

# WiMAXCounts<sup>TM</sup>

## WiMAX Operator Deployment Tracking & Analysis Service

### Executive Summary

WiMAXCounts is a unique web-based service that tracks BWA/WiMAX Operator deployments and provides detailed information on the worldwide BWA/WiMAX ecosystem. WiMAXCounts currently profiles 265 Operators across 92 countries.

With weekly updates, reports and analysis we have helped the industry stay up to date on market developments and its players. We continue to improve our service by providing our customers premium, comprehensive data not available anywhere else and to provide our customers with the best level of service satisfaction. Now we have made available to our Premium customers and Sponsors new "Downloadable Quarterly Excel Reports" with the operators raw data, graphs and charts. The spreadsheets include detailed information for all the variables analyzed in WiMAXCounts by operator, country and region, and more than 70 graphs and exhibits.

In our "Interviews Section" we finalized the quarter with more than 50 operator interview transcripts. These interviews were conducted during Q1 and Q2 2008 and the list continues to grow! Maravedis also plans to improve the equipment section of WiMAXCounts by adding new information fields, such as VoIP platform supplier, ASN Gateway, CNS solution, devices supported, new orders of CPEs and base stations placed by operators and more!

In this 5th issue of the WiMAXCounts Quarterly Report we added more detailed analysis on applications. One hundred operators were analyzed by service offering, applications, and monthly application and service bundle ARPU.

During the quarter we removed various operators from WiMAXCounts for various reasons: 1) merges and alliances with other operators, 2) went out of business, or 3) lost or returned their spectrum. Operators in this category included: Camvera Networks (USA), Horizon Wireless (Nigeria), Midwest Wireless (USA), Dancom (Pakistan), Sparkplug (USA). However we continued to add more operators during the second quarter. We added a total of 8 new operators: Digicel (Grand Cayman), Digicel (Jamaica), LinkdotNet (Pakistan), Packet One Networks (Malaysia), Trans Telecom (Bulgaria), CSM (Indonesia) and Etisalat (UAE). The operators removed and added cause an impact the in global BWA/WiMAX service revenues and ARPU.

At the end of June 2008, WiMAXCounts counted over 2.3 million BWA/WiMAX subscribers, a 19% growth from Q1 2008. With a residential monthly ARPU of US\$46.87 and business ARPU of \$135.30, this subscriber base generated estimated quarterly revenues of US\$426 million, an increase of 21.2% over the previous quarter.

Residential subscribers (66%) continue to dominate the number of business subscribers (33%). However, the typical customer mix among operators is 49% business and 51% residential. This split changed 3% from Q1 2008 in favor of the residential segment. Last quarter the split was 52% business and 48% residential. North America represented the region with the highest residential customer base, exiting Q2 2008 with 78% residential and 22% business and heavily weighted by Clearwire USA's residential broadband success.

#### About Maravedis

Maravedis is the leading third party research and analysis firm focusing on broadband wireless technologies including WiMAX, 802.20, TD-CDMA, and 3G LTE. From WiMAX to cellular, Maravedis produces the best-value market reports in the industry. Maravedis also provides high quality consulting services to its customers, thanks to an in-depth understanding of the market, regulatory, and technology trends shaping the industry.

Maravedis has established itself over the years as the most credible and reliable resource for market intelligence in the broadband wireless industry. Maravedis works closely with equipment vendors, service providers, regulators, financiers, and other stakeholders to produce the MOST reliable analysis of emerging market trends, competitive analysis, and market forecasts.

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Approximately 62% of the operators covered by WiMAXCounts have commercially launched BWA/WiMAX; 23% are currently deploying the network or trialing WiMAX; and the remaining 14% either have idle spectrum (12%) or have returned/lost the right to use the spectrum (3%).

There continues to be more certified proprietary CPEs installed than 802.16-2004 CPEs or 802.16e-2005 CPEs. During the quarter we saw that, of the total CPEs deployed, 27% were 802.16-2004, 16% were 802.16e-2005 and 55% were proprietary. We have seen, however, an increasing interest from operators in the mobile version of WiMAX, the number of CPEs installed of the 802.16e-2005 version increased 94% quarter-over-quarter, compared to a 21% quarterly CPE increase for the 802.16-2004 version and only a 4% CPE increase for the proprietary version (most of them from Clearwire USA). We attribute the slow increase of proprietary deployed CPEs mainly to operators upgrading their networks to offer pure WiMAX either in its fixed "16d" or mobile-capable "16e" versions. The largest mobile WiMAX

deployments reported during Q2 2008 were from Korea Telecom with nearly 190,000 subscribers and Wateen Telecom (Pakistan) with more than 25,000 subscribers at the end of the quarter.

Approximately 65% of the worldwide deployments occurred in the 3.5 GHz spectrum, while only 16% in the 2.5 GHz spectrum. During this quarter our findings revealed that 44% of the deployed CPEs have been in the 3.5 GHz band, 32% in the 2.5GHz band, 18% in the 2.3 GHz band and 5% in the 4.9-6 GHz band.

On the application side, out the 100 WiMAXCounts' operators analyzed, 64% operators are commercially offering high-speed-internet (HSI) the remaining operators are on trial stage or not commercial yet. 50% of the operators offering HSI are also offering VoIP (double-play services), nearly 20% are offering IPTV in addition to HSI and VoIP (Triple-Play services) and 26% are offering VPN services.

These are just some of the key statistics captured in this issue of the WiMAXCounts quarterly report!

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