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FOR IMMEDIATE RELEASE

New *iGR* study forecasts Global LTE infrastructure CapEx and OpEx spending to reach \$385 billion over the next 5 years

North America will be surpassed by other global regions in both CapEx and OpEx during 5 year forecast period

AUSTIN, Texas, September 4th, 2013 – Global LTE deployments are steadily progressing. The North American market currently leads other markets in regard to the number of LTE subscribers, but this will change over the next five years, as other regions continue to deploy LTE. LTE is now available in all regions of the world, with established networks in Japan and Europe.

Once the LTE networks are deployed and the subscriber base starts to grow in each country, more devices will become available and usage of the network will increase. When this happens, operators will have to start increasing their networks' capacities. Operators around the world are continually balancing their network CapEx between coverage and capacity. The engineers strive to provide sufficient coverage to be competitive and sufficient capacity to meet the needs of the growing subscriber base, while minimizing unnecessary CapEx. As the number of subscribers using LTE increases, so the corresponding network operating costs increase.

Between 2012 and 2017, *iGR* forecasts total global LTE infrastructure capital expenditures to be \$162.9 billion and total operating expenditures to be \$221.7 billion, based on the anticipated growth of LTE subscribers and data traffic on the networks. *iGR*'s LTE cost model is based on the amount of data the network is able to support and deliver. The CapEx cost model is based on the cost required to add 1 GB of data capacity to the network, while the OpEx cost model is based on the cost per user per month. While *iGR* expects the overall LTE network operating cost per subscriber to increase, the operating expense per cell site will decline due to increased efficiencies in the network.

“Although there remains a limited amount of time for significant CapEx expenditures in the mature LTE markets of North America, Europe and Japan, the large Asia-Pacific region and the

developing regions of Latin America and the Middle East and Africa are forecasted to have significant capital expenditures during the forecast period," said Iain Gillott, president and founder of *iGR*, a market research consultancy focused on the wireless and mobile industry. "Furthermore, during the forecast period LTE OpEx levels will overtake LTE CapEx levels for all six global regions."

iGR's new market research report, *Global LTE Network Infrastructure CapEx and OpEx Forecast, 2012-2017*, forecasts the total global LTE infrastructure CapEx investment and the total global LTE OpEx for the years 2012 through 2017. The CapEx spending is also forecasted by network component, including Radio, Fronthaul/Backhaul, MME/S-GW, and Packet Core. In addition to the global level, the report also forecasts the spending for each of the following six regions: North America, Latin America, Europe, Middle East and Africa, Asia-Pacific, and Japan.

The following key questions are addressed in the new research study:

- What is the status of LTE deployments in each global region?
- How much mobile data will the LTE networks carry both globally and for each region of the world?
- What is the forecast for the number of LTE subscribers both globally and for each region of the world?
- How much mobile data is each LTE subscriber expected to consume and how does this change?
- Which global regions are investing the most CapEx in LTE networks?
- When do the CapEx cost curves begin to trend downward in each global region?
- How big is the LTE infrastructure opportunity in the next five years?
- What share of LTE infrastructure CapEx will be spent on each type of network component, including Radio, Fronthaul/Backhaul, MME/S-GW, and Packet Core, in the next five years?
- How large will LTE OpEx be in the next five years?

The information in this report will be valuable for:

- Mobile network operators
- LTE network infrastructure vendors
- Financial analysts and investors.

The new report can be purchased and downloaded directly from *iGR's* website at www.iGR-inc.com. Alternatively, contact Iain Gillott at (512) 263-5682 or at Iain@iGR-inc.com for additional details.

About *iGR*

iGR is a market strategy consultancy focused on the wireless and mobile communications industry. Founded by Iain Gillott, one of the wireless industry's leading analysts, in late 2000 as *iGillottResearch*, *iGR* is now entering its thirteenth year of operation. *iGR* continuously researches emerging and existent technologies, technology industries, and consumer markets. We use our detailed research to offer a range of services to help companies improve their

position in the marketplace, clearly define their future direction, and ultimately improve their bottom line.

iGR researches a range of wireless and mobile products and technologies, including: smartphones; tablets; mobile applications; bandwidth demand and use; small cell architectures; DAS; LTE; WiMAX; VoLTE; IMS; NFC; GSM/GPRS/UMTS/HSPA; CDMA 1x/EV-DO; iDEN; SIP; macro-, pico- and femtocells; mobile backhaul; WiFi and WiFi offload; and SIM and UICC.

A more complete profile of the company can be found at www.igr-inc.com.