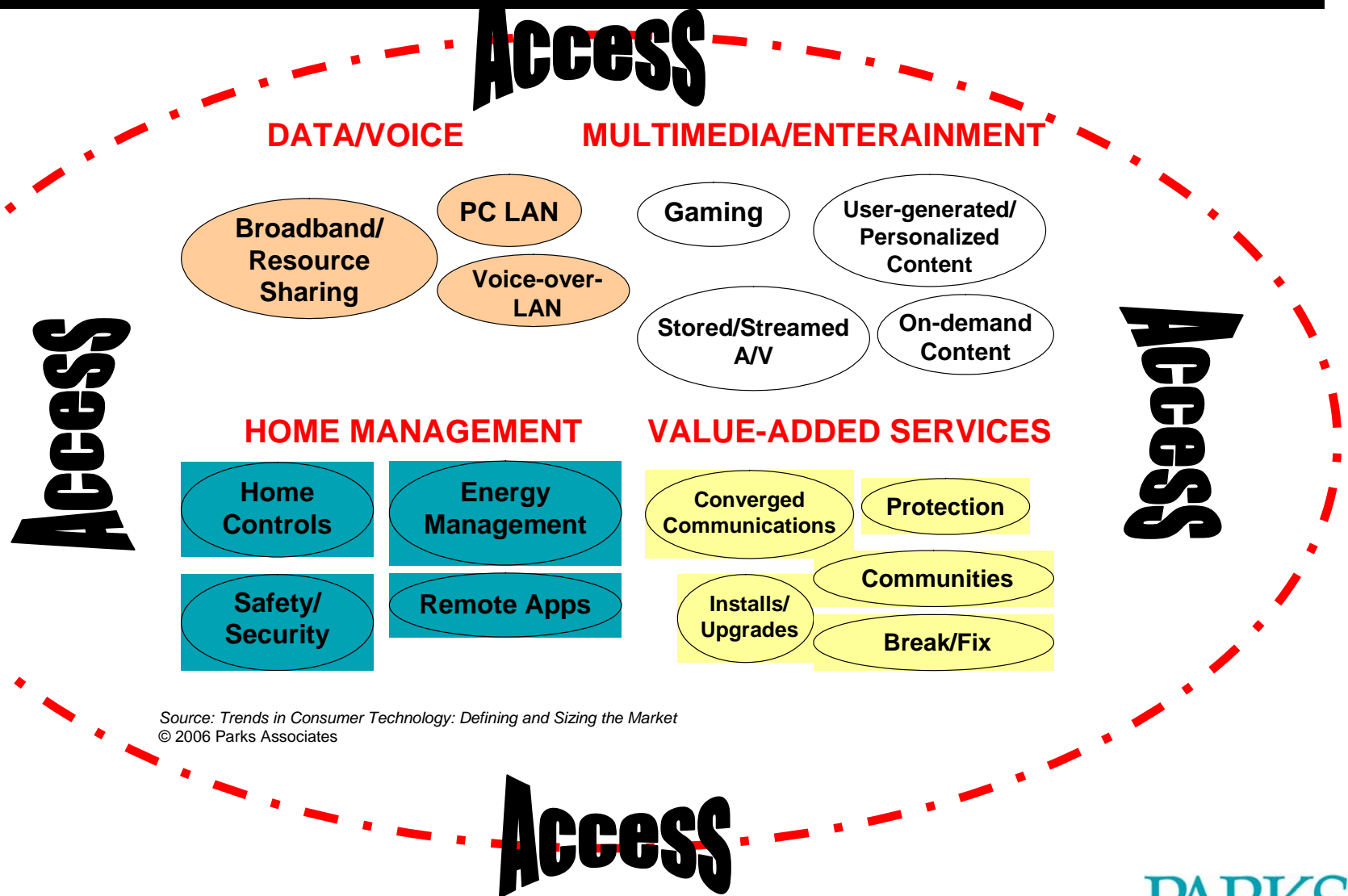

Growing the Powerline Communications Business

**Tricia Parks
CEO**

Identifying Digital Lifestyle Opportunities



Source: Trends in Consumer Technology: Defining and Sizing the Market
© 2006 Parks Associates

How Does HomePlug Grow from Here?

Leverage Strengths with Access Providers and Platform Developers

- BPL: Not only triple-play, but utility/telemetry-driven functionality
 - Utilities seeking cost savings and revenue generating solutions
 - **Digital home healthcare: \$2.1B market (U.S.) by year-end 2010**
 - **IP Webcams: 1M U.S. homes by year-end 2006**
- Broadband Wireless: HomePlug as a key extension
 - **20M U.S. residential subscribers to alternative BB access solutions by YE 2010**

How Does HomePlug Grow from Here?

Leverage Strengths with Access Providers and Platform Developers

- Incumbents: Home networking applications that go beyond broadband sharing:
 - “Over-the-Top” Distribution
 - Sufficient QoS and symmetry for rich multimedia and gaming experiences
 - **\$11B in annual revenue from IP-delivered music, video, and gaming services by YE 2010**
- Distributed Entertainment: Whole-house DVR: **20M U.S. households by YE 2010**
- IT: Bridges/adapters
- CE: Brand extension via connectivity
 - Digital Displays: Link directly to an online video service;
 - **Media Servers: 20M shipments expected in 2010**
 - **30M homes with connected entertainment networks by year-end 2010**

Delivering the Basics

- Providing quality landline voice with convergence features (interaction with video services; fixed-to-mobile handoffs, etc.)
- Solution **must** address remote upgrades, diagnostics, and reporting.

Access Providers and the Digital Lifestyle

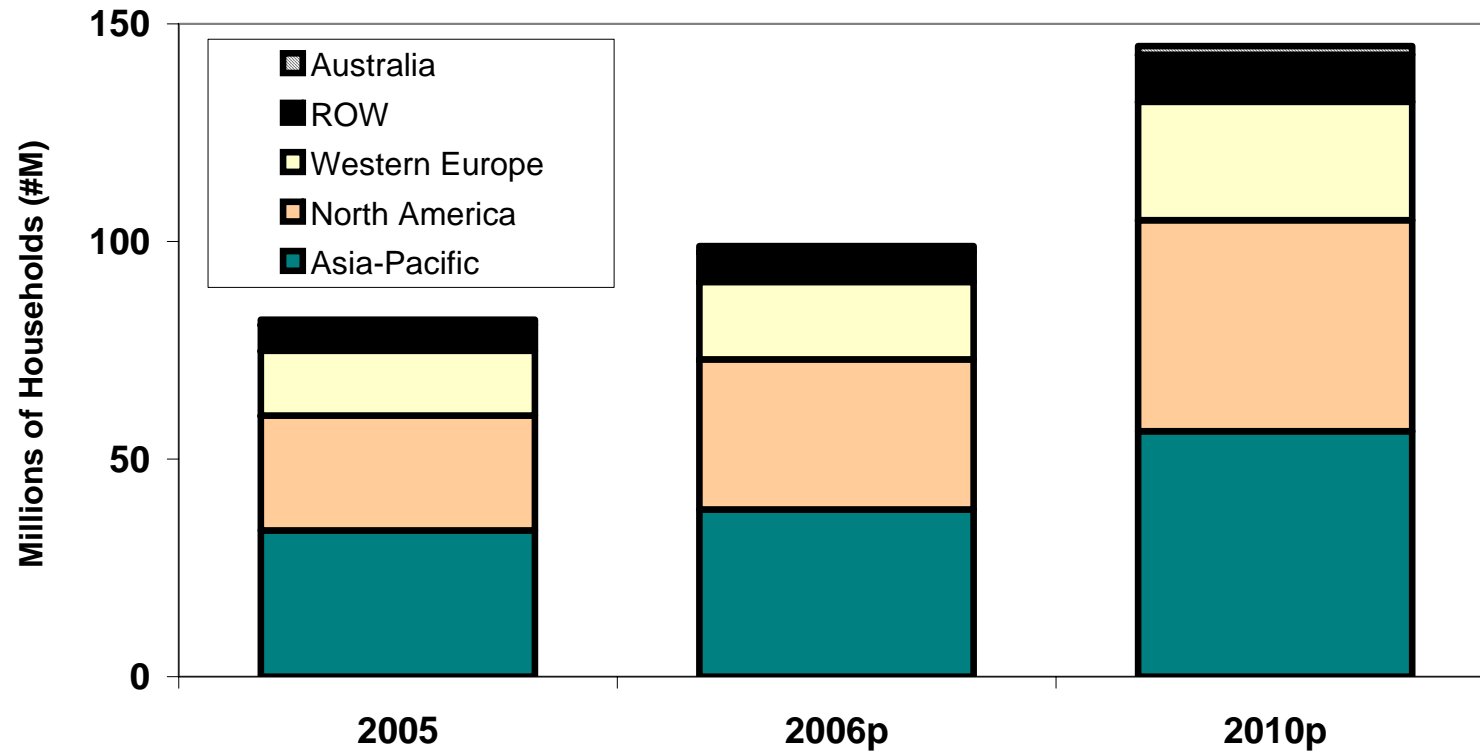
Service Provider Competition Driving Many Digital Lifestyle Opportunities

Bundled Services: Stages of Competition			
Stage	Stage 1: “Me Too”	Stage 2: Convergence	Stage 3: Innovation
Characterized By:	<ul style="list-style-type: none"> • Basic bundles of service: voice, video, data • Multi-channel and VoD video offerings. 	<ul style="list-style-type: none"> • Blending of communications and entertainment • “Triple-play/Quad-play” land grab 	<ul style="list-style-type: none"> • “Experience providers” • Carrier as one-stop shop
Opportunities: Vendors	<ul style="list-style-type: none"> • DVR and whole-house DVR • Data networks • Multimedia networks • Gaming bridges • Bandwidth optimization • Remote configuration/monitoring 	<ul style="list-style-type: none"> • Multi-service RGs • Robust Wi-Fi-to-mobile handoff solutions 	<ul style="list-style-type: none"> • Low-cost and reliable home networks for telemetry and control • RG/software link between carrier and other services (utilities)

Data and Voice Connectivity

Data Networking as a Global Phenomenon

Households with Data Networking Solutions (Millions of Households, Worldwide)

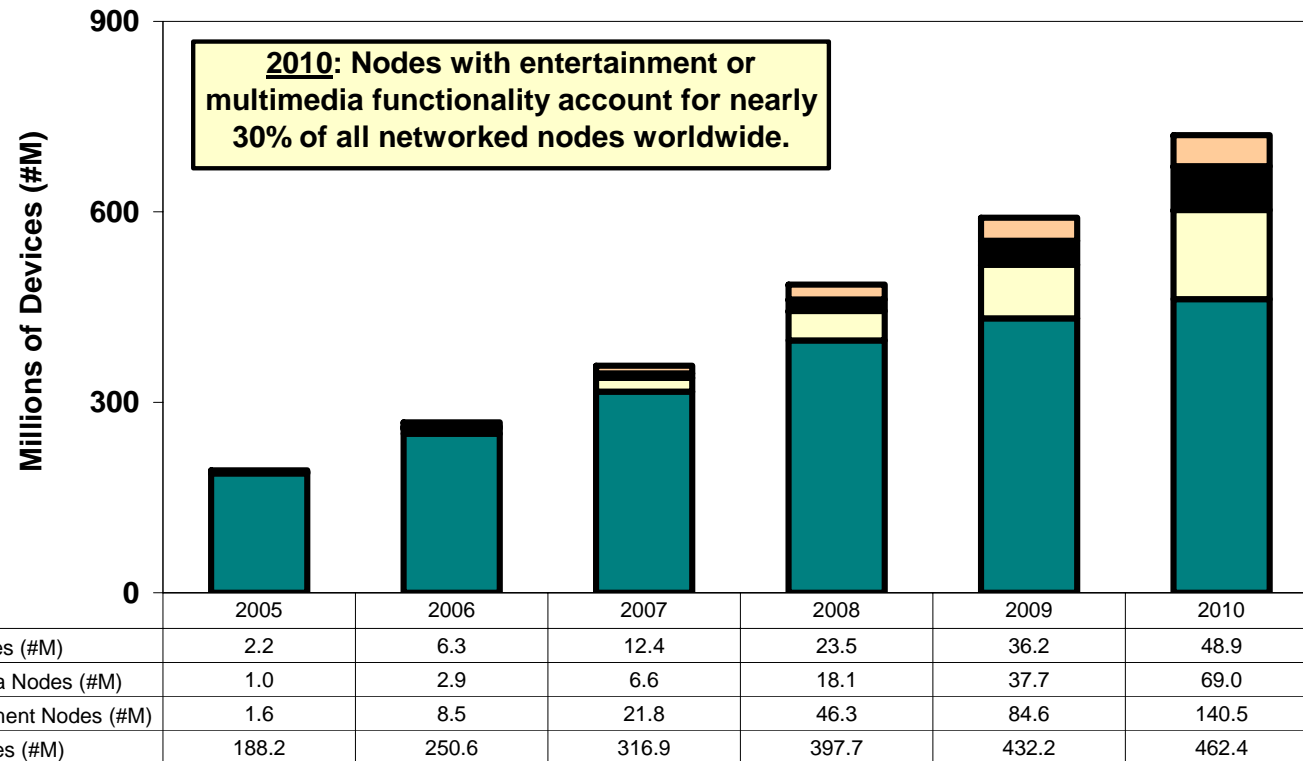


Source : Parks Associates' Forecasts
© 2006 Parks Associates

Entertainment and Multimedia Networks

Global Forecasts: All Networking Products

Devices Connected in Home Networks: (Millions of End-user Nodes, Global Households)

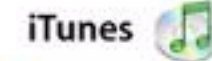
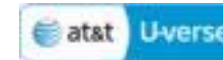


Source: Parks Associates' research
© 2006 Parks Associates

Two Trends, One Outcome



Digital Home



1 Network configuration and management becomes easier and less expensive

3 Connected Entertainment Gaining Popularity

2 Digital entertainment content and services are proliferating

Online Video and End-user Digital Products

IP Video Delivery and End-user Digital Products		
Type of Service	Providers	Solutions and Their Value
Movie Streaming/ Downloading		<ul style="list-style-type: none"> • Media Servers: Store and secure downloaded on-demand content. • Digital Receivers: Bridge the gap between the broadband connection and the television. • Mobile/Portable CE: Enjoy video on-the-go. • Consumer Electronics: DVD creation for download-to-burn offerings.
Web & Entertainment Portals/Services		<ul style="list-style-type: none"> • Media Servers: Store and secure downloaded on-demand content. • Media Adapters: Bridge between the modem/RG and the television. • Mobile/Portable CE: Enjoy video on-the-go. • Consumer Electronics: DVD creation for download-to-burn offerings.
Aggregators		<ul style="list-style-type: none"> • Digital Receivers: Bridge the gap between the broadband connection and the television. • Media Servers: Can store and secure downloaded on-demand content. • Mobile/Portable CE: Extend time-shifted content to on-the-go environments. • Consumer Electronics: DVD creation for download-to-burn offerings.
Broadcast Initiatives		<ul style="list-style-type: none"> • Media Adapters: Bridge between the modem/RG and the television. • Mobile/Portable CE: Enjoy video on-the-go. • Digital Receivers: Can stand-alone or complement IPTV or satellite offerings by bringing more on-demand broadcast offerings to the TV.
<p>Source: Trends in Consumer Technology: Defining and Sizing the Market © 2006 Parks Associates</p>		

Entertainment and Multimedia Networks: Direction & Requirements

Home Video Hubs:

- Whole-home DVR
- Set-top-to-PC links
- Stand-alone platforms

Platform Extensions

- Bridges
- Adapters
- Embedded

Home Networking Requirements

- Video Providers: Scalability, built-in QoS, adaptation to certain industry specifications (TR-069, for example), low-cost
- Platform Providers: Good quality at low cost, scalability,

User-generated Content

- LAN and WAN solutions that use symmetrical service to provide for a faster sharing experience.

Contact Information

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