

Maravedis predicts WiMAX subscribers to reach 13 million in India by 2012

Leading research firms Maravedis and Tonse Telecom release new market study entitled "India Wireless Broadband and WiMAX Market Analysis and Forecasts 2006-2012" to provide an in-depth review of current regulatory and overall wireless market trends in India.

FOR IMMEDIATE RELEASE

MONTREAL, Canada, and BANGALORE, India, June 27, 2006 –

The leading telecom market research and analyst firm Maravedis, in partnership with Tonse Telecom, the Indian leader in Telecom market research and analysis, today released a new Market study entitled **"India Wireless Broadband and WiMAX Market Analysis and Forecasts 2006-2012"**. This study provides a detailed review of current regulatory and overall wireless market trends in India.

"According to our research, we can expect 13 million WiMAX subscribers in India by 2012" said Adlane Fellah, co-author of the report and Senior Analyst at Maravedis Inc. The Indian economy is flourishing and the demand is quickly outpacing the supply of telecommunications services provided by the legacy wired telecommunication infrastructure built during the state monopoly era. "More than 70% of Indian households do not have access to fixed telephone services. Instead, customers have flocked to cellular phone carriers, which have built a tremendous infrastructure to provide services to more than 100 million customers" continued Fellah.

Broadband services were launched in India in 2005. ADSL services now cover 300 towns with 1.5 million connections while broadband wireless subscriber figures are still negligible. In a country where monthly broadband ARPU is estimated at \$8-10, and computer penetration is still at around 4%, BWA / WiMAX adoption will depend on very low cost end-to-end pricing for connectivity including the compute platform and CPE. The Indian telecom sector operates in a volume-driven market. If WiMAX is to succeed it will only be on the premise of huge volumes not, small deployments

"Bharti TeleVentures, Reliance, BSNL and VSNL (Tata Group) have all acquired licenses in 3.3GHz range and are in various stages of trials and modest commercial deployments. Maravedis Tonse has gathered evidence that larger deployments will start to materialize in early 2007 but volumes in the millions will take a few years to materialize. The planned release of additional spectrum will be critical to this" explained Fellah.

"However, shortage of spectrum is a serious obstacle for massive adoption of broadband wireless and WiMAX in India. For WiMAX to prosper in India, license holders will need at least 20MHz of spectrum while they currently hold 12MHz or less. 20MHz is a minimum to support wide scale deployments and hence a profitable business case" added Sridhar, co-author of the report and CEO of Tonse Telecom

Government appears to be serious about solving the problem by releasing some of the spectrum from the departments of Space and Defense and the TRAI is currently engaged in a critical public consultation. Wireless adoption is essential if the government wishes to meet its ambitious plans.

ABOUT MARAVEDIS

Maravedis is a leading research and analysis firm focusing on Broadband Wireless technologies including WiMAX, 802.20, TD-CDMA and Wireless Local Loop Systems. Maravedis has established itself over the years as the most credible and reliable resource for market intelligence in the broadband wireless industry. Maravedis works with equipment vendors, service providers, regulators and the investment

community to produce a sound market analysis based on hard primary data and an in-depth understanding of technology, market and regulation trends.
For more information, please visit www.maravedis-bwa.com.

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Contact Information:

Adlane Fella, Senior Analyst
Maravedis Research

Office: +1 (786) 347-5580

Mobile: +1 (514) 823-4096

Email: afellah@maravedis-bwa.com

www.maravedis-bwa.com