

Q4 2013

NASK'S REPORT FOR THE FOURTH QUARTER OF 2013 .PL DOMAIN NAME MARKET



All the information were prepared and compiled basing on data from the .pl domain name registry system.

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Introduction

Dear Readers,

In 2013 the number of new registrations in the .pl domain registry exceeded one million, attaining the amount of 1 025 508 which is by nearly 33 thousand lower than in 2012. In the last three months of 2013 the number of new registrations amounted to 258 133, being higher than the result achieved during two previous quarters.

The .pl domain registry ended the year 2013 with 2 461 499 active domain names maintained for over 914 thousand Registrants with the annual growth dynamics at the end of December 2013 equalled to 2.47%. The daily average registration number of .pl domain names within the last three months of the year amounted to 2 806 and was approximate to the average number accomplished in whole year, i.e. 2 810 domain names. Similar as in the previous years, the first quarter of the year was the best, with 3 032 new domain names being registered daily average.

It is worthwhile to observe that in each successive quarter of 2013 the renewal rate of .pl domain names remained an ascending tendency. With the end of the year this rate attained the value of 59.78%.

At the end of 2013 the number of NASK's Partners in registering and maintaining .pl domain names equalled to 194. The Partners serviced over 99% of active .pl domain names with the three biggest of them servicing in total as much as 49%.

I invite you to get acquainted with the newest report, presenting the data from the .pl domain registry for the fourth quarter of 2013.

Michał Chrzanowski

NASK Director

Number of .pl domain names in DNS

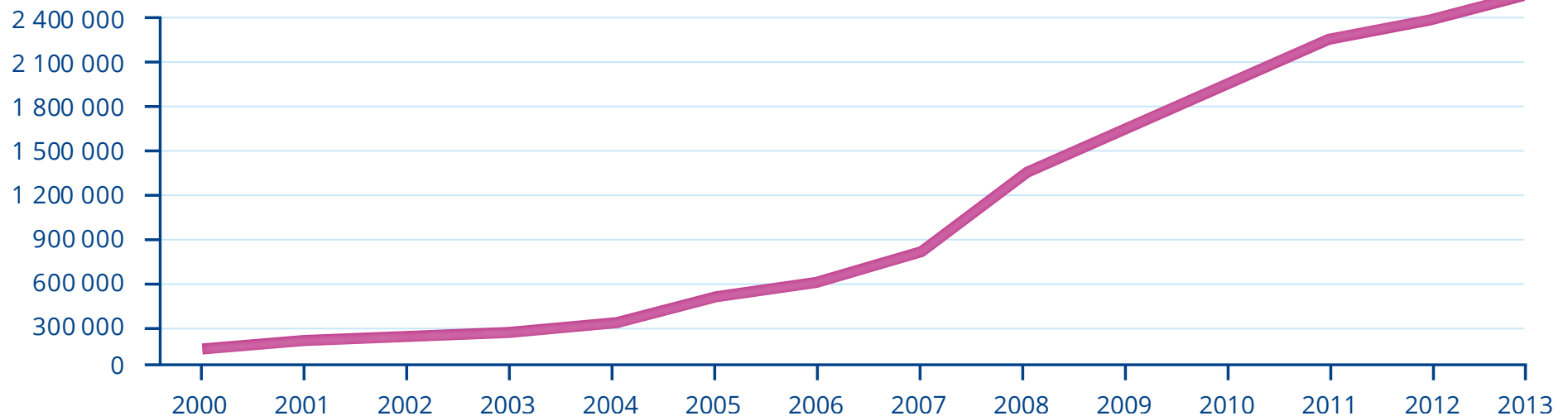
The .pl domain registry ended the year 2013 with **2 461 499** active domain names, i.e. the names delegated to the DNS system. As compared with the end of 2012, the volume of the registry increased by **59 392** active domain names. In each consecutive quarter of 2013 the registry grew by **5 280**, **37 727**, **11 178** and **5 207** .pl domain names respectively.

The annual growth dynamics of the .pl domain registry at the end of December 2013 amounted to **2.47%**.

With the end of 2013 the number of maintained .pl domain names with diacritic signs (the so called IDNs) equalled **53 423**. From the beginning of 2013 the amount of IDN names successively decreased. During the year the volume fell by **12 519** names and in the fourth quarter of 2013 itself by **3 797** names.

Number of .pl domain names in DNS

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Structure of .pl domain names

In 2013 the average length of a domain name in the .pl registry extended by **0.08** as compared with the last year's average length and amounted to **10.91** signs. At the end of December 2013 **15** .pl domain names (**8** domain names at the end of 2012) consisted of 63 signs, which is maximal allowed length.

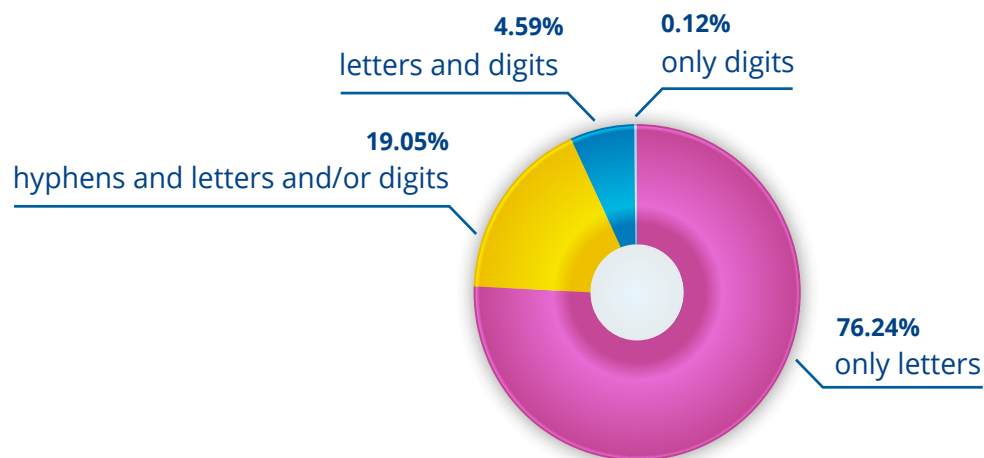
Taking into account the length of a domain name with a domain zone, the average length in the .pl domain registry at the end of 2013 amounted to **15.31** signs, whereas the longest .pl domain name comprised of **75** signs.

76.24% of names active in the registry consisted of only letters and as less as **0.12%** of only digits, **4.59%** of domain names were composed of both digits and letters while **19.05%** of names, besides letters and digits, comprised also hyphens.

With the end of 2013, in case of **17.63%** of .pl domain names, the name included one hyphen separating it for two elements, **1.48%** of names (excluding IDNs) were composed of at least two hyphens.

Signs in .pl domain names active in DNS, Q4 2013

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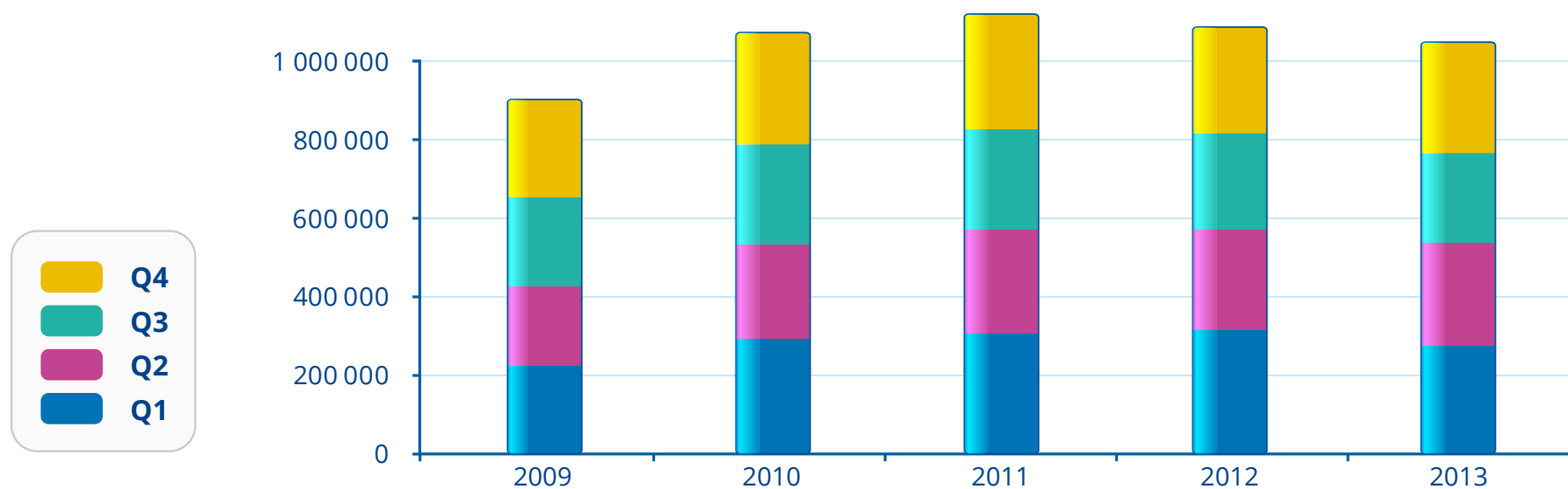
Number of new .pl domain name registrations

During 2013 the number of names entered into the .pl registry amounted to **1 025 508** and was by almost **33 thousand** lower than in 2012. The domain names with diacritic signs alone were registered in the amount of **26 577**, that is by almost **12 thousand** fewer than in the previous year.

The number of registrations during 2013 equalled **272 840** in the first quarter, **256 847** in the second quarter, **237 688** in the third quarter and **258 133** in the fourth quarter.

Number of .pl domain name registrations

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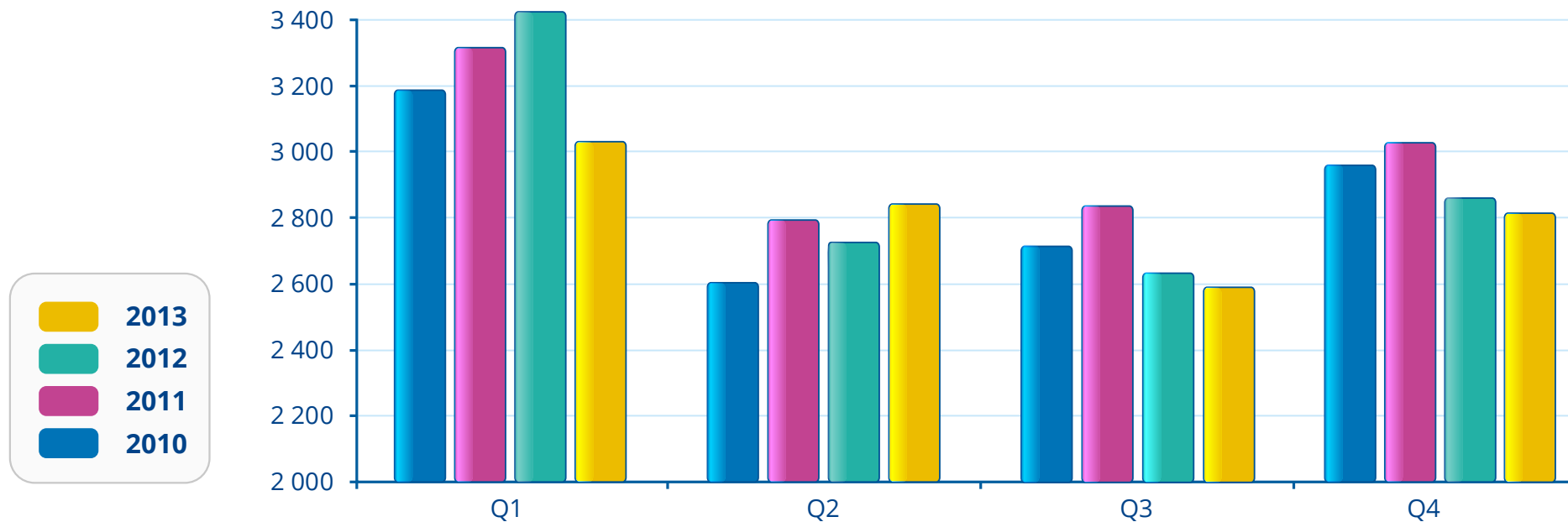
Number of new .pl domain name registrations, daily average

The daily average number of .pl registrations in 2013 amounted to **2 810**. The first quarter, similarly as in previous years, brought the best results, i.e. **3 032** new names were registered daily average. The outcomes accomplished during the successive two quarters

were falling down and amounted to **2 822** and **2 584** in the second and third quarter respectively. On the contrary, in the last quarter, the number grew to the level of **2 806** new domain names daily average entered into the registry.

Number of .pl domain name registrations, daily average

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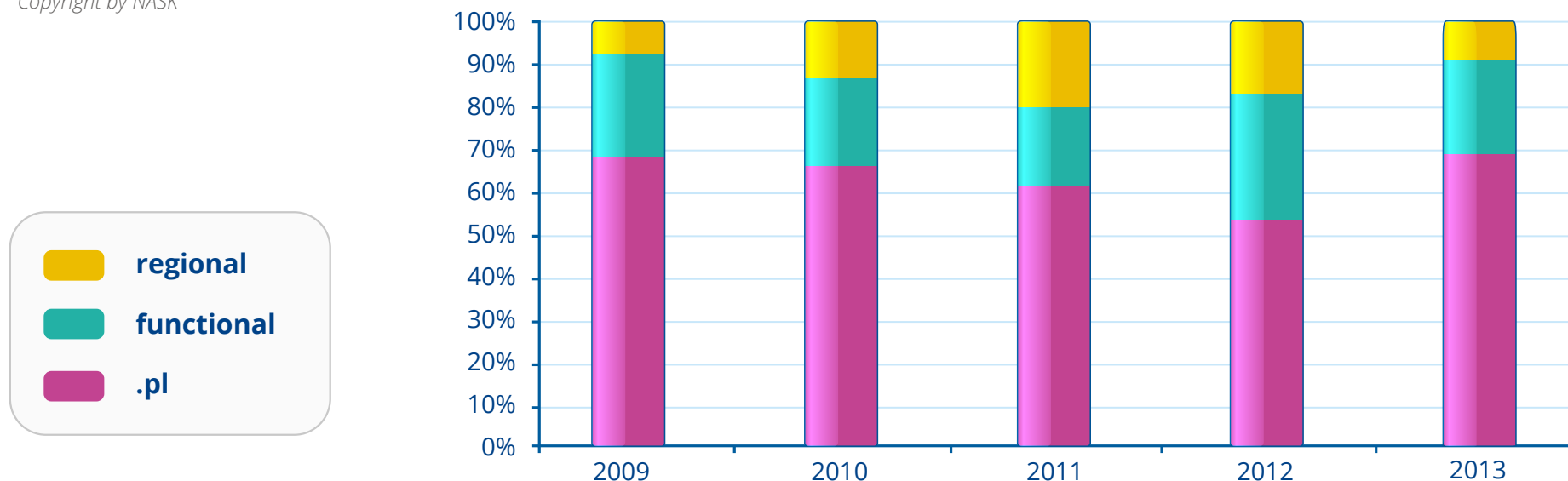
Number of new .pl domain name registrations as divided into the type of zone

In 2013 **69.49%** of .pl domain names entered in the registry were the second level domain names, i.e. names registered directly in the .pl domain, **21.71%** constituted the names registered in the functional domains administered by NASK (e.g. .com.pl, .net.pl), and the remaining **8.80%** registered in the regional domains (e.g. .waw.pl, .wroclaw.pl). The share of regional domain names in the registrations carried out in 2013 decreased, as compared with 2012, from **16.78%** to **8.80%**. However, the number of functional

domain names grew insignificantly from **19.71%** to **21.71%**. The registrations of the second level domain names, i.e. the names registered directly in the .pl domain, were more popular and their share grew, in comparison with the last year, from **63.51%** to **69.49%**. The share of particular types of domains in the fourth quarter of 2013 was shaped in the following way: **69.34%** of .pl domain names, **23.16%** of functional domain names and **7.50%** of regional domain names administered by NASK.

Number of new second level, regional and functional .pl domain name registrations

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Renewal rate of .pl domain names

The level of renewed .pl domain names at the end of 2013 equalled **59.78%**. As compared with the end of the third quarter of 2013, the renewal rate grew by **0.10 p.p.**, whereas in comparison with the end of 2012, it increased by **0.82 p.p.**

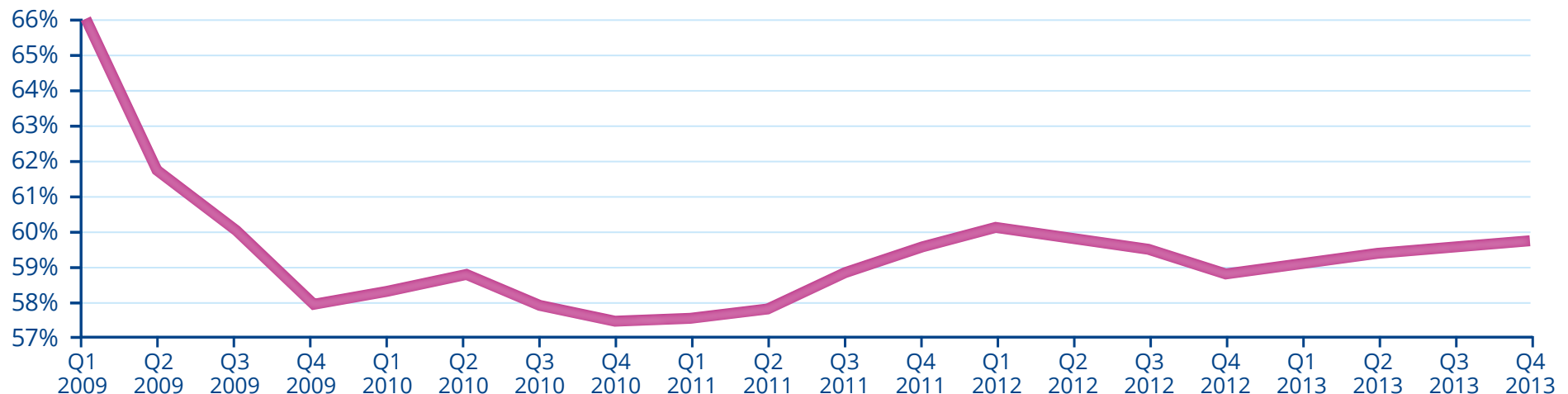
In 2013 the second level .pl domain names constituted **72.69%** of renewed names, the third level domain names constituted the remaining **27.31%**, with **21.83%** thereof being the functional names and **5.48%** regional names.

74.45% of .pl domain names renewed in 2013 had been registered before 2012, **24.84%** in 2012 and remaining **0.71%** in 2013.

In the fourth quarter alone, more than **358 thousand** .pl domain names were renewed and in case of **725** names the end date of the billing period was postponed by an individually defined number of days. The structure of names renewed in this period was shaped as follows: **73.43%** of names maintained directly in the .pl domain, **21.37%** in the functional domains and remaining **5.19%** in the regional domains.

Renewal rate of .pl domain names

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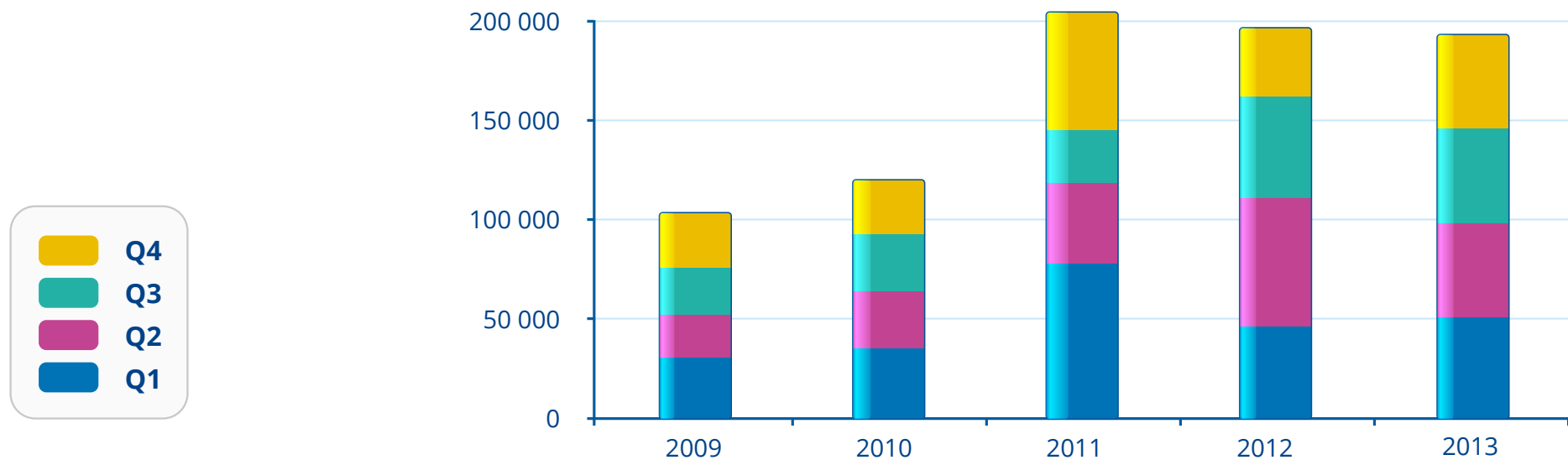
Transfers between Partners

In the fourth quarter of 2013 the Registrants of the .pl domain names **44 715** times changed the Registrar servicing the maintained domain name. In **735** cases the service transfer was performed with the simultaneous renewal of the .pl domain name for a consecutive billing period, whereby **487** of them were made after the previous billing period had been completed.

Since the beginning of 2013 Registrants changed a NASK's Partner, servicing the .pl domain name, **191 547 times**.

Number of .pl domain name transfers

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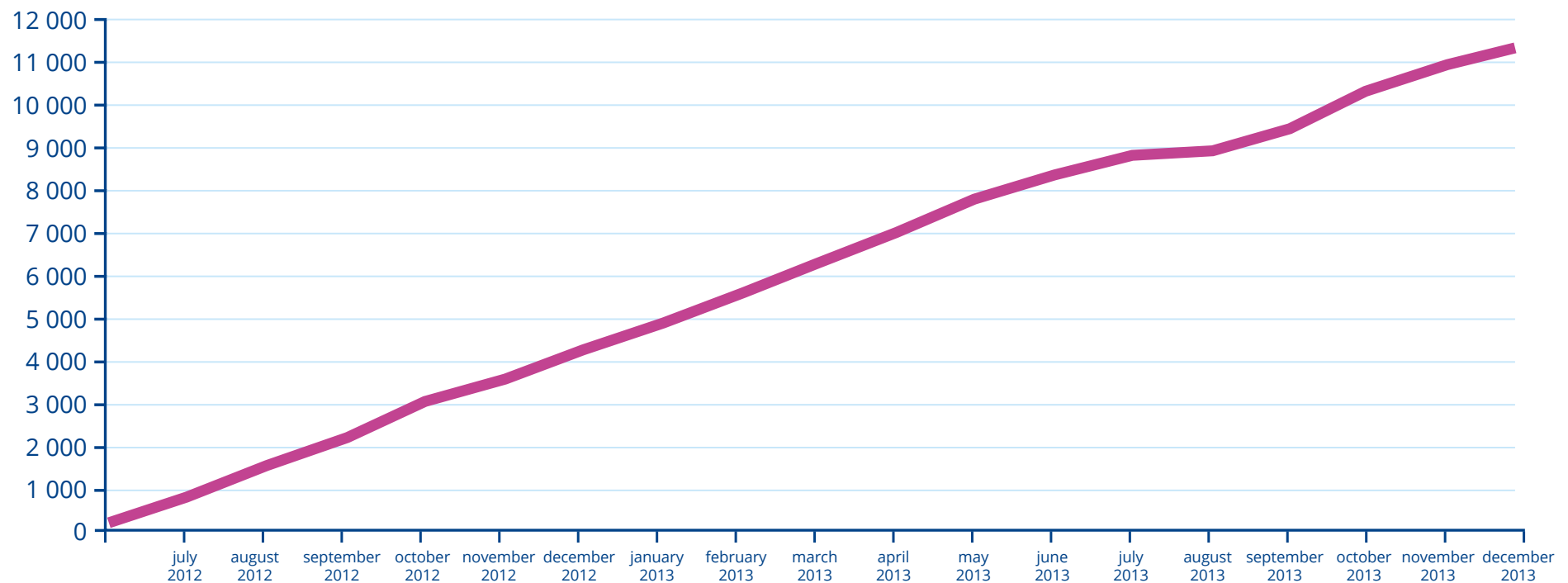
DNSSEC in the .pl domain name

At the end of 2013, in the .pl registry **11 351** domain names active in DNS were denoted as secured with the DNSSEC protocol. The number of secured names was rising in 2013 at a rate comparable with that of previous years, i.e. daily average **19.45** DNSSEC-secured names were registered. With the end of 2013, twenty NASK's Partners assisted in conveying to the .pl domain registry

the records confirming successful securing the .pl domain name. In 2013, in compliance with the DNSSEC policy adopted in the .pl domain, NASK changed the KSK keys two times, the cryptographic digest of which, denoted as the DS record, is located in the root zone and four times the keys, signing all authoritative records in the zones managed by NASK.

Number of the .pl domain names secured with DNSSEC

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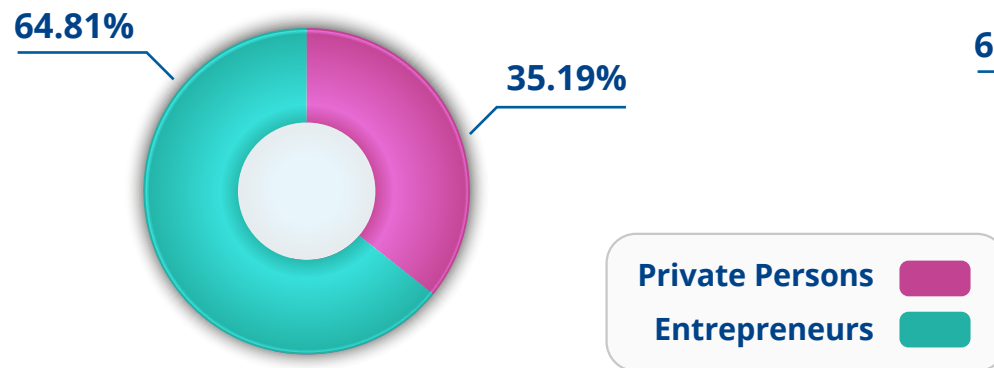
Registrants of .pl domain names

The .pl domain registry at the end of December 2013 contained **914 thousand** Registrants, **64.81%** of whom were entrepreneurs and **35.19%** private persons not running business activity. **95.14%** of .pl domain name Registrants had their places of residence in Poland. Within the group of Registrants living abroad the most numerously represented were the Registrants from Germany (**0.99%**), Great Britain (**0.56%**) and the United States (**0.49%**).

2.69 .pl domain names fell on one Registrant on average, whereas at the end of 2012 there were **2.78** names per Registrant.

Division of Registrants of .pl domain names, 2013

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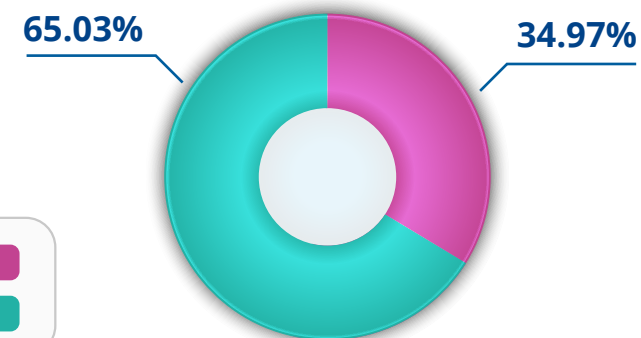


One .pl domain name is maintained by NASK for **67.70%** of Registrants, two domain names for **14.76%** of Registrants and for **5.39%** of Registrants three .pl domain names are maintained. **1 183** NASK clients are the Registrants of 100 and more .pl domain names, with **63** of them being the Registrants of more than 1 thousand names.

During the whole 2013 **167 321** changes of the Registrant of .pl domain name were carried out in the registry.

Division of .pl domain names for Registrants, 2013

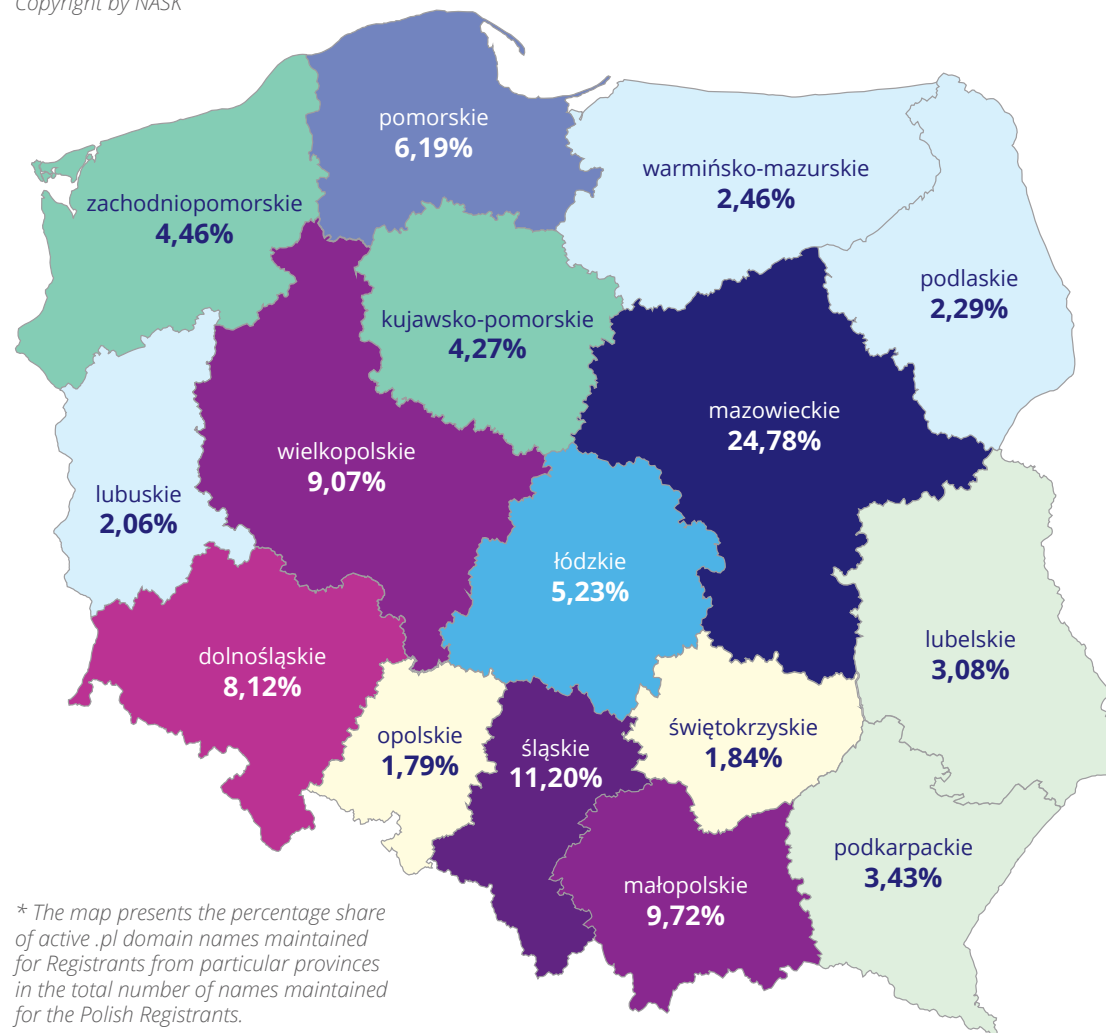
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Number of domain names as compared to the Registrant's place of residence

Number of .pl domain names as divided into the provinces, 2013*

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* The map presents the percentage share of active .pl domain names maintained for Registrants from particular provinces in the total number of names maintained for the Polish Registrants.

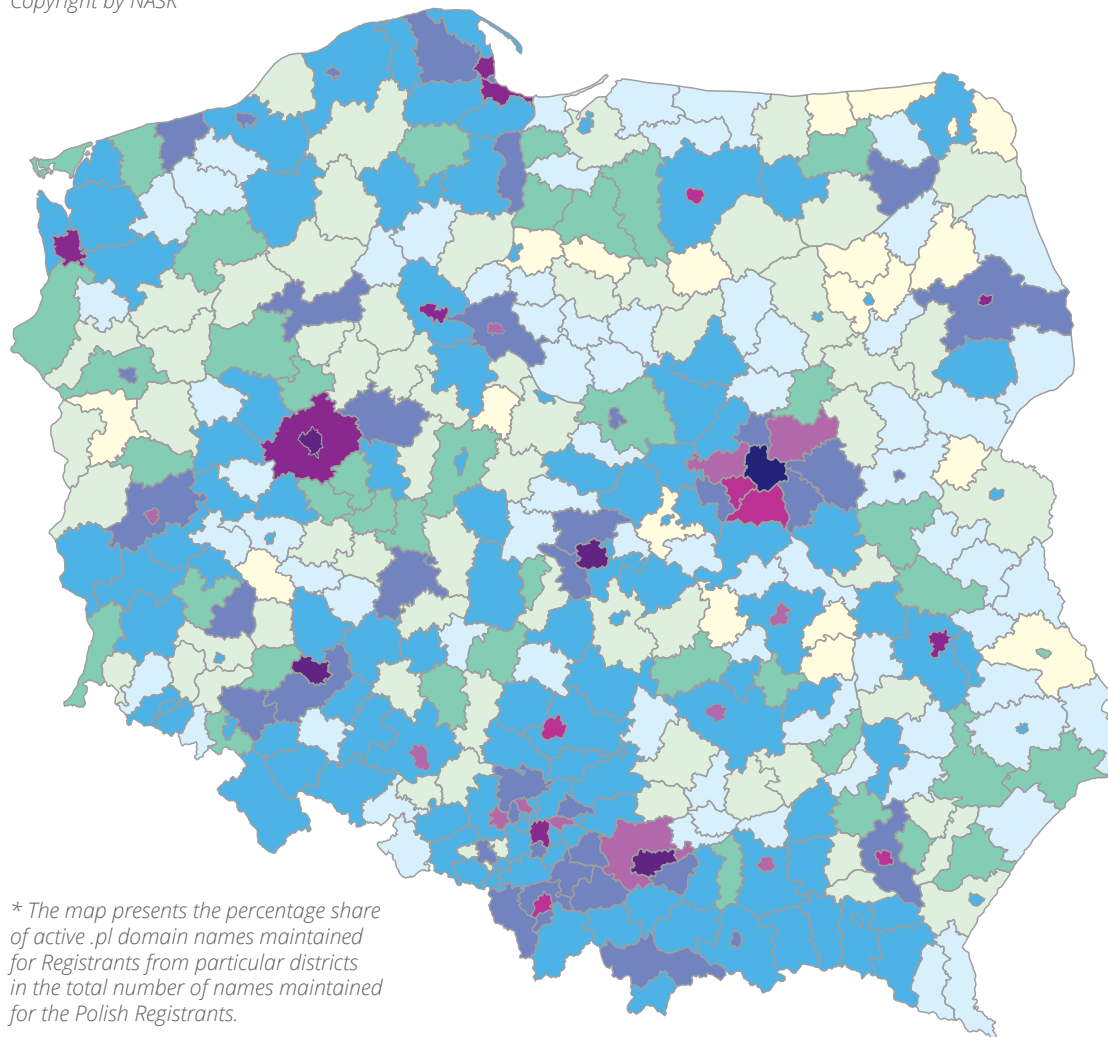
2 318 424 out of 2 461 499, i.e. **94.19%** of active .pl domain names, at the end of 2013, were registered for the Registrants living in Poland. Among the remaining **5.81%** of .pl domain names maintained for the foreign Registrants, the largest group comprised the domain names registered for Registrants from Germany – **37 729**, USA – **24 743** and Great Britain – **14 471**.

After plotting the .pl domain names on the administrative map of Poland the following picture emerges: **24.78%** of names were registered for individuals and entities from the Mazowieckie Province and as much as **16.99%** from Warsaw. The second province, by account of the number of .pl domain names, was the Śląskie Province – **11.20%** of names, the third place was taken by Małopolskie – **9.72%**, the consecutive provinces, as far as the number of names was concerned, were Wielkopolskie – **9.07%**, Dolnośląskie – **8.12%** and Pomorskie – **6.19%**. The province with the lowest share of the active .pl domain names was Opolskie with the result of **1.79%**.

Number of domain names as compared to the Registrant's place of residence

Number of .pl domain names as divided into the districts, 2013*

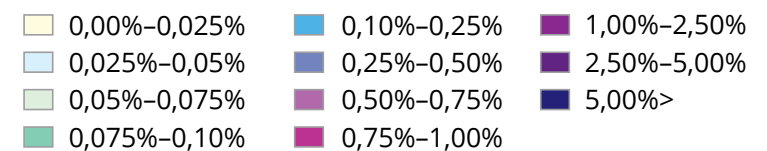
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Warsaw, which was referred to earlier, is leading amongst Polish municipalities. The number of .pl domain names registered for Registrants from Warsaw was almost four times higher than the number of names registered in the cities of Krakow and Wrocław, which are located on the consecutive positions by account of the number of registered .pl domain names. The share of names registered for the Registrants from those cities is **4.58%** and **4.24%** respectively.

The cities mentioned above, in accordance with the current territorial division of Poland, are functioning as the cities with district rights, thus they are also leaders by account of the .pl domain names as divided into particular districts.

At the end of 2013, the lowest number of .pl domain names was registered for the Registrants from Suwałki and the Sejneński and Nidzicki Districts.



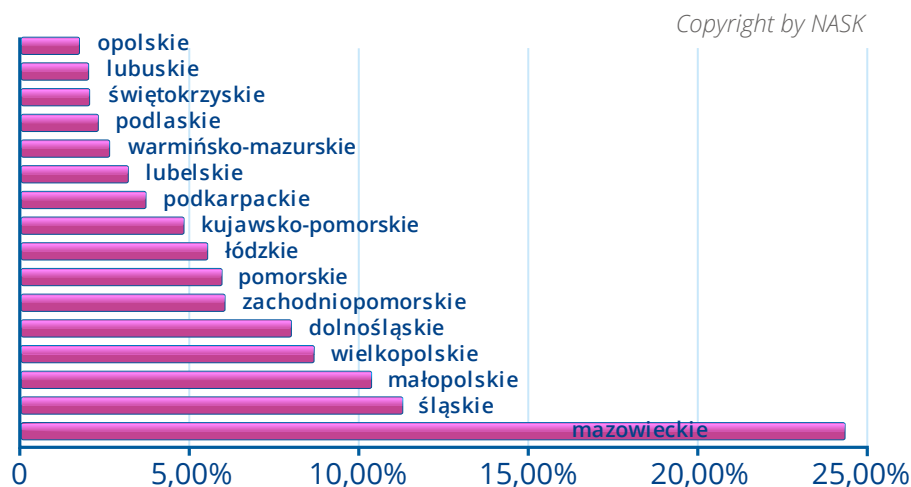
New registrations vs. the Registrant's place of residence

In the fourth quarter of 2013 **93.55%** of .pl domain names were registered for the Registrants from Poland, among whom the highest amount of registration were effected for the Registrants living in the Mazowieckie Province – **24.21%**. The shares of registrations effected by the Registrants from particular provinces are the following: Śląskie – **10.95%**, Małopolskie – **10.06%**, Wielkopolskie – **8.37%**, Dolnośląskie – **7.79%**, Zachodniopomorskie – **5.87%**, Pomorskie – **5.76%**, Łódzkie – **5.36%**, Kujawsko-pomorskie – **4.71%**, Podkarpackie – **3.57%**, Lubelskie – **3.06%**, Warmińsko-mazurskie – **2.55%** and Podlaskie – **2.22%**. The lowest number of registration

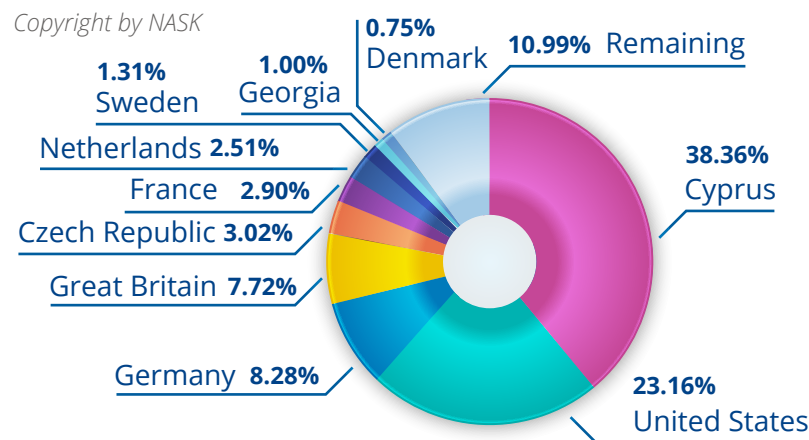
made in Poland was noted for the Registrants from the Świętokrzyskie Province – **1.92%**, Lubuskie – **1.91%** and Opolskie – **1.69%**.

Beyond Poland, the largest group of registrations during the last quarter of 2013 was represented by the Registrants from Cyprus and the United States, attaining **2.48%** and **1.49%** of all registrations respectively. **0.53%**, **0.50%** and **0.19%** of all .pl domain names were registered for the Registrants from Germany, Great Britain and Czech Republic respectively.

Number of new registration as divided into Provinces, Q4 2013



Number of new .pl domain name registrations for the Registrants beyond Poland, Q4 2013



Ranking of ccTLDs from the EU area

The year 2013 did not bring any changes in the ranking of the biggest ccTLD of the European Union countries. The first five positions were held by the following registries: German, British, Dutch, French and Italian. The Polish registry remained unchanged on the sixth position followed by the registries of Spain, Belgium, Sweden and Denmark.

The highest annual growth dynamics was recorded by French, Belgian and Swedish registry, attaining **8.20%**, **6.49%** and **6.40%** respectively.

Table includes data updated between the 1st and 2nd of January 2014.

Position	Registry	Number of domain names
1.	.de	15 591 121
2.	.uk	10 595 948
3.	.nl	5 386 179
4.	.fr	2 716 055
5.	.it	2 630 270
6.	.pl	2 461 499
7.	.es	1 695 889
8.	.be	1 433 222
9.	.se	1 342 968
10.	.dk	1 248 868

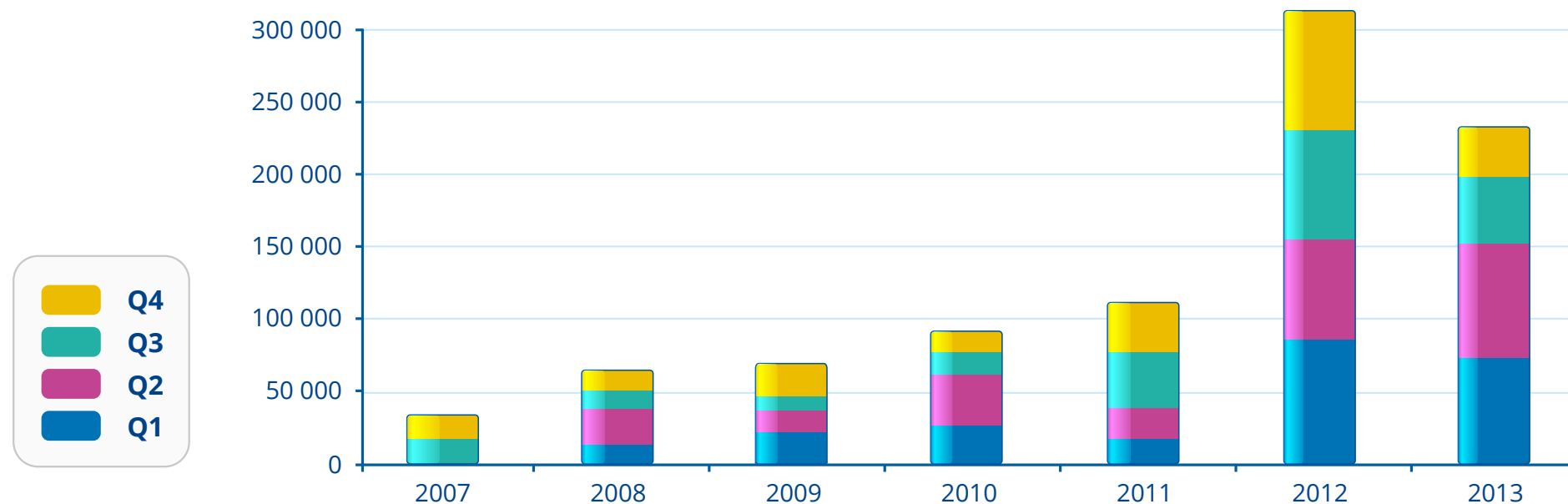
DNT

In 2013 the popularity of the DNT service declined slightly as compared with the peak year of 2012. However, the 14-day .pl domain name tests were still very popular. From January to December 2013 **232 211** agreements were concluded with **5.13%** thereof being completed with the registration of the .pl domain name. In the fourth quarter the DNT service was used **more than 34 thousand** times.

Since launching the service in September 2007 **over 922 thousand** tests of domain names were effected, with **6.12%** thereof being completed with the registration of .pl domain name.

Number of DNT registrations

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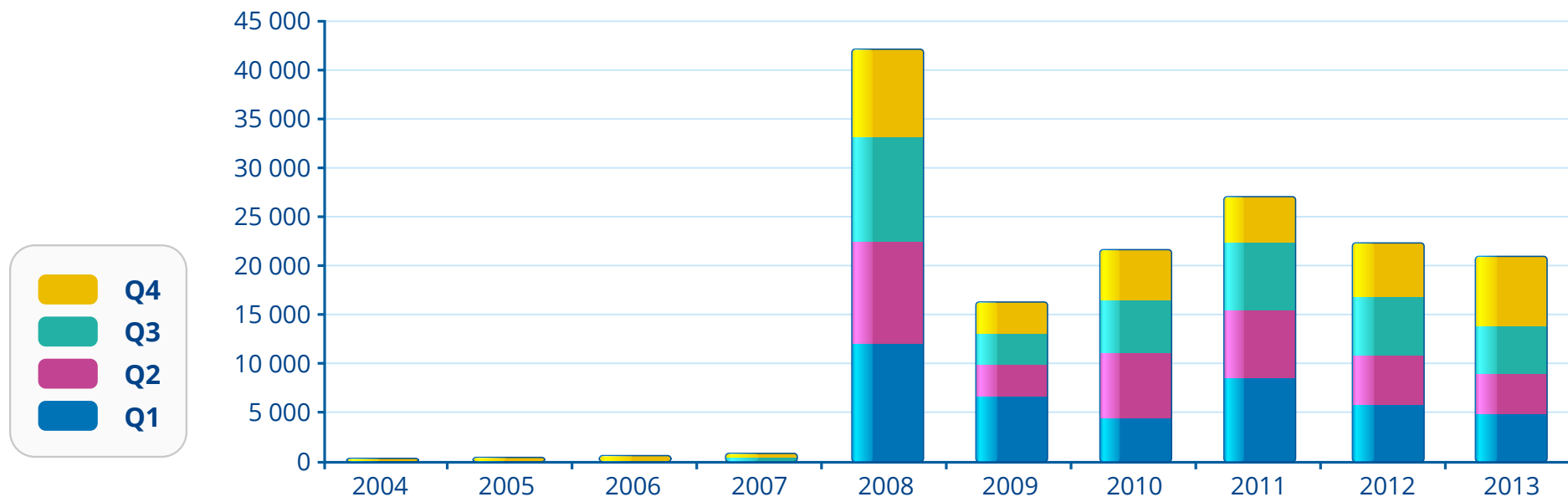
WLS

In 2013, **20 451** new agreements on the options for registration of the .pl domain name were concluded. The .pl domain names were made available for registration in case of **9 604** existing agreements, whereas in case of **638** .pl domain names made available, the formal requirements were not met or the domain registration was cancelled which resulted in the domain names being released to the group of names available for registration.

In the fourth quarter of 2013 **6 938** new agreements on the options were concluded, being the best result since the beginning of the year. In case of **2 628** options the option holder was provided with the .pl domain name for registration. In case of **143** domain names made available, the registration did not take effect.

Number of WLS registrations

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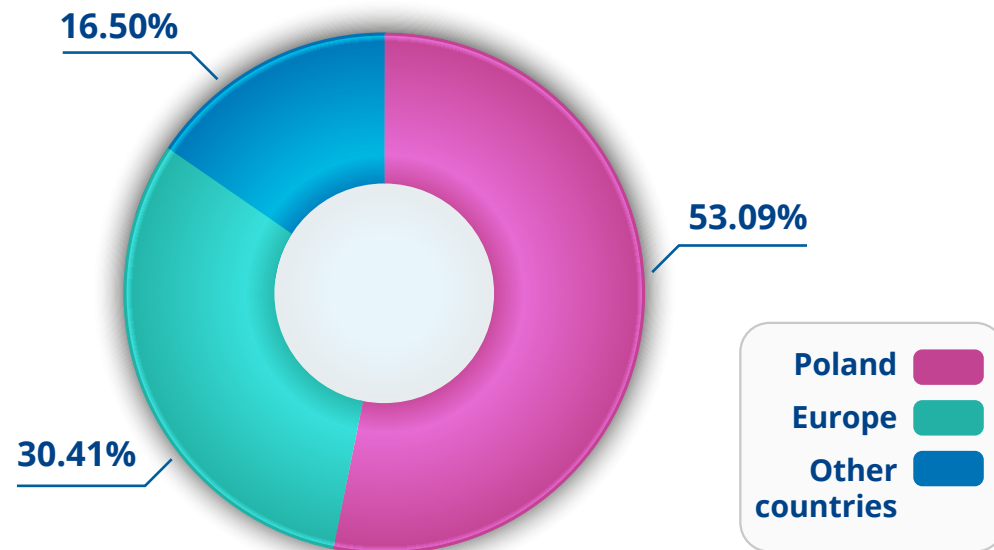
NASK Partners

With the end of 2013 **194** Registrars from all over the world were participants of the Partner Programme of the .pl domain Registry with **103** of them, servicing **76.68%** of .pl domain names, were located in Poland. **59** Registrars seated in other European countries and **32** Registrars in the remaining countries outside Europe. From

the beginning of January to the end of December 2013 **15** new entities joined the Partner Programme, while **12** agreements were dissolved with almost half of them due to the acquisition or fusion of the entities. Two entities resigned from the cooperation at the stage of technical preparation of their systems.

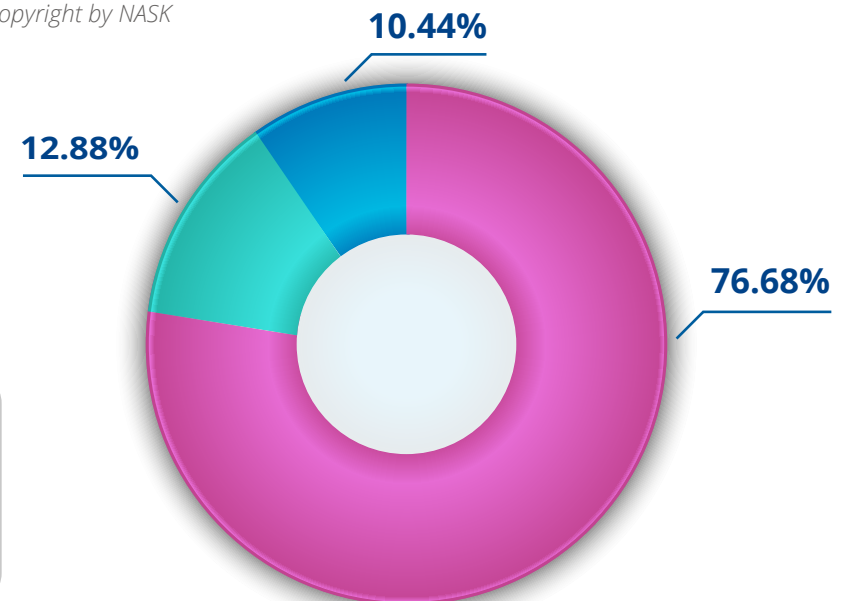
Partners of NASK, division by place of residence, Q4 2013

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.pl domain name market share between Partners considering the place of residence, Q4 2013

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Market share between Partners considering .pl domain names

At the end of 2013 the NASK's Partners serviced totally over **99%** of .pl domain names active in DNS. The TOP 10 Partners, in the fourth quarter, serviced almost **80%** of the market.

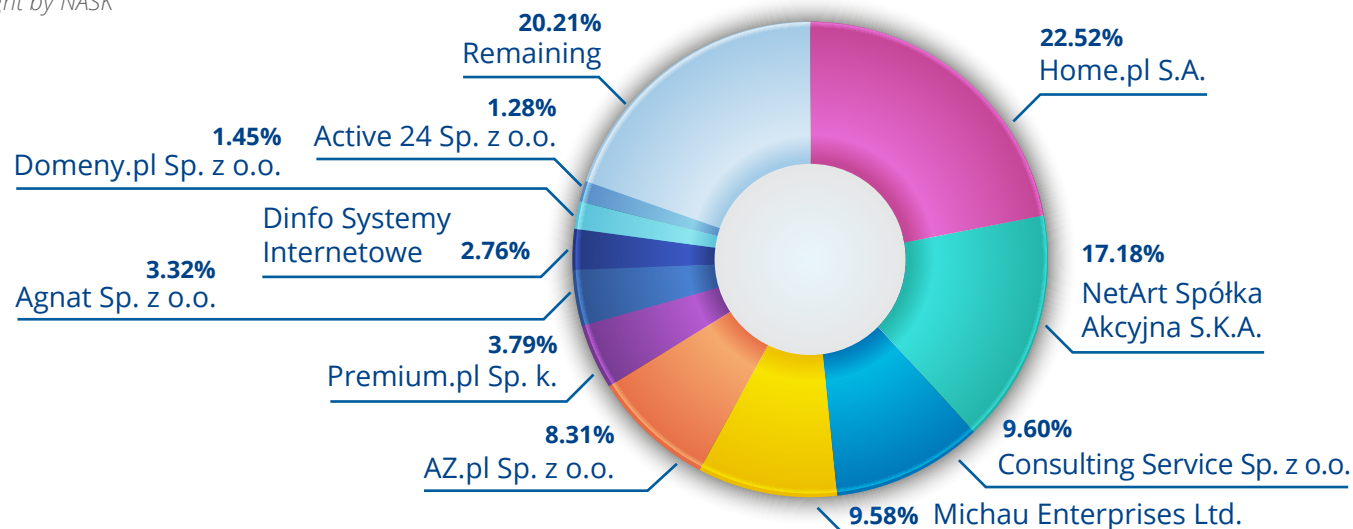
With the end of December 2013 the highest number of .pl domain names were being serviced by Home.pl S.A. and NetArt Spółka Akcyjna S.K.A which attained respectively **22.52%** and **17.18%** of share in the number of active .pl domain names. Consulting Service Sp. z o.o. with the result of **9.60%** took the third place. The following positions were occupied by: Michau Enterprises Ltd. (**9.58%**), AZ.pl

Sp. z o.o. (**8.31%**), Premium.pl Sp. k. (**3.79%**), Agnat Sp. z o.o. (**3.32%**), Dinfo Systemy Internetowe (**2.76%**), Domeny.pl Sp. z o.o. (**1.45%**) and the Registrar closing the chart – Active 24 Sp. z o.o. (**1.28%**).

The highest growth dynamics of the number of serviced domain names in the fourth quarter of 2013 was recorded by: Agnat Sp. z o.o., Michau Enterprises Ltd. and Home.pl S.A. with the number of .pl domain names growing by **6.93%**, **3.24%** and **2.95%** respectively, as compared with the previous quarter.

Market share between Partners considering .pl domain names, Q4 2013*

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*The graph presents TOP 10 of NASK Partners that agreed to make their market share data public.

Market share between Partners considering new registrations

In the last quarter of 2013, the Partners, present in the chart, registered more than **207 thousand** .pl domain names which constituted **80.34%** of all registrations carried out during that period.

At the end of 2013, Home.pl S.A., with **26.26%** share, strengthened at the leader's position, increasing its market share of new registrations by **1.01 p.p.** in comparison with the previous quarter.

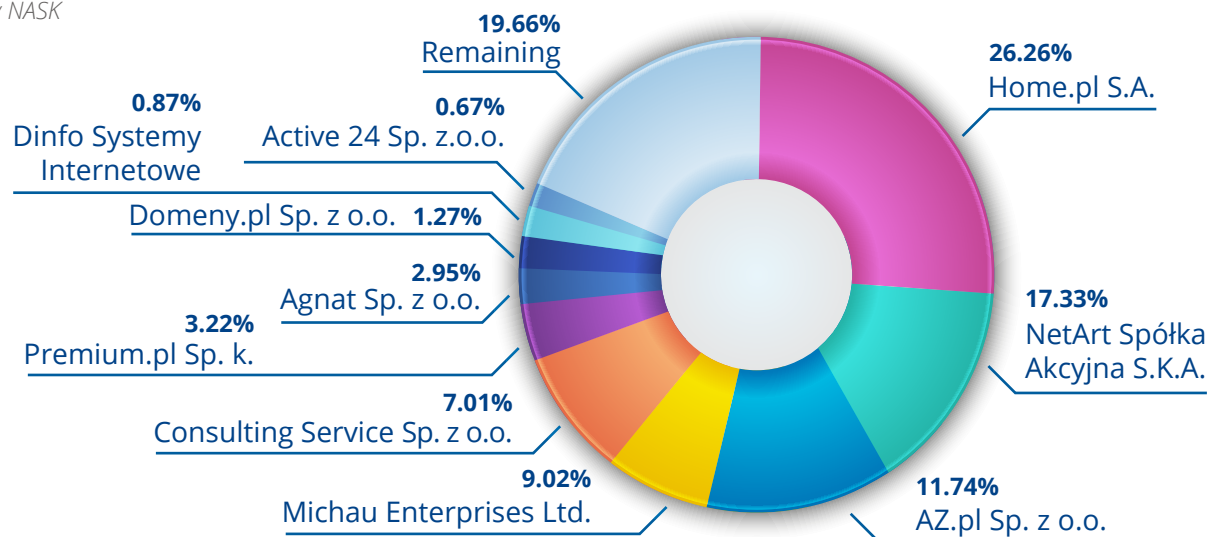
The consecutive NASK's Partners most frequently chosen in registration of new .pl domain names were: NetArt Spółka Akcyjna S.K.A.

(**17.33%**), AZ.pl Sp. z o.o. (**11.74%**), Michau Enterprises Ltd. (**9.02%**) and Consulting Service Sp. z o.o. (**7.01%**). In the second half of the breakdown the following Registrars were listed: Premium.pl Sp. k. (**3.22%**), Agnat Sp. z o.o. (**2.95%**), Domeny.pl Sp. z o.o. (**1.27%**), Dinfo Systemy Internetowe (**0.87%**) and Active 24 Sp. z o.o. (**0.67%**).

From the beginning of October to the end of December 2013 the Registrars, beyond the TOP 10, serviced totally **19.66%** of all registrations.

Market share between Partners considering new .pl domain name registrations, Q4 2013*

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*The graph presents TOP 10 of NASK Partners that agreed to make their market share data public.

Market share between Partners considering Registrants

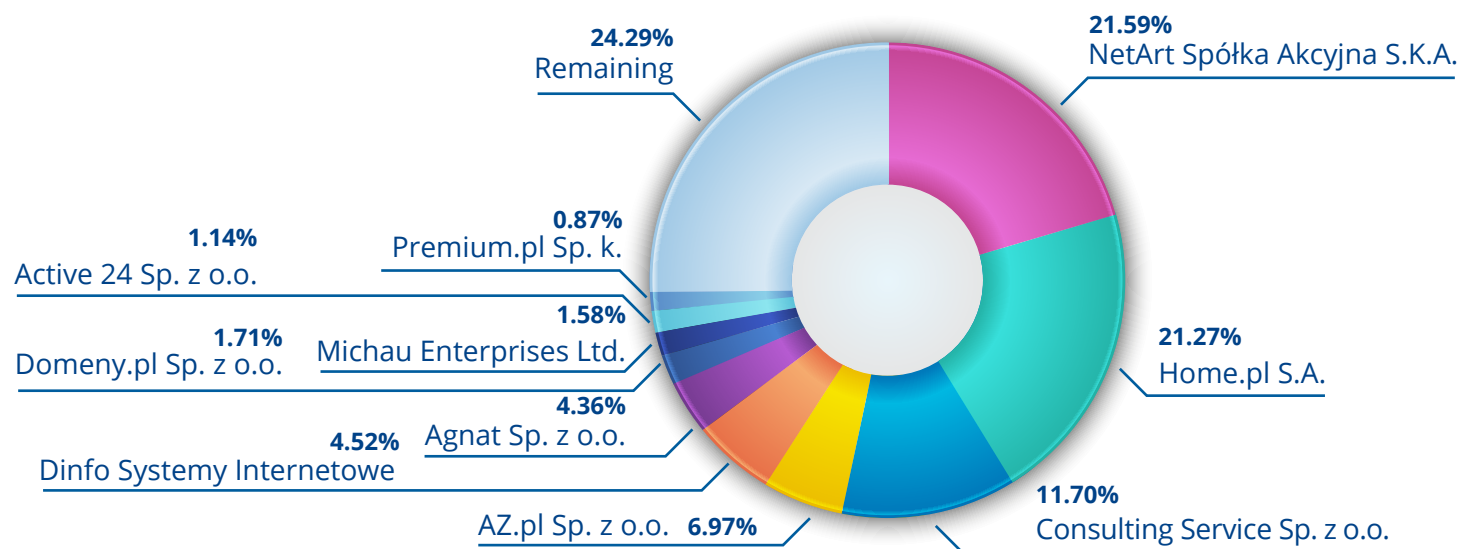
With the end of 2013, the NASK's Partners were servicing more than **98%** of the Registrants of the .pl domain names active in DNS.

In the fourth quarter of 2013 the first place in the breakdown was taken by NetArt Spółka Akcyjna S.K.A., servicing over **21.59%** of Registrants. The second best result was noted by Home.pl S.A. – **21.27%**. The consecutive positions, representing similar market shares as

in the previous quarter, were held by Consulting Service Sp. z o.o. (**11.70%**), AZ.pl Sp. z o.o. (**6.97%**), Dinfo Systemy Internetowe (**4.52%**), Agnat Sp. z o.o. (**4.36%**), Domeny.pl Sp. z o.o. (**1.71%**) and Michau Enterprises Ltd. (**1.58%**). Active 24 Sp. z o.o. moved up the ranking to the ninth place with **1.14%**, while Premium.pl Sp. k., servicing **0.87%** of the Registrants of .pl domain names, for the first time in the ranking was located at the tenth place.

Market share between Partners considering .pl domain name Registrants, Q4 2013*

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*The graph presents TOP 10 of NASK Partners that agreed to make their market share data public.

Market share between Partners considering DNT registrations

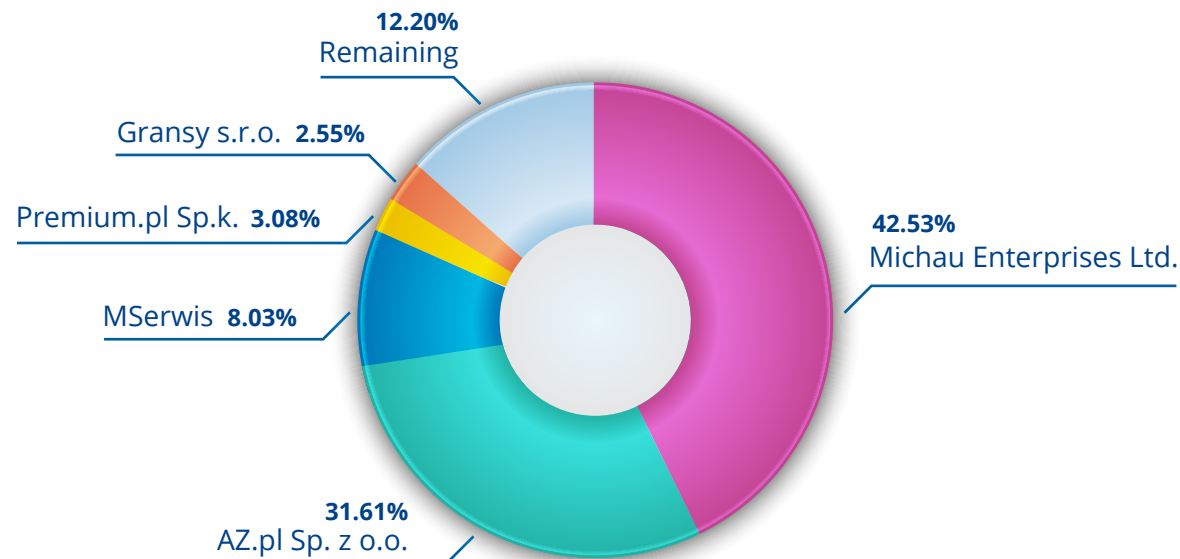
From the beginning of October to the end of December 2013 the highest number of 14-day .pl domain name tests, the so called DNT, were registered by Michau Enterprises Ltd – **42.53%**. AZ.pl Sp. z o.o. strengthened its position from **13.55%** market share in the third quarter to **31.61%** in the fourth quarter. The successive considerable Registrars in the DNT market during the

fourth quarter of 2013 were: MSerwis, assisting in conclusion of **8.03%** of agreements, Premium.pl Sp. k. with the share of **3.08%** and Gransy s.r.o. with **2.55%** market share.

The Partners, beyond the presented TOP 5, serviced **12.20%** of the .pl domain name tests.

DNT market share between Partners, Q4 2013*

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**The graph presents TOP 5 of NASK Partners that agreed to make their market share data public.*

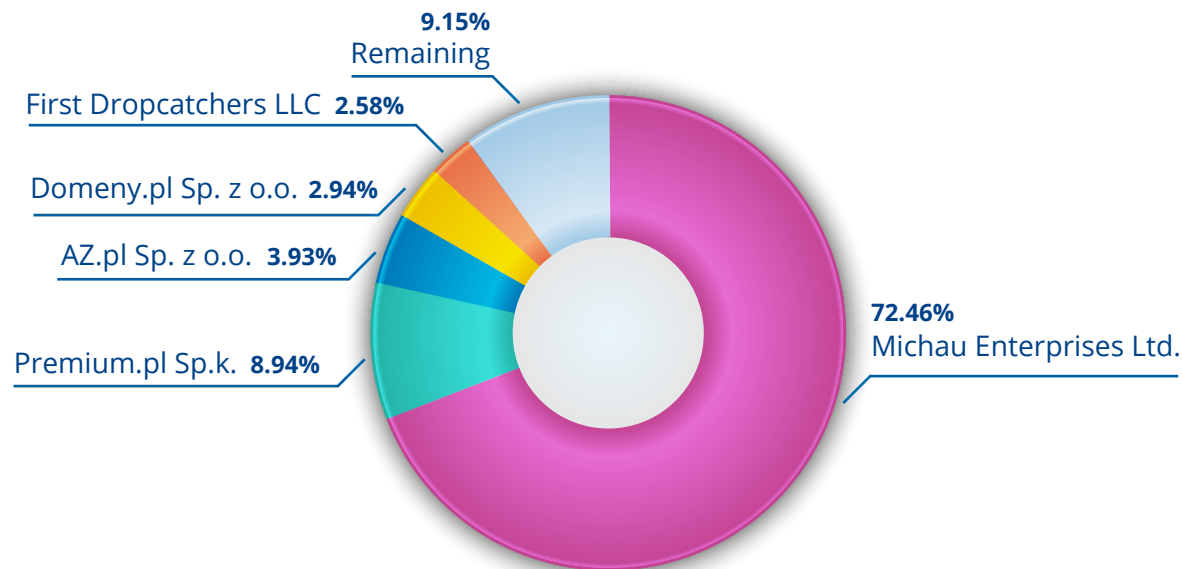
Market share between Partners considering WLS registrations

In the last quarter of 2013, Michau Enterprises Ltd. with **72.46%** became the leader of WLS market. Further Partners, most frequently chosen by option buyers within the last three months of 2013, were: Premium.pl Sp. k. with **8.94%** of DNT market share, AZ.pl Sp. z o.o., with **3.93%**, Domeny.pl Sp. z o.o. with **2.94%** and First Dropcatchers LLC with **2.58%** DNT market share.

The Partners, beyond the Top 5, serviced **9.15%** of new agreements on the options for registration of the .pl domain name.

WLS market share between Partners, Q4 2013*

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**The graph presents TOP 5 of NASK Partners that agreed to make their market share data public.*