

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 PCS, ESMR, AWS 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.

The CTIA survey also develops information on the number of reported wireless service subscribers or "connections" for the responding systems, and an estimated total wireless connections figure (taking into account non-responding systems). Because the CTIA survey is a voluntary survey, it cannot compel responses from wireless carriers. However, the survey has an excellent response rate. For the December 31, 2011, installment of the semi-annual survey, CTIA received responses from companies serving more than 95 percent of all estimated wireless subscribers.

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-responding markets or operators (*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 are available for purchase in the comprehensive report, *CTIA's Wireless Industry Indices: 1985 – 2011*, 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/producttypesresults.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 DECEMBER 2011

| Date | Estimated Total Connections | Twelve-Month Total Service Revenues (in \$000s) | 12-Month Roamer Revenues (in \$000s) | Cell Sites | Direct Service Provider Employees | Average Local Monthly Bill (Dec. Survey Periods) | Average Local Call Length (Dec. Survey Periods) |
|-------------|------------------------------------|--|---|-------------------|--|---|--|
| 1985 | 340,213 | \$482,428 | N/A | 913 | 2,727 | N/A | N/A |
| 1986 | 681,825 | \$823,052 | N/A | 1,531 | 4,334 | N/A | N/A |
| 1987 | 1,230,855 | \$1,151,519 | N/A | 2,305 | 7,147 | \$96.83 | 2.33 |
| 1988 | 2,069,441 | \$1,959,548 | N/A | 3,209 | 11,400 | \$98.02 | 2.26 |
| 1989 | 3,508,944 | \$3,340,595 | \$294,567 | 4,169 | 15,927 | \$89.30 | 2.48 |
| 1990 | 5,283,055 | \$4,548,820 | \$456,010 | 5,616 | 21,382 | \$80.90 | 2.20 |
| 1991 | 7,557,148 | \$5,708,522 | \$703,651 | 7,847 | 26,327 | \$72.74 | 2.38 |
| 1992 | 11,032,753 | \$7,822,726 | \$ 973,871 | 10,307 | 34,348 | \$68.68 | 2.58 |
| 1993 | 16,009,461 | \$10,892,175 | \$1,361,613 | 12,824 | 39,810 | \$61.49 | 2.41 |
| 1994 | 24,134,421 | \$14,229,922 | \$1,830,782 | 17,920 | 53,902 | \$56.21 | 2.24 |
| 1995 | 33,785,661 | \$19,081,239 | \$2,542,570 | 22,663 | 68,165 | \$51.00 | 2.15 |
| 1996 | 44,042,992 | \$23,634,971 | \$2,780,935 | 30,045 | 84,161 | \$47.70 | 2.32 |
| 1997 | 55,312,293 | \$27,485,633 | \$2,974,205 | 51,600 | 109,387 | \$42.78 | 2.31 |
| 1998 | 69,209,321 | \$33,133,175 | \$3,500,469 | 65,887 | 134,754 | \$39.43 | 2.39 |
| 1999 | 86,047,003 | \$40,018,489 | \$4,085,417 | 81,698 | 155,817 | \$41.24 | 2.38 |
| 2000 | 109,478,031 | \$52,466,020 | \$3,882,981 | 104,288 | 184,449 | \$45.27 | 2.56 |
| 2001 | 128,374,512 | \$65,316,235 | \$3,752,826 | 127,540 | 203,580 | \$47.37 | 2.74 |
| 2002 | 140,766,842 | \$76,508,187 | \$3,895,512 | 139,338 | 192,410 | \$48.40 | 2.73 |
| 2003 | 158,721,981 | \$87,624,093 | \$3,766,267 | 162,986 | 205,629 | \$49.91 | 3.07 |
| 2004 | 182,140,362 | \$102,121,210 | \$4,210,331 | 175,725 | 226,016 | \$50.64 | 3.05 |
| 2005 | 207,896,198 | \$113,538,221 | \$3,786,331 | 183,689 | 233,067 | \$49.98 | 3.00 |
| 2006 | 233,040,781 | \$125,456,825 | \$3,494,294 | 195,613 | 253,793 | \$50.56 | 3.03 |
| 2007 | 255,395,599 | \$138,869,304 | \$3,742,015 | 213,299 | 266,782 | \$49.79 | N/A |
| 2008 | 270,333,881 | \$148,084,170 | \$3,739,274 | 242,130 | 268,528 | \$50.07 | 2.27 |
| 2009 | 290,941,191* | \$152,551,854 | \$3,061,344 | 247,081 | 249,247 | \$48.16 | 1.81 |
| 2010 | 310,996,629* | \$159,929,648 | \$3,026,009 | 253,086 | 250,393 | \$47.21 | 1.79 |
| 2011 | 331,594,848 | \$169,767,314 | \$3,314,895 | 283,385 | 238,071 | \$47.00 | 1.78 |

**CTIA'S SEMI-ANNUAL WIRELESS INDUSTRY SURVEY RESULTS
DECEMBER 1985 – DECEMBER 2011**

| Date | Estimated Connections | Total Six-Month Revenues (\$000) | Roamer Service Revenues (\$000) | Cell Sites | Employees | Average Local Monthly Bill | Avg. Local Call Length (Min) | Avg. Roam Call Length |
|-------------|------------------------------|---|--|-------------------|------------------|-----------------------------------|-------------------------------------|------------------------------|
| Dec-85 | 340,213 | \$306,197 | N/A | 913 | 2,727 | N/A | N/A | N/A |
| Jun-86 | 500,000 | \$360,585 | N/A | 1,194 | 3,556 | N/A | N/A | N/A |
| Dec-86 | 681,825 | \$462,467 | N/A | 1,531 | 4,334 | N/A | N/A | N/A |
| Jun-87 | 883,778 | \$479,514 | N/A | 1,732 | 5,656 | N/A | N/A | N/A |
| Dec-87 | 1,230,855 | \$672,005 | N/A | 2,305 | 7,147 | \$96.83 | N/A | N/A |
| Jun-88 | 1,608,697 | \$886,075 | N/A | 2,789 | 9,154 | \$95.00 | N/A | N/A |
| Dec-88 | 2,069,441 | \$1,073,473 | \$89,331 | 3,209 | 11,400 | \$98.02 | N/A | N/A |
| Jun-89 | 2,691,793 | \$1,406,463 | \$121,368 | 3,577 | 13,719 | \$85.52 | N/A | N/A |
| Dec-89 | 3,508,944 | \$1,934,132 | \$173,199 | 4,169 | 15,927 | \$89.30 | N/A | N/A |
| Jun-90 | 4,368,686 | \$2,126,362 | \$192,350 | 4,768 | 18,973 | \$83.94 | N/A | N/A |
| Dec-90 | 5,283,055 | \$2,422,458 | \$263,660 | 5,616 | 21,382 | \$80.90 | N/A | N/A |
| Jun-91 | 6,380,053 | \$2,653,505 | \$302,329 | 6,685 | 25,545 | \$74.56 | N/A | N/A |
| Dec-91 | 7,557,148 | \$3,055,017 | \$401,325 | 7,847 | 26,327 | \$72.74 | N/A | N/A |
| Jun-92 | 8,892,535 | \$3,633,285 | \$436,725 | 8,901 | 30,595 | \$68.51 | N/A | N/A |
| Dec-92 | 11,032,753 | \$4,189,441 | \$537,146 | 10,307 | 34,348 | \$68.68 | N/A | N/A |
| Jun-93 | 13,067,318 | \$4,819,259 | \$587,347 | 11,551 | 36,501 | \$67.31 | 2.38 | 3.38 |
| Dec-93 | 16,009,461 | \$6,075,916 | \$774,266 | 12,824 | 39,810 | \$61.49 | 2.41 | 3.26 |
| Jun-94 | 19,283,306 | \$6,519,031 | \$778,116 | 14,740 | 45,622 | \$58.65 | 2.36 | 2.89 |
| Dec-94 | 24,134,421 | \$7,710,891 | \$1,052,666 | 17,920 | 53,902 | \$56.21 | 2.24 | 2.85 |
| Jun-95 | 28,154,414 | \$8,749,625 | \$1,120,337 | 19,844 | 60,689 | \$52.45 | 2.27 | 2.74 |
| Dec-95 | 33,758,661 | \$10,330,614 | \$1,422,233 | 22,663 | 68,165 | \$51.00 | 2.15 | 2.79 |
| Jun-96 | 38,195,466 | \$11,194,247 | \$1,314,943 | 24,802 | 73,365 | \$48.84 | 2.24 | 2.8 |
| Dec-96 | 44,042,992 | \$12,440,724 | \$1,465,992 | 30,045 | 84,161 | \$47.70 | 2.32 | 3.14 |
| Jun-97 | 48,705,553 | \$13,134,551 | \$1,392,440 | 38,650 | 97,039 | \$43.86 | 2.25 | 2.95 |
| Dec-97 | 55,312,293 | \$14,351,082 | \$1,581,765 | 51,600 | 109,387 | \$42.78 | 2.31 | 2.94 |
| Jun-98 | 60,831,431 | \$15,286,660 | \$1,584,891 | 57,674 | 113,111 | \$39.88 | 2.34 | 2.65 |
| Dec-98 | 69,209,321 | \$17,846,515 | \$1,915,578 | 65,887 | 134,754 | \$39.43 | 2.39 | 3.11 |
| Jun-99 | 76,284,753 | \$19,368,304 | \$1,922,416 | 74,157 | 141,929 | \$40.24 | 2.40 | 2.96 |

CTIA'S SEMI-ANNUAL WIRELESS INDUSTRY SURVEY RESULTS

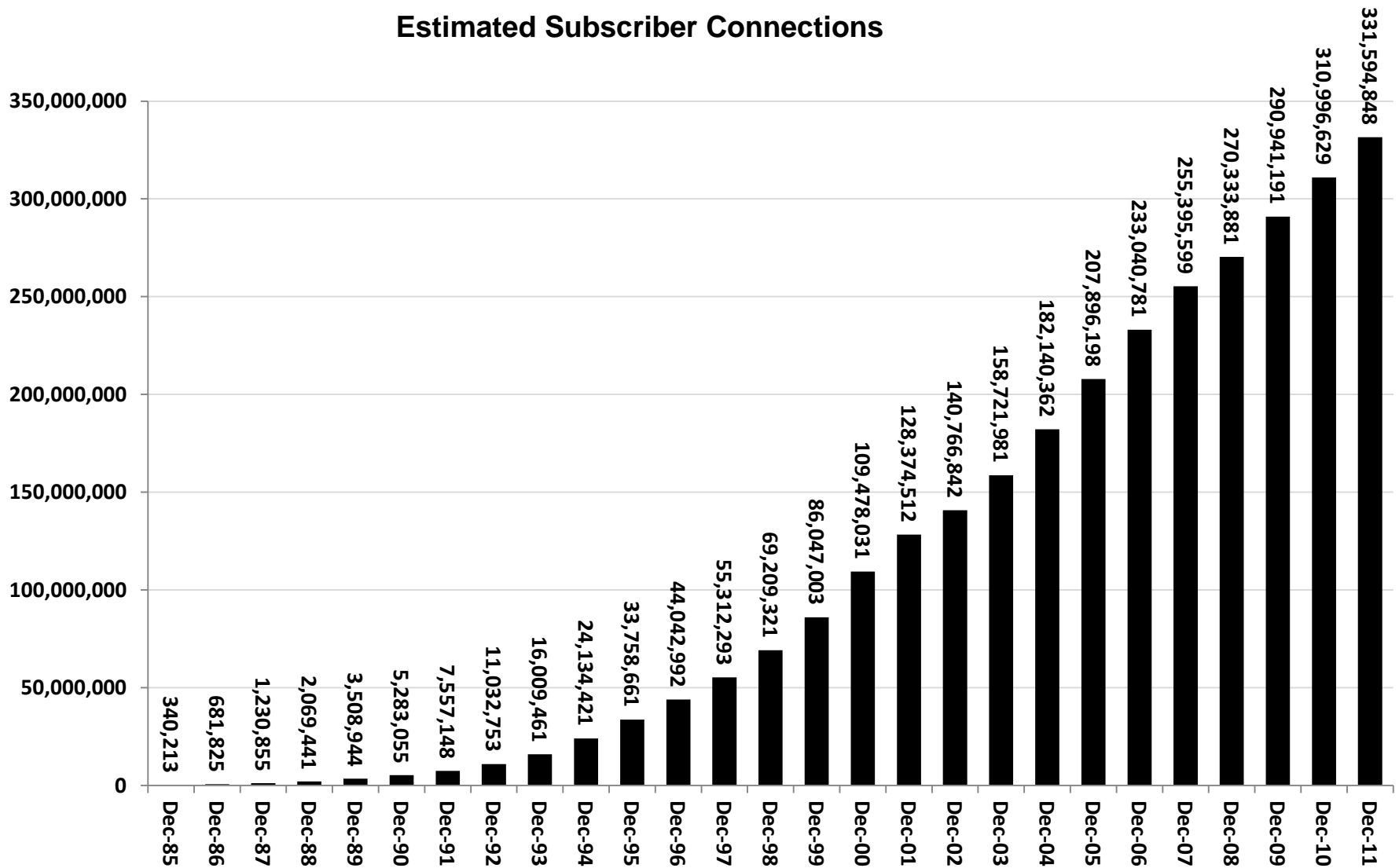
DECEMBER 1985 – DECEMBER 2011

| Date | Estimated Connections | Total Six-Month Revenues (\$000) | Roamer Service Revenues (\$000) | Cell Sites | Employees | Average Local Monthly Bill | Avg. Local Call Length (Min) | Avg. Roam Call Length |
|-------------|------------------------------|---|--|-------------------|------------------|-----------------------------------|-------------------------------------|------------------------------|
| Dec-99 | 86,047,003 | \$20,650,185 | \$2,163,001 | 81,698 | 155,817 | \$41.24 | 2.38 | 3.11 |
| Jun-00 | 97,035,925 | \$24,645,365 | \$1,971,625 | 95,733 | 159,645 | \$45.15 | 2.48 | 3.19 |
| Dec-00 | 109,478,031 | \$27,820,655 | \$1,911,356 | 104,288 | 184,449 | \$45.27 | 2.56 | 3.23 |
| Jun-01 | 118,397,734 | \$30,905,721 | \$1,727,058 | 114,059 | 186,317 | \$45.56 | 2.62 | 3.01 |
| Dec-01 | 128,374,512 | \$34,410,513 | \$2,205,768 | 127,540 | 203,580 | \$47.37 | 2.74 | 2.94 |
| Jun-02 | 134,561,370 | \$36,707,086 | \$1,846,267 | 131,350 | 186,956 | \$47.42 | 2.60 | 3.07 |
| Dec-02 | 140,766,842 | \$39,801,101 | \$2,049,245 | 139,338 | 192,410 | \$48.40 | 2.73 | 3.11 |
| Jun-03 | 148,065,824 | \$41,384,171 | \$1,825,243 | 147,719 | 187,169 | \$49.46 | 2.63 | 3.15 |
| Dec-03 | 158,721,981 | \$46,239,922 | \$1,941,024 | 162,986 | 205,629 | \$49.91 | 3.07 | 3.45 |
| Jun-04 | 169,467,393 | \$49,275,671 | \$2,015,799 | 174,368 | 212,186 | \$49.49 | 3.06 | 3.45 |
| Dec-04 | 182,140,362 | \$52,845,539 | \$2,194,532 | 175,725 | 226,016 | \$50.64 | 3.05 | 2.80 |
| Jun-05 | 194,479,364 | \$55,689,208 | \$1,941,960 | 178,025 | 225,162 | \$49.52 | 3.04 | 2.66 |
| Dec-05 | 207,896,198 | \$57,849,013 | \$1,844,371 | 183,689 | 233,067 | \$49.98 | 3.00 | 3.36 |
| Jun-06 | 219,652,457* | \$60,450,669 | \$1,713,680 | 197,576 | 238,236 | \$49.30 | 2.94 | 3.40 |
| Dec-06 | 233,040,781 | \$65,006,156 | \$1,780,614 | 195,613 | 253,793 | \$50.56 | 3.03 | 3.47 |
| Jun-07 | 243,428,202 | \$67,887,668 | \$1,830,435 | 210,360 | 257,401 | \$49.94 | 3.13 | 3.35 |
| Dec-07 | 255,395,599 | \$70,981,636 | \$1,911,579 | 213,299 | 266,782 | \$49.79 | N/A | 3.40 |
| Jun-08 | 262,720,165 | \$72,728,764 | \$1,778,519 | 220,472 | 267,855 | \$48.54 | 2.43 | 3.16 |
| Dec-08 | 270,333,881 | \$75,355,406 | \$1,960,755 | 242,130 | 268,528 | \$50.07 | 2.27 | 3.27 |
| Jun-09 | 276,610,580 | \$75,848,319 | \$1,585,993 | 245,912 | 261,453 | \$49.57 | 2.03 | 3.39 |
| Dec-09 | 290,941,191* | \$76,703,534 | \$1,475,351 | 247,081 | 249,247 | \$48.16 | 1.81 | 3.30 |
| Jun-10 | 300,520,098* | \$79,109,620 | \$1,382,667 | 251,618 | 235,021 | \$47.47 | 1.67 | 3.28 |
| Dec-10 | 310,996,629* | \$80,820,028 | \$1,643,341 | 253,086 | 250,393 | \$47.21 | 1.79 | 3.28 |
| Jun-11 | 322,857,207* | \$83,733,905 | \$1,566,219 | 256,920 | 243,239 | \$47.23 | 1.83 | 5.16 |
| Dec-11 | 331,594,848 | \$86,033,409 | \$1,748,676 | 283,385 | 238,071 | \$47.00 | 1.78 | 3.32 |

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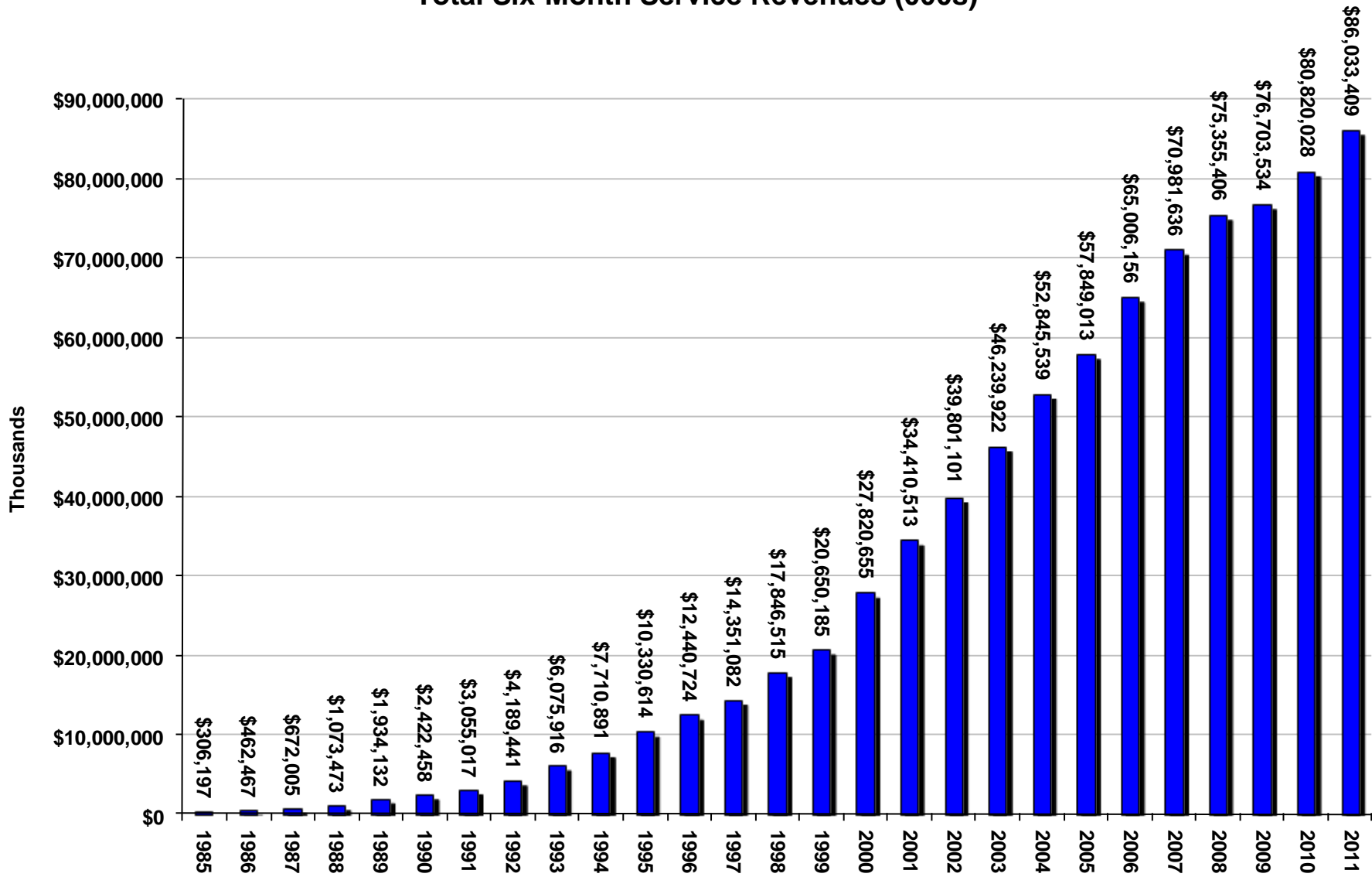
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Estimated Subscriber Connections



**Year-End 2011 Estimated Wireless Connections
Up More than 20 Million from December 2010**

Total Six-Month Service Revenues (000s)



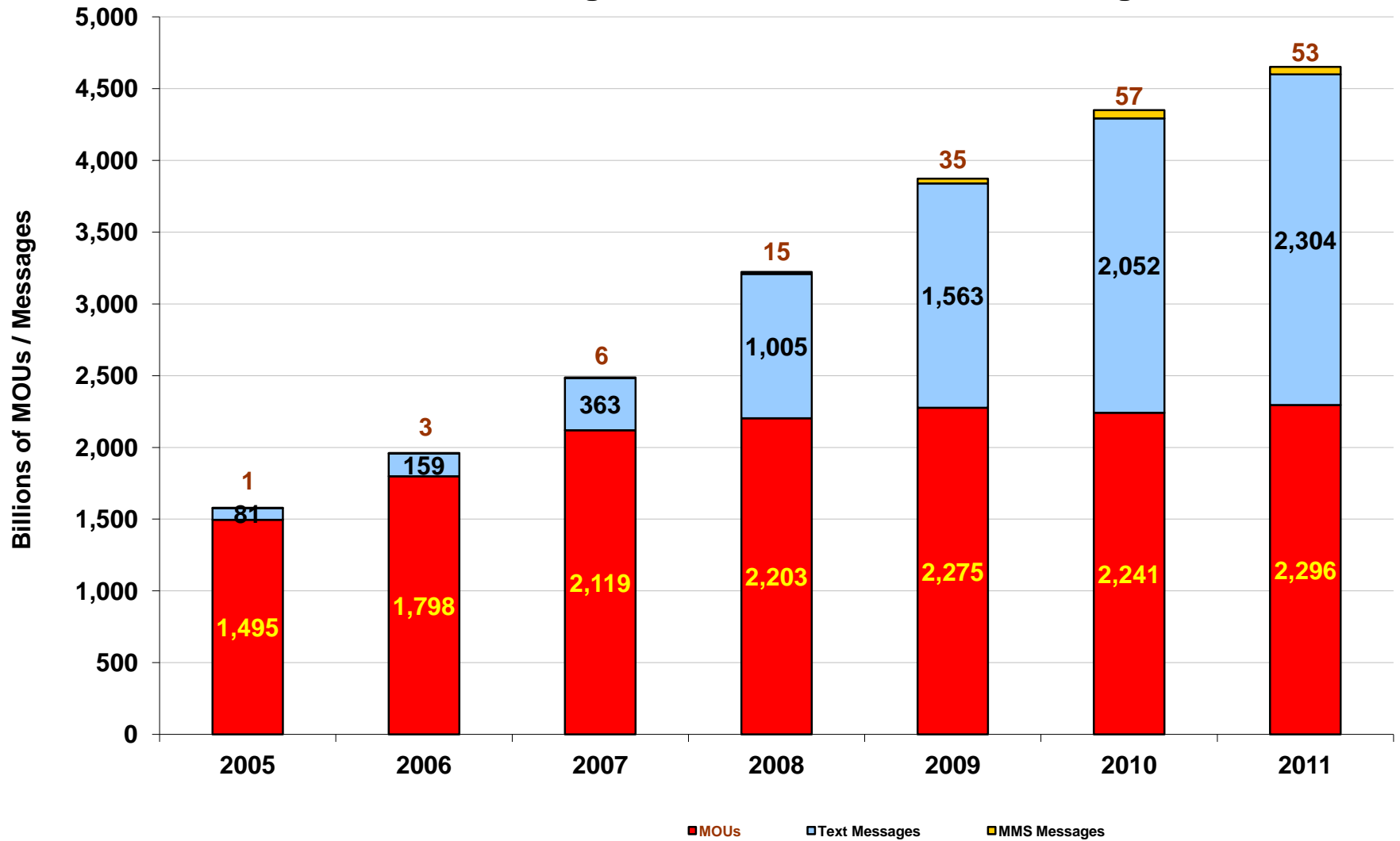
**Wireless Service Revenues Reach More Than \$86 billion for the Last Six Months of 2011
- Total Twelve-Month Revenues Reach Almost \$170 Billion in 2011**

Source: CTIA

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Minutes and Messages as a Measure of Wireless Usage

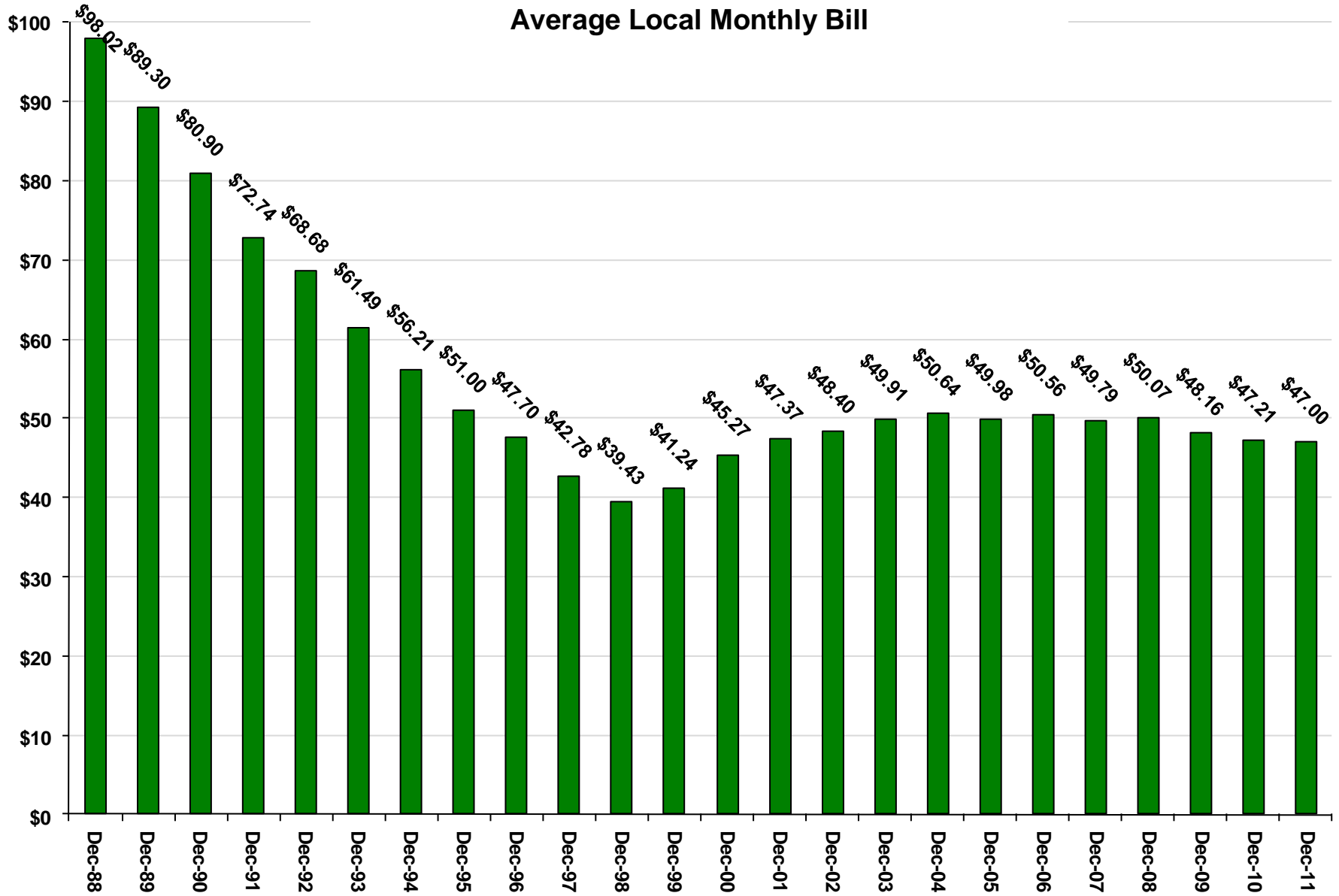


Combined Minutes and Messages Rise More than 6% Year-Over-Year

Source: CTIA

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Average Local Monthly Bill

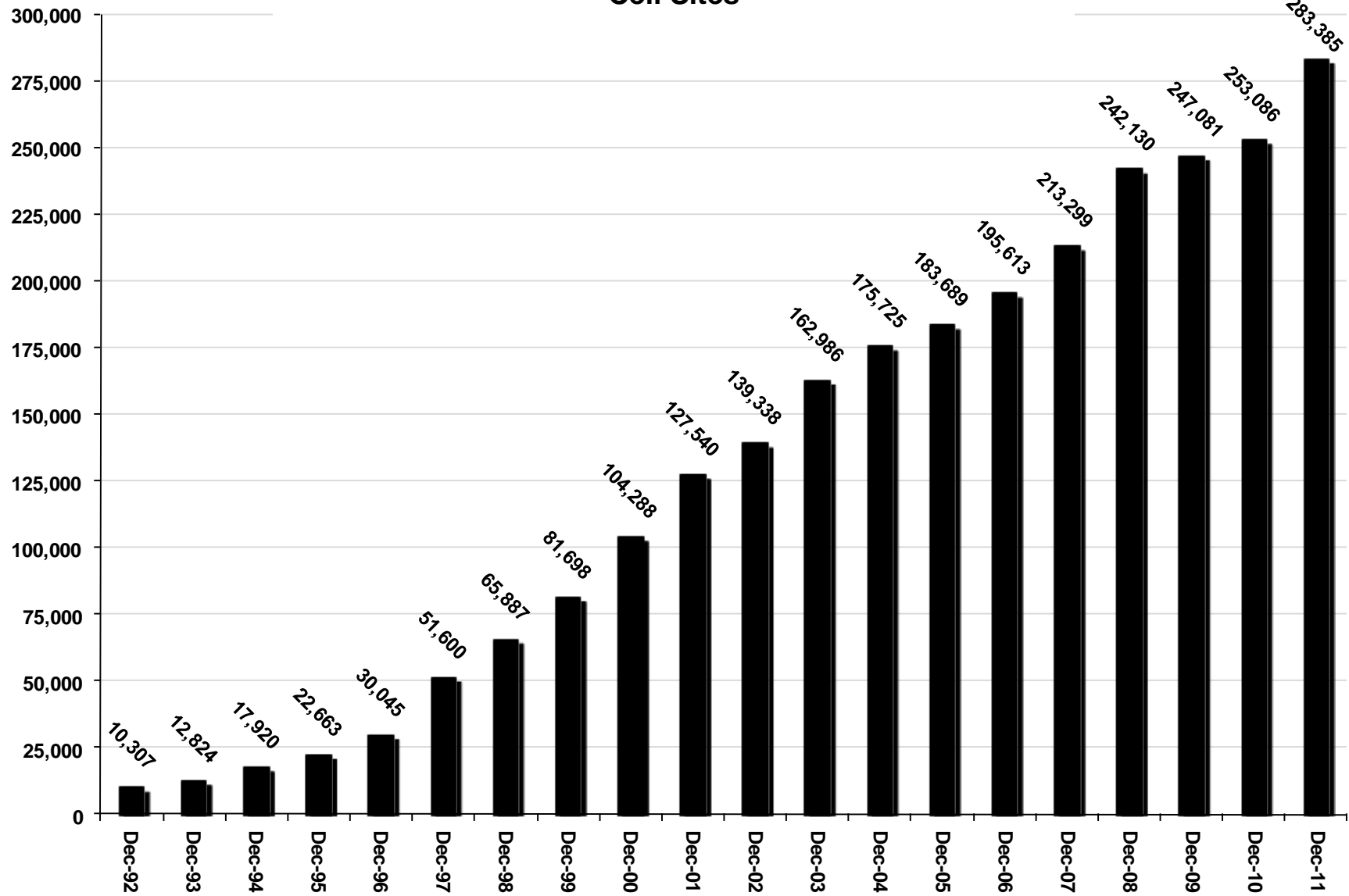


Average Local Monthly Bill Down 0.4% Year-over-Year

Source: CTIA

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Cell Sites

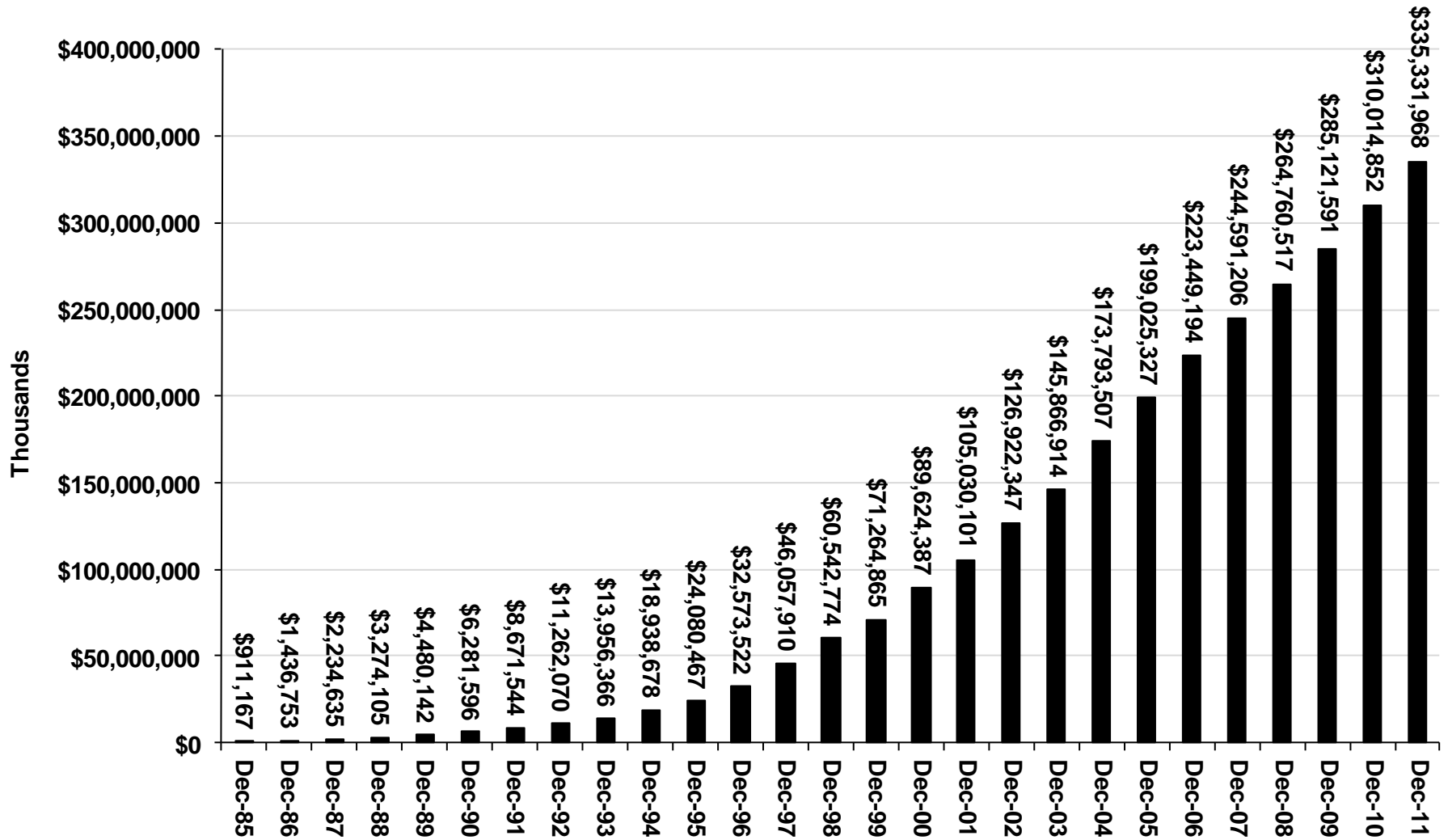


Reported Cell Sites in Service are Up 12% Year-Over-Year

Source: CTIA

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Cumulative Capital Investment Passes \$335 Billion



Cumulative Capex Rises 8.2% Year-Over-Year

Source: CTIA

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