation Network



SURPASS -

Streamline your NGN business with NetManager

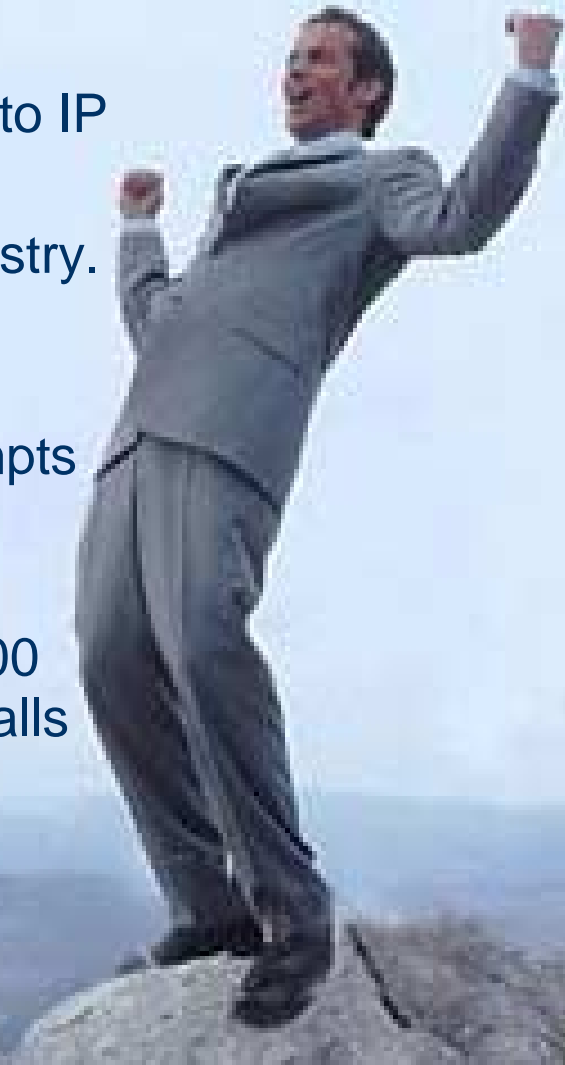
- Cost saving in the integration
 - Integral part of the SURPASS network solution
 - Open interfaces allow easy adaptation into existing Cross Domain and Customer Care systems
- Cost saving in procurement (CAPEX)
 - Industry standard hardware and software
 - Modular and scalable hardware and software architecture
- Cost saving in operation (OPEX)
 - Easy to learn Graphical User Interface
 - Automated frequent and complex OA&M tasks
- Revenue generation
 - Fast service provisioning of subscriber services
 - Most efficient network usage with Network Management applications

NetManager guarantees that the SURPASS network solution is „ready for business“:



Why SURPASS?

- Reuse of the world's most reliable TDM software, with feature set fully migrated to IP
- Only carrier-grade softswitch in the industry. Just one can
 - complete more than 4,400 call attempts per second
 - support 250,000 subscribers, 240,000 trunk ports, 120,000 simultaneous calls





Why SURPASS?

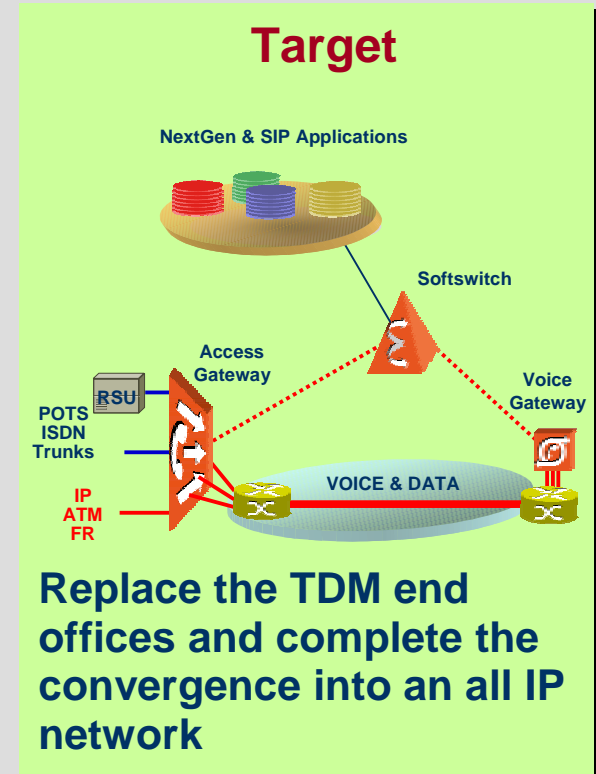
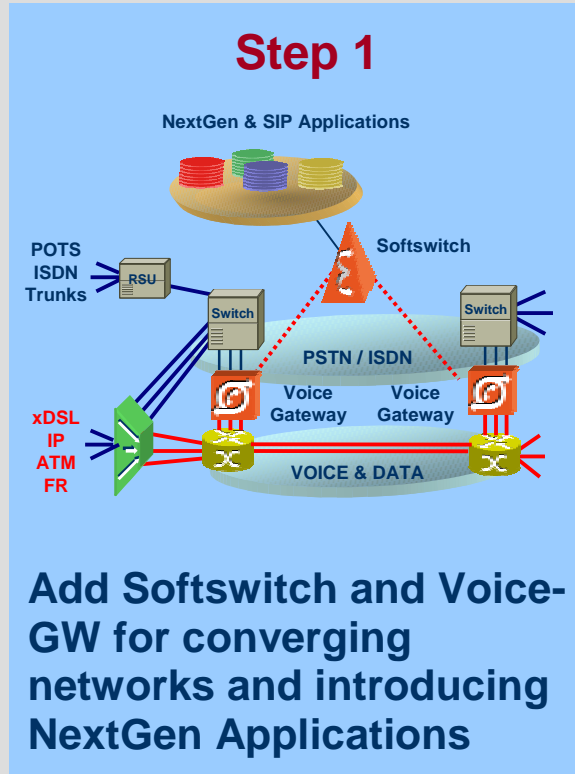
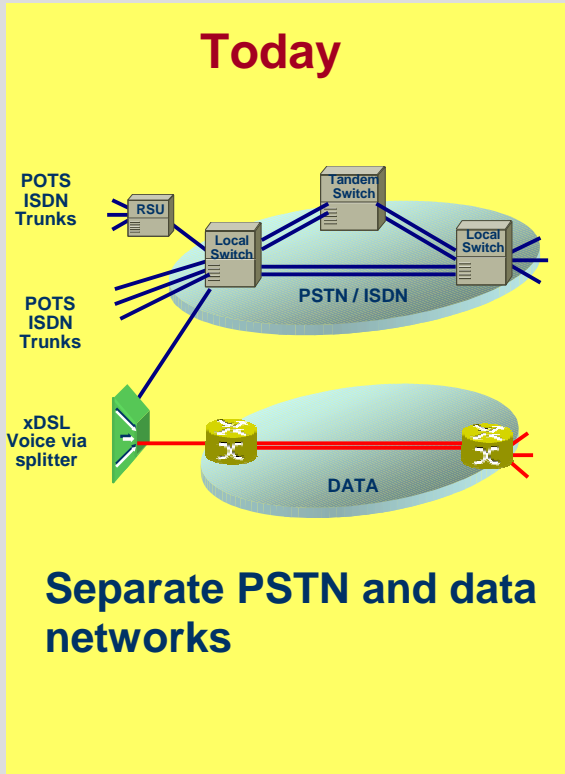
- A full set of unique, harmonized NGN solutions, combinable with one another to create a common basis for a future-proof business
- Operational benefits due to management integration of all network elements, across all SURPASS solutions
- Steady stream of new applications with “we SURPASS” partner program
- Best-in-class performance, scalability, and reliability proven in major carriers worldwide





Business Case

NextGen Networks: Voice and Data come together



SURPASS provides the only true Keep, Cap and Grow approach in the industry - allowing carriers and service providers to smoothly transition from TDM to packet at their own pace



(WM) Business Case Key Assumptions Step 1 of Voice and data come together

Network size: 10' million subscribers

New Applications:



Messaging	4 %
Info directories	3 %
Conferencing	1 %
IP Centrex	8 %
Call Control	4 %

Total additional revenues 20 %

Source: Business Cases developed using Gartner Consulting Methodology and Research

Business case assumptions (2002-2006) (e.g. Western Europe)

- Focus NGN deployment on regional sub-net cluster (936K lines, 16 local and 2 transit exchanges, zero subscriber growth)
- Incremental phase-out of TDM switch capacity (OPEX savings)
- Introduction of NextGen Applications



(US) Business Case Key Assumptions Step 1 of Voice and Data come together

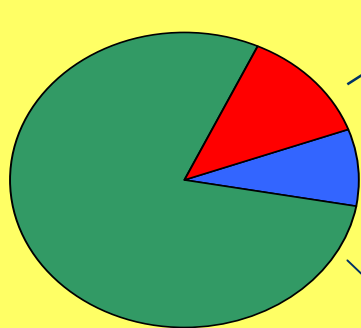
Business Case Assumptions (2002-2006) (USA)

- Focus NGN deployment on representative regional cluster (LATA) (992K lines, 32 end-offices and 2 tandem offices, 3% lineside growth p.a.)
- Convert LATA trunk network to packet in first year (OPEX savings)
- Introduction of NextGen Applications in first year (increase revenue)

we SURPASS

The SURPASS Partner Program by Siemens

NextGen Applications Penetration Assumptions



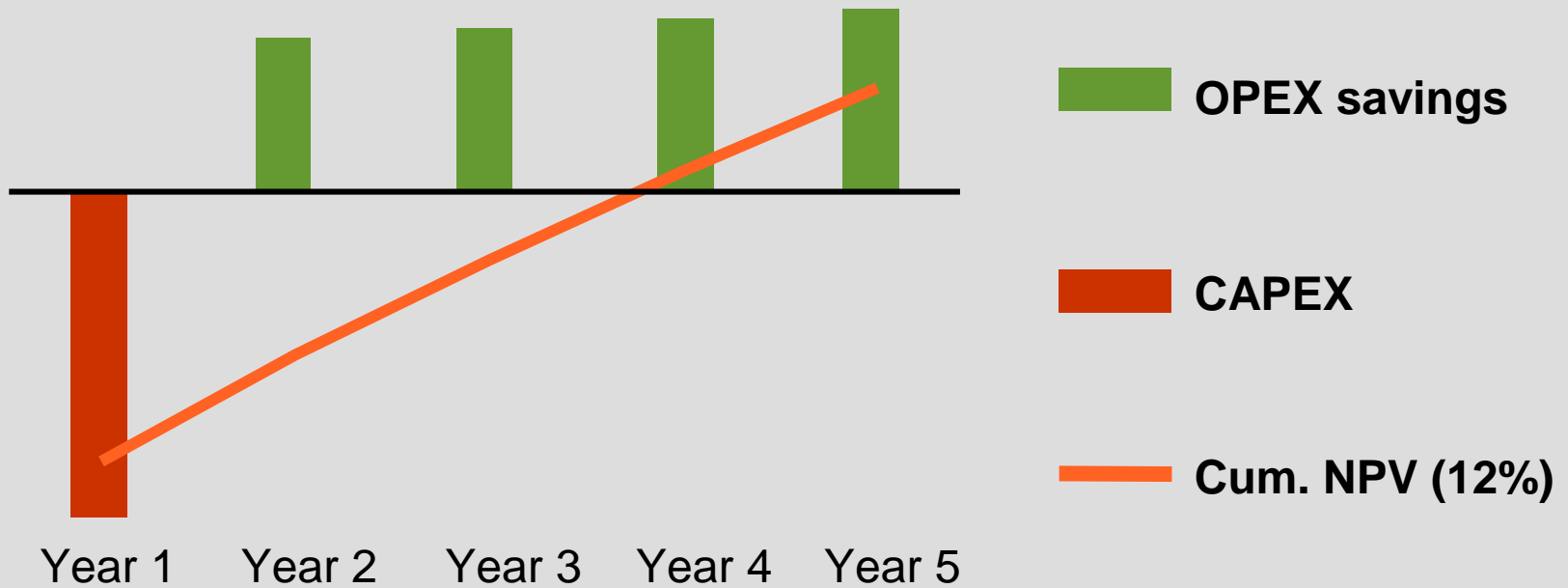
NextGen Applications Revenue

- 13% Unified Messaging**
2.5% Res & 6% Biz @ ARPU \$10/user/month
- 8% IP Call Center**
3% of Agents @ ARPU \$300/user/month
- 79% IP Centrex**
6% PBX Users & 12% Single Line Biz @ ARPU \$30/user/month



(WM) Voice and data come together Business Case Results

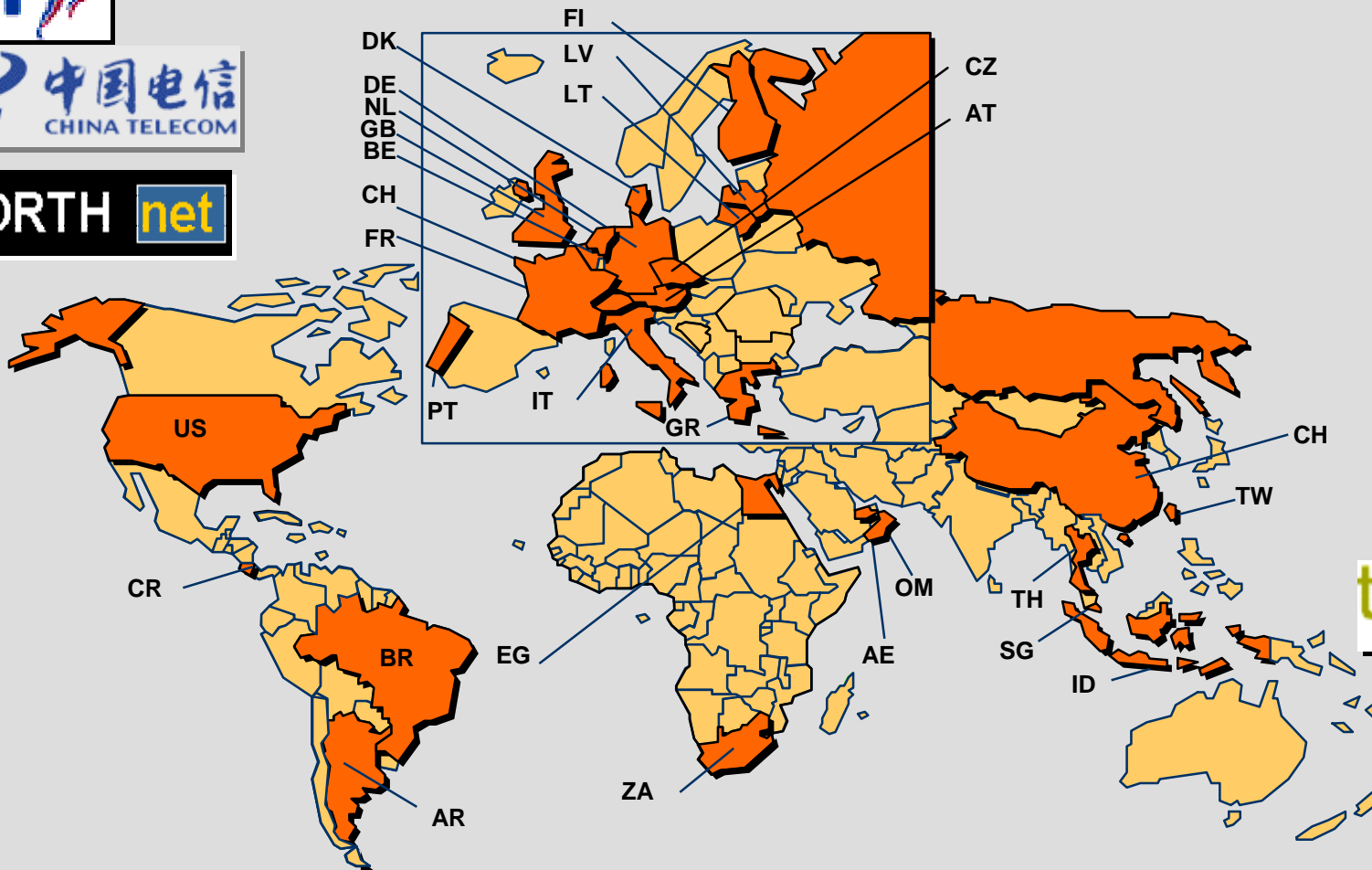
Replacing the transit network



**Focus on modernization of the network
with rapid deployment of NGN to achieve 67% OPEX savings**



SURPASS worldwide success



Countries with SURPASS

May 2002

9/3/2002



SURPASS - Meets your expectations

SIEMENS

Profitability

Measurable economic value for your business

Perfect Fit

Taylor-made solutions for your Next Generation Network

Reliability

Carrier Grade modular, scalable solutions

Reality

Your way to the Next Generation Network





Siemens, your partner for the Next Generation Network race

**UnSURPASSed
technology**

**Deep market and
industry
knowledge**

**Global end-to-
end solutions
and integration
know-how**



**Business value
for our
customers**

**Financial
strength and
global footprint**



SURPASS
Networking Beyond Limits

**Maximizing the Return on Assets
with Next Generation Networks**

ROA