

Background on CTIA's Semi-Annual Wireless Industry Survey

CTIA-The Wireless Association®'s Semi-annual wireless industry survey develops industry-wide information drawn from operational member and non-member wireless service providers. It has been conducted since January 1985, originally as a cellular-only survey instrument, and now including the community of CMRS licensees (e.g., PCS, ESMR, AWS, BRS and 700 MHz license holders). No break-out of results specific to spectrum bands or licenses is performed.

The information solicited from the service providers includes: direct employment, number of cell sites, total service revenues, roaming revenues as a subset of total service revenues, the average local monthly bill, and the average length of call. The average local monthly bill is developed on a weighted basis, to avoid skewing the figures. It is not an average of averages. No adjustments are made to these figures.

CTIA's survey develops information on the number of reported wireless service subscribers or "connections" for the responding systems, and an estimated total connections figure (taking into account non-responding systems). Because CTIA's survey is a voluntary survey, it cannot compel responses from wireless carriers. However, the survey has an excellent response rate. For the June 30, 2012, installment of the semi-annual survey, CTIA aggregated data from companies serving 97 percent of all estimated wireless subscriber connections (excluding some machine-to-machine and other units not treated as "subscriber connections" for reporting purposes by some carriers). Several past periods have been restated to conform to current reporting treatment.

Because not all systems do respond, CTIA develops an estimate of total wireless connections. The estimate is developed by determining the identity and character of non-respondents and their markets (e.g., RSA/MSA or equivalent-market designation, age of system, market population), and using surrogate penetration and growth rates applicable to similar, known systems to derive probable subscribership. These numbers are then summed with the reported subscriber connection numbers to reach the total estimated figures. No carrier-specific or market-specific information is maintained as a result of the survey. All such information is aggregated by an independent accounting firm to a nationwide level. The underlying source material for the survey is then destroyed per confidentiality agreements.

The following tables and charts reflect selected top-of-the-line data. Complete results of CTIA's semi-annual survey will be available for purchase in the comprehensive report, *CTIA's Wireless Industry Indices: 1985 – 2012*, including data on revenues, subscriber usage, investment, and other operational indicators and ratios. The report is available for a member price of \$850 and a non-member price of \$1,075. Subsequent copies are available to members at \$475 each and to non-members at \$535 each. Annual subscriptions are available at a member price of \$1,445 and non-member price of \$1,825. The report may be ordered by contacting research@ctia.org or by ordering directly from CTIA's Research eStore at http://www.ctia.org/store/producttypereults.cfm?group_id=1. Order forms are also available on CTIA's web site, at http://files.ctia.org/pdf/Indices_Order_Form1.pdf.

CTIA-THE WIRELESS ASSOCIATION®
ANNUALIZED WIRELESS INDUSTRY SURVEY RESULTS - DECEMBER 1985 TO JUNE 2012

Date	Estimated Total Subscriber Connections	Twelve-Month Total Service Revenues (in \$000s)	Cumulative Capital Investment (\$000)	Cell Sites	Direct Service Provider Employees	Average Local Monthly Bill (June Survey Periods)	Average Local Call Length (June Survey Periods)
1985	203,600	\$354,316	\$911,167	599	1,697	N/a	N/a
1986	500,000	\$666,782	\$1,436,753	1,194	3,556	N/a	N/a
1987	883,778	\$941,981	\$2,234,635	1,732	5,656	N/a	N/a
1988	1,608,697	\$1,558,080	\$3,274,105	2,789	9,154	\$95.00	2.25
1989	2,691,793	\$2,479,936	\$4,480,142	3,577	13,719	\$85.52	2.35
1990	4,368,686	\$4,060,494	\$6,281,596	4,768	18,973	\$83.94	2.32
1991	6,380,053	\$5,075,963	\$8,671,544	6,685	25,545	\$74.56	2.20
1992	8,892,535	\$6,688,302	\$11,262,070	8,901	30,595	\$68.51	2.38
1993	13,067,318	\$9,008,700	\$13,956,366	11,551	36,501	\$67.31	2.38
1994	19,283,306	\$12,591,947	\$18,938,678	14,740	45,622	\$58.65	2.36
1995	28,154,414	\$16,460,516	\$24,080,467	19,844	60,689	\$52.45	2.27
1996	38,195,466	\$21,525,861	\$32,573,522	24,802	73,365	\$48.84	2.24
1997	48,705,553	\$25,575,275	\$46,057,910	38,650	97,039	\$43.86	2.25
1998	60,831,431	\$29,637,742	\$60,542,774	57,674	113,111	\$39.88	2.34
1999	76,284,753	\$37,214,819	\$71,264,865	74,157	141,929	\$40.24	2.40
2000	97,035,925	\$45,295,550	\$89,624,387	95,733	159,645	\$45.15	2.48
2001	118,397,734	\$58,726,376	\$105,030,101	114,059	186,317	\$45.56	2.62
2002	134,561,370	\$71,117,599	\$126,922,347	131,350	186,956	\$47.42	2.60
2003	148,065,824	\$81,185,272	\$145,866,914	147,719	187,169	\$49.46	2.63
2004	169,467,393	\$95,515,593	\$173,793,507	174,368	212,186	\$49.49	3.06
2005	194,479,364	\$108,534,727	\$186,844,427	178,025	225,162	\$49.52	3.04
2006	219,652,457	\$118,299,682	\$209,545,327	197,576	238,236	\$49.30	2.94
2007	243,428,202	\$132,893,824	\$233,158,248	210,360	257,401	\$49.94	3.13
2008	262,720,165	\$143,710,400	\$254,184,843	220,472	267,855	\$48.54	2.43
2009	276,610,580	\$151,203,725	\$273,639,279	245,912	261,453	\$49.57	2.03
2010	292,847,098*	\$155,813,154	\$310,014,852	251,618	235,021	\$47.47	1.67
2011	306,300,207*	\$164,553,933	\$322,732,059	256,920	243,239	\$47.23	1.83
2012	321,716,905	\$178,351,395	\$348,177,768	285,561	229,921	\$47.16	1.80

*Restated

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**CTIA'S SEMI-ANNUAL WIRELESS INDUSTRY SURVEY RESULTS
DECEMBER 1985 – JUNE 2012**

Date	Estimated Connections	Total Six-Month Revenues (\$000)	Cumulative Capital Investment (\$000)	Cell Sites	Employees	Average Local Monthly Bill	Avg. Local Call Length (Min)	Avg. Roam Call Length
Dec-85	340,213	\$306,197	\$911,167	913	2,727	N/A	N/A	N/A
Jun-86	500,000	\$360,585	\$1,140,163	1,194	3,556	N/A	N/A	N/A
Dec-86	681,825	\$462,467	\$1,436,753	1,531	4,334	N/A	N/A	N/A
Jun-87	883,778	\$479,514	\$1,724,348	1,732	5,656	N/A	N/A	N/A
Dec-87	1,230,855	\$672,005	\$2,234,635	2,305	7,147	\$96.83	N/A	N/A
Jun-88	1,608,697	\$886,075	\$2,589,589	2,789	9,154	\$95.00	N/A	N/A
Dec-88	2,069,441	\$1,073,473	\$3,274,105	3,209	11,400	\$98.02	N/A	N/A
Jun-89	2,691,793	\$1,406,463	\$3,675,473	3,577	13,719	\$85.52	N/A	N/A
Dec-89	3,508,944	\$1,934,132	\$4,480,142	4,169	15,927	\$89.30	N/A	N/A
Jun-90	4,368,686	\$2,126,362	\$5,211,765	4,768	18,973	\$83.94	N/A	N/A
Dec-90	5,283,055	\$2,422,458	\$6,281,596	5,616	21,382	\$80.90	N/A	N/A
Jun-91	6,380,053	\$2,653,505	\$7,429,739	6,685	25,545	\$74.56	N/A	N/A
Dec-91	7,557,148	\$3,055,017	\$8,671,544	7,847	26,327	\$72.74	N/A	N/A
Jun-92	8,892,535	\$3,633,285	\$9,276,139	8,901	30,595	\$68.51	N/A	N/A
Dec-92	11,032,753	\$4,189,441	\$11,262,070	10,307	34,348	\$68.68	N/A	N/A
Jun-93	13,067,318	\$4,819,259	\$12,775,967	11,551	36,501	\$67.31	2.38	3.38
Dec-93	16,009,461	\$6,075,916	\$13,956,366	12,824	39,810	\$61.49	2.41	3.26
Jun-94	19,283,306	\$6,519,031	\$16,107,921	14,740	45,622	\$58.65	2.36	2.89
Dec-94	24,134,421	\$7,710,891	\$18,938,678	17,920	53,902	\$56.21	2.24	2.85
Jun-95	28,154,414	\$8,749,625	\$21,721,711	19,844	60,689	\$52.45	2.27	2.74
Dec-95	33,758,661	\$10,330,614	\$24,080,467	22,663	68,165	\$51.00	2.15	2.79
Jun-96	38,195,466	\$11,194,247	\$26,707,046	24,802	73,365	\$48.84	2.24	2.8
Dec-96	44,042,992	\$12,440,724	\$32,573,522	30,045	84,161	\$47.70	2.32	3.14
Jun-97	48,705,553	\$13,134,551	\$37,454,294	38,650	97,039	\$43.86	2.25	2.95
Dec-97	55,312,293	\$14,351,082	\$46,057,910	51,600	109,387	\$42.78	2.31	2.94
Jun-98	60,831,431	\$15,286,660	\$50,178,812	57,674	113,111	\$39.88	2.34	2.65
Dec-98	69,209,321	\$17,846,515	\$60,542,774	65,887	134,754	\$39.43	2.39	3.11
Jun-99	76,284,753	\$19,368,304	\$66,782,827	74,157	141,929	\$40.24	2.40	2.96
Dec-99	86,047,003	\$20,650,185	\$71,264,865	81,698	155,817	\$41.24	2.38	3.11

CTIA'S SEMI-ANNUAL WIRELESS INDUSTRY SURVEY RESULTS

DECEMBER 1985 – JUNE 2012

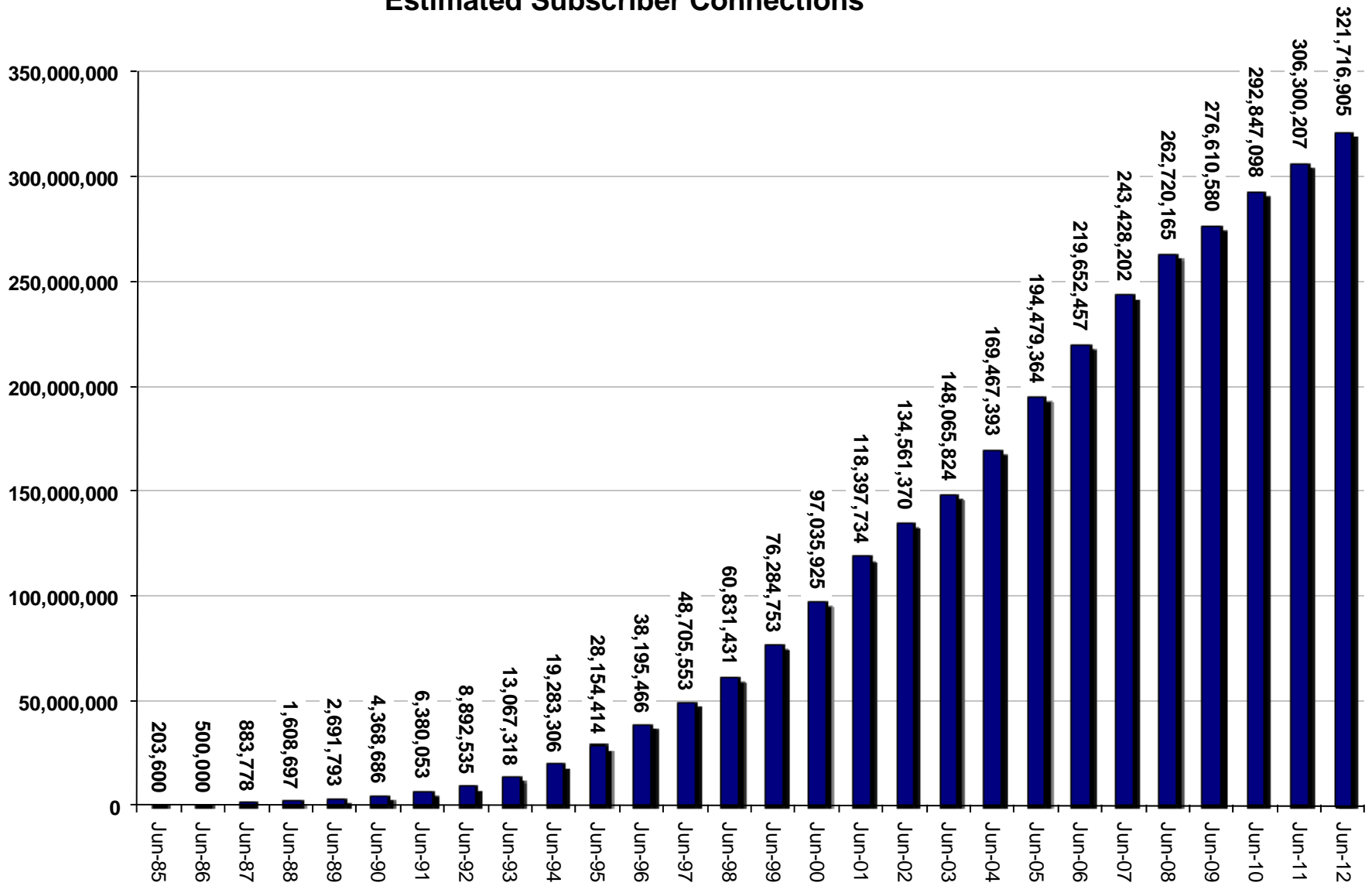
Date	Estimated Connections	Total Six-Month Revenues (\$000)	Cumulative Capital Investment (\$000)	Cell Sites	Employees	Average Local Monthly Bill	Avg. Local Call Length (Min)	Avg. Roam Call Length
Jun-00	97,035,925	\$24,645,365	\$76,652,358	95,733	159,645	\$45.15	2.48	3.19
Dec-00	109,478,031	\$27,820,655	\$89,624,387	104,288	184,449	\$45.27	2.56	3.23
Jun-01	118,397,734	\$30,905,721	\$99,728,695	114,059	186,317	\$45.56	2.62	3.01
Dec-01	128,374,512	\$34,410,513	\$105,030,101	127,540	203,580	\$47.37	2.74	2.94
Jun-02	134,561,370	\$36,707,086	\$118,418,677	131,350	186,956	\$47.42	2.60	3.07
Dec-02	140,766,842	\$39,801,101	\$126,922,347	139,338	192,410	\$48.40	2.73	3.11
Jun-03	148,065,824	\$41,384,171	\$134,147,049	147,719	187,169	\$49.46	2.63	3.15
Dec-03	158,721,981	\$46,239,922	\$145,866,914	162,986	205,629	\$49.91	3.07	3.45
Jun-04	169,467,393	\$49,275,671	\$156,700,380	174,368	212,186	\$49.49	3.06	3.45
Dec-04	182,140,362	\$52,845,539	\$173,793,507	175,725	226,016	\$50.64	3.05	2.80
Jun-05	194,479,364	\$55,689,208	\$186,844,427	178,025	225,162	\$49.52	3.04	2.66
Dec-05	207,896,198	\$57,849,013	\$199,025,327	183,689	233,067	\$49.98	3.00	3.36
Jun-06	219,652,457	\$60,450,669	\$209,545,327	197,576	238,236	\$49.30	2.94	3.40
Dec-06	233,040,781	\$65,006,156	\$223,449,194	195,613	253,793	\$50.56	3.03	3.47
Jun-07	243,428,202	\$67,887,668	\$233,158,248	210,360	257,401	\$49.94	3.13	3.35
Dec-07	255,395,599	\$70,981,636	\$244,591,206	213,299	266,782	\$49.79	N/A	3.40
Jun-08	262,720,165	\$72,728,764	\$254,184,843	220,472	267,855	\$48.54	2.43	3.16
Dec-08	270,333,881	\$75,355,406	\$264,760,517	242,130	268,528	\$50.07	2.27	3.27
Jun-09	276,610,580	\$75,848,319	\$273,639,279	245,912	261,453	\$49.57	2.03	3.39
Dec-09	285,646,191*	\$76,703,534	\$285,121,590	247,081	249,247	\$48.16	1.81	3.30
Jun-10	292,847,098*	\$79,109,620	\$295,204,270	251,618	235,021	\$47.47	1.67	3.28
Dec-10	296,285,629*	\$80,820,028	\$310,014,852	253,086	250,393	\$47.21	1.79	3.28
Jun-11	306,300,207*	\$83,733,905	\$322,732,059	256,920	243,239	\$47.23	1.83	5.16
Dec-11	315,963,848*	\$86,033,409	\$335,331,967	283,385	238,071	\$47.00	1.78	3.32
Jun-12	321,716,905	\$92,317,986	\$348,177,768	285,561	229,921	\$47.16	1.80	3.35

*Restated

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Estimated Subscriber Connections



**Mid-Year Estimated Connections Near 322 Million,
Wireless Penetration Exceeds U.S. Population**

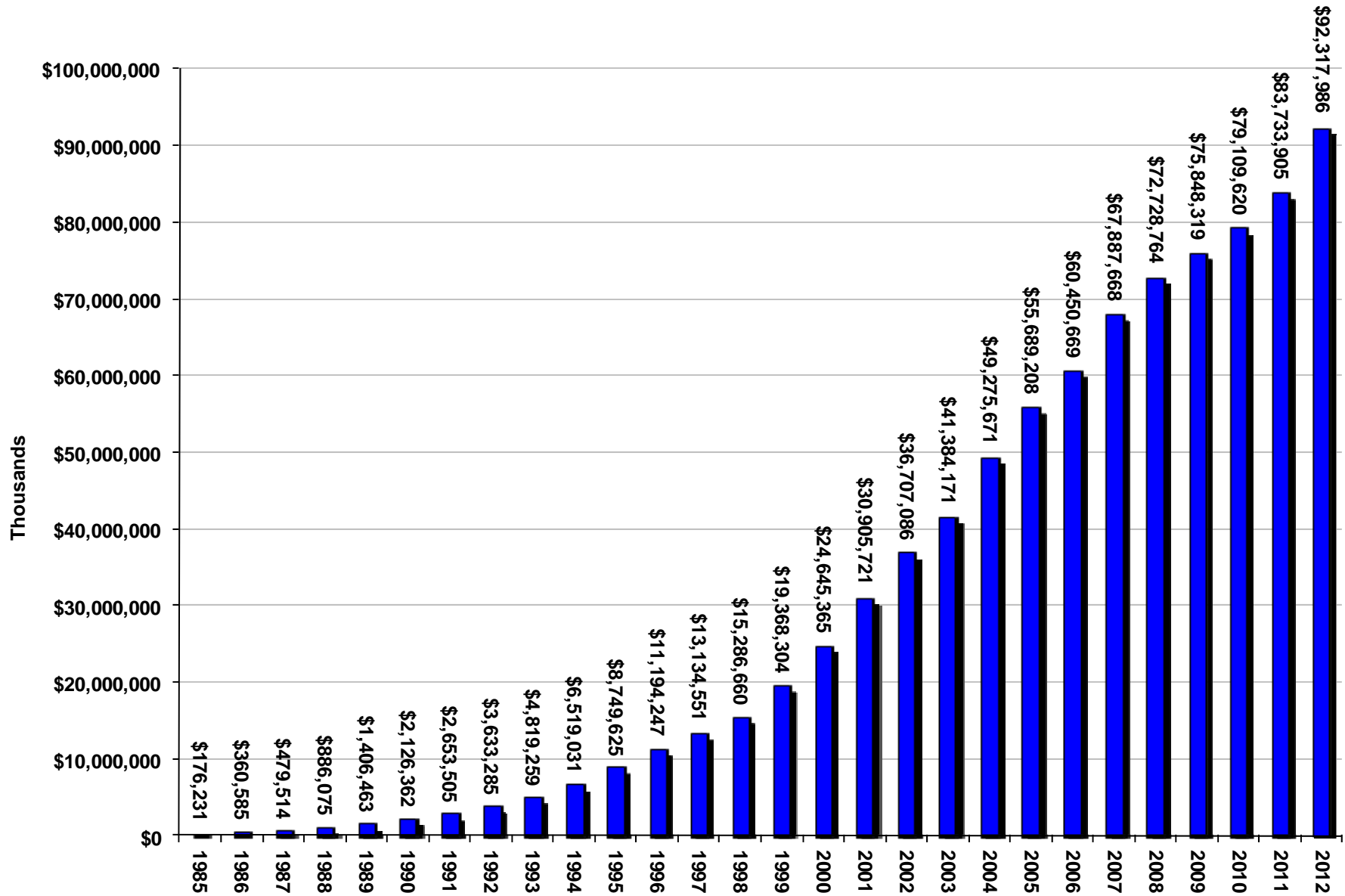
Source: CTIA

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*June 2010 and June 2011 Restated

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Total Six-Month Service Revenues (000s)

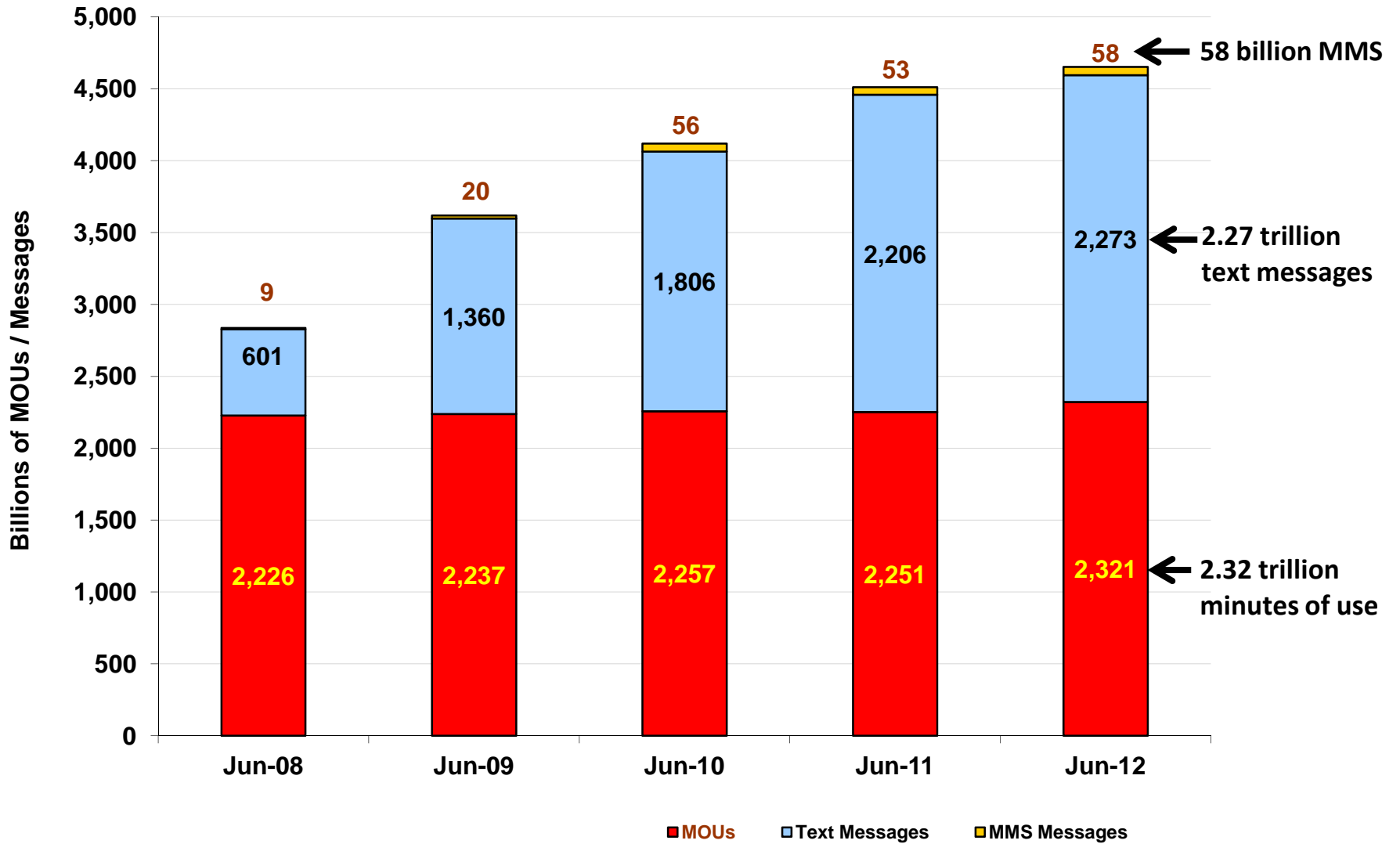


Source: CTIA

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Minutes and Messages in 12 Month Periods (Ending June 30)

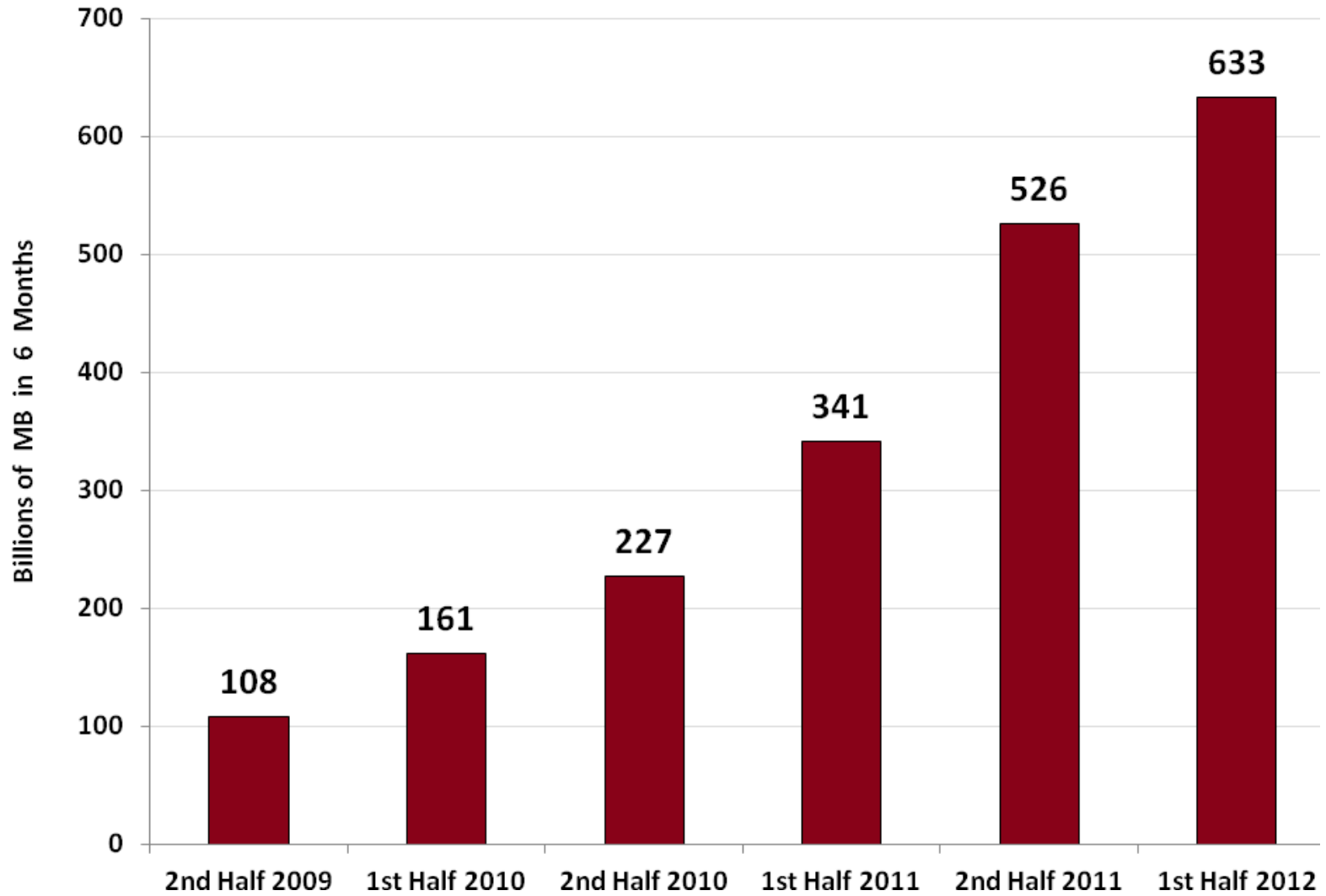


Combined Minutes and Messages Rise 3.2% Year-Over-Year

Source: CTIA

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Total Wireless Data Traffic

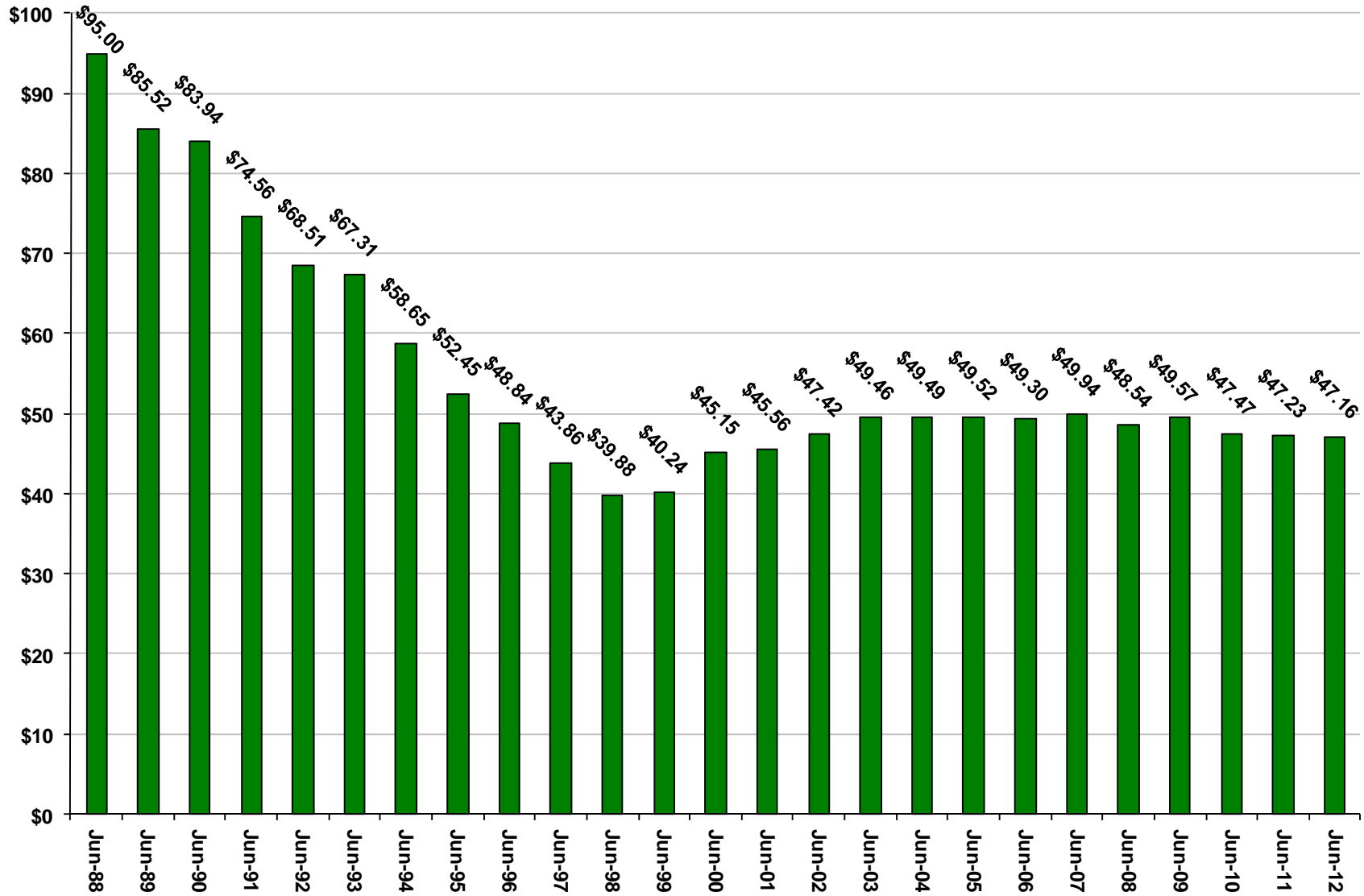


**Six-Month Data Traffic Grew 86% Year-Over-Year,
Twelve-Month Data Traffic Grew 104% Year-Over-Year**

Source: CTIA

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Average Local Monthly Bill

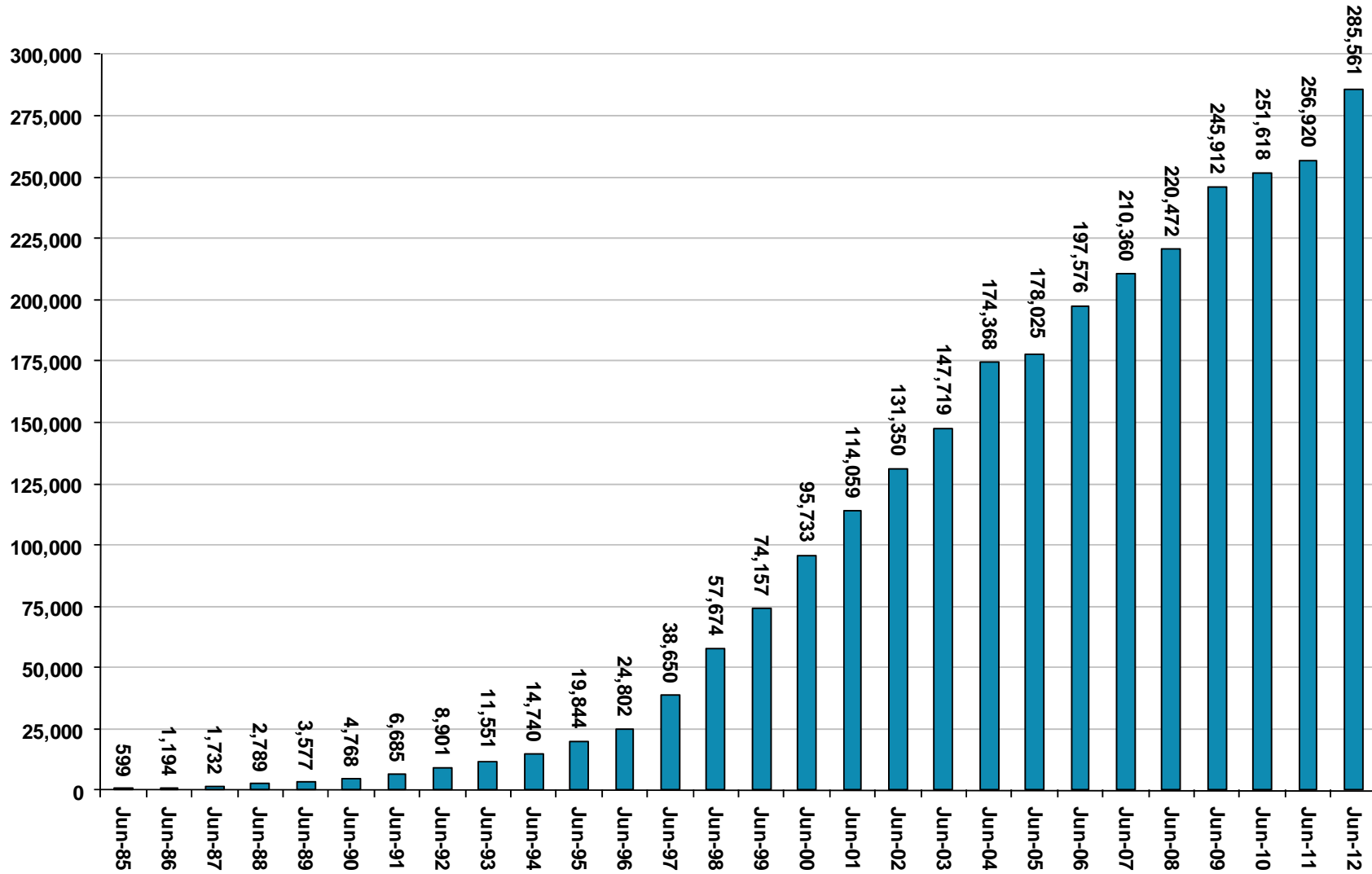


Average Local Monthly Bill Down 0.2% Year-over-Year

Source: CTIA

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Cell Sites



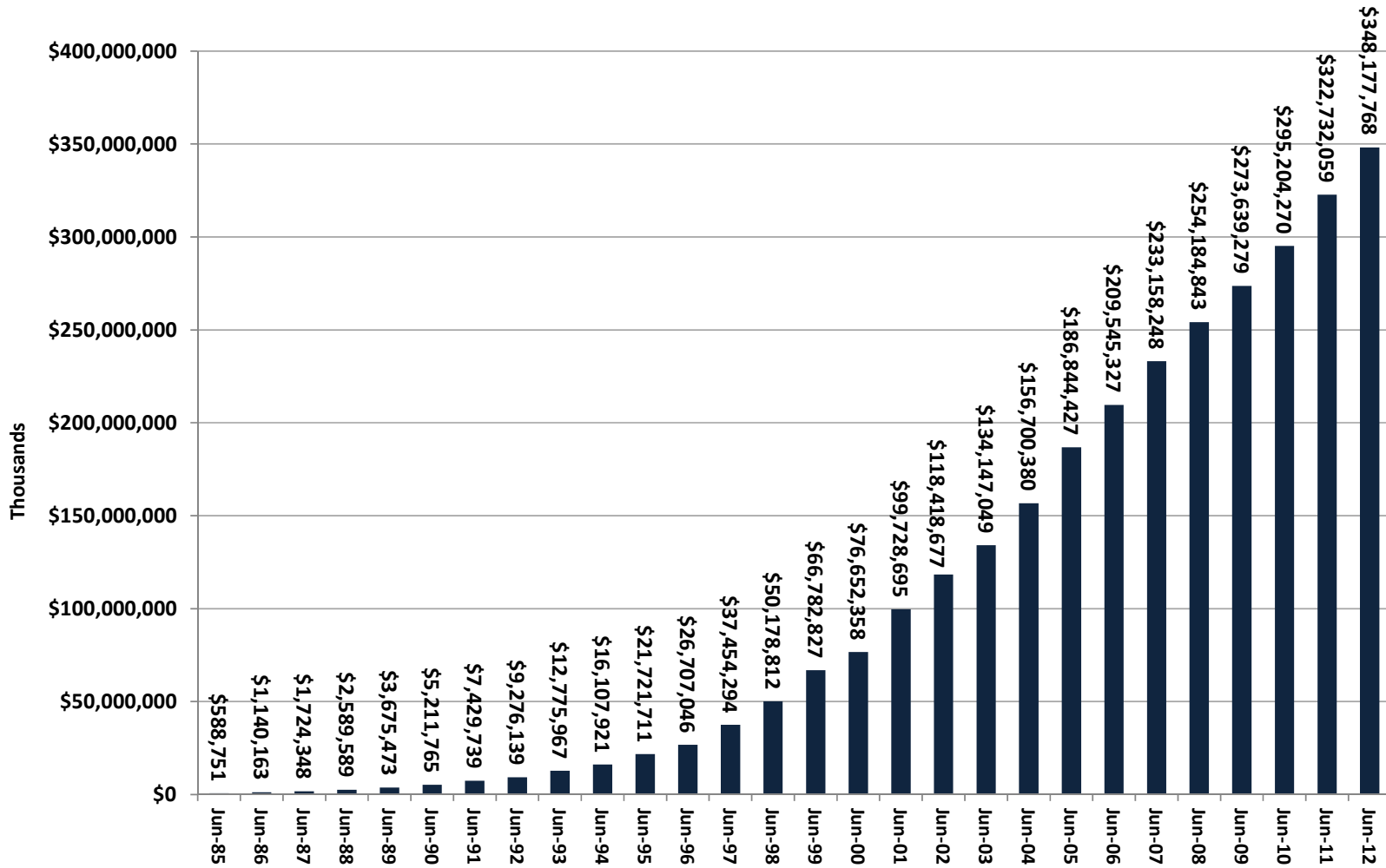
Reported Cell Sites in Service are Up 11% Year-Over-Year

Source: CTIA

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Cumulative Capital Investment Passes \$348 Billion



Cumulative Capex Rises 7.9% Year-Over-Year

Source: CTIA

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