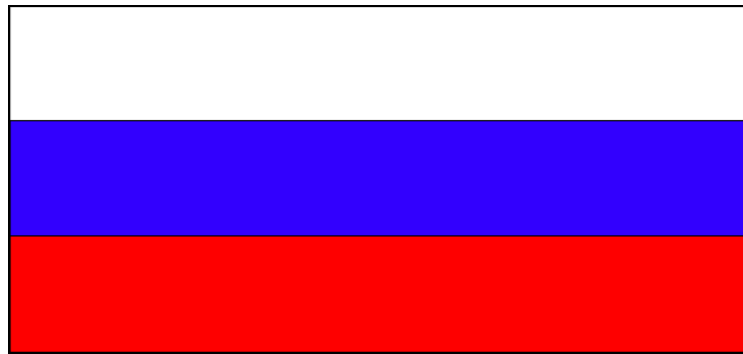




MARAVEDIS

Telecom Market Research & Analysis

**Russian Federation Broadband and WiMAX
Market Analysis and Forecasts 2006-2010 1st
Edition**



May 2006

By Artur Mironenko

and

Adlane Fellah

ORDER FORM

"BWA/WiMAX Russian Market Analysis" May 2006

Fill in the order form and fax or email it to us..

CHOOSE YOUR OPTION :

SINGLE USER US\$ 1495
 SITE LICENSE US\$ 2995
 GLOBAL LICENSE US\$ 4995

UPGRADE OPTIONS

SINGLE to SITE US\$ 1500
 SINGLE to GLOBAL US\$ 3500
 SITE to GLOBAL US\$ 2000

TOTAL

Name

Position

Organisation

Address

Town/City

ZIP/Postalcode

Country

Telephone

Fax

Email

Signature

Date

HOW WOULD YOU LIKE TO PAY:

I have arranged a bank transfer Go to Maravedis bank details

Bill my credit card Go to credit card details

MARAVEDIS BANK DETAILS:

Bank of Montreal

3 Sunnydale Road
 Dollard des Ormeaux
 Quebec, H9B 1E1
 Tel: (514) 684-6690

Branch number: 02911
 Account number: 02914606082
 Type: US Funds Account
 Swift code: PNBPU3NNYC

Please instruct your bank to include your or your company's name, proforma invoice number, purchase order number, or letter of credit number on the wire advice.

If you have any questions regarding these instructions please contact M. Adlane Fellah, President of Maravedis Inc.

CREDIT CARD DETAILS :

VISA

MASTERCARD

AMERICAN EXPRESS

Card Number:

Expiry / Signature

PLEASE RETURN THIS ORDER FORM TO MARAVEDIS INC. :

665 Guy Street Suite 6
 Montreal, Quebec, H3J 2V5
 Canada

Phone Numbers:
 General Information: (305) 865-1006
 Sales: (514) 823-4096
 Fax: (514) 313-5465

For further information: afellah@maravedis-bwa.com

Copyright © 2006

Maravedis Inc.

All data contained in this report is proprietary to Maravedis Inc. and may not be distributed in either original or reproduced form to anyone outside the client's internal organization within five years of the report date without prior permission of Maravedis Inc. The material contained herein is for individual use of the purchasing Licensee and may not be distributed to any other person or entity by such Licensee including, without limitation, to persons with the same corporate or other entity as such Licensee, without the express written permission of Licensor.

Maravedis Inc makes no warranties express or implied as to the results to be obtained from use of this report and makes no warranties express or implied of merchantability or fitness for a particular purpose. Maravedis Inc. shall have no liability to the recipient of this report or to any third party for any indirect, incidental, special or consequential damages arising out of use of this report.

Maravedis Return Policy

Downloaded or sent reports in any format are neither refundable nor credited under any circumstances. It is solely the responsibility of the buyer to verify through the Table of Contents and the Executive Summary that the report fits its information needs.

About the Team

Artur Mironenko, MSc (Electronics Engineering) is our Senior Analyst for the Russian and Ukrainian markets. Mironenko Artur has a Master of Science in Economics from Kharkov State Economic University in Ukraine. He has more than 10 years of practical experience in projects in the telecom field. His experience in telecom includes work with a leading Russian consultancy company in this area- J'son&Partners and independent consultancy practice.

As a telecom analyst at J&P he conducted numerous research projects in different areas and scales, ranging from commercial trunking to evaluation of telecom equipment market. He contributed to the publication of market reports in key sectors of Russian telecommunication markets including cellular services, Wi-Fi, landline telephony, regulation, etc. As an account manager, he was responsible for key corporate accounts (clients) at the J'son&Partners. He was numerously cited in leading Russian media (for instance Vedomosti-a Russian equivalent of WSJ, Newsweek. etc).

Adlane Fella, MBA is CEO and founder of Maravedis Inc, a world leader in market research and analysis, specializing in BWA and VoIP markets. He has worked over 9 years in the telecom industry including 3 years as Marketing Manager for the BWA Clearburst product line at Harris Corporation, in charge of all point-to-multipoint market intelligence. He has extensive experience with both the tactical dimension of sales support and the strategic vision and analysis to feed product development. He also has an extensive knowledge of regulatory affairs as well as financial modeling, through his tenure as senior consultant with the telecom-consulting firm Lemay-Yates Associates Inc. Mr. Fella holds a Master of Business Administration from the University of British Columbia.

About Maravedis

Maravedis is an objective, third party research and analysis firm focusing on Broadband Wireless technologies including WiMAX, 802.20, TD-CDMA and Wireless Local Loop Systems. Maravedis' mission is to be the most trusted bridge between the world of fixed-mobile convergence and the world of real deployments and sound business models.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	8
METHODOLOGY & ASSUMPTIONS.....	12
1 OVERVIEW OF RUSSIA’S TELECOM MARKET	13
1.1 TELECOM MARKET DEVELOPMENT	13
1.2 HISTORICAL BACKGROUND	14
1.3 MOBILE MARKET ANALYSIS.....	14
1.4 TELECOMS ARE DOMINATED BY LARGE HOLDING COMPANIES	17
1.5 MAJOR TELECOM TRENDS IN 2006-2007.....	17
1.6 OVERVIEW OF THE INTERNET MARKET.....	18
1.7 ISPs.....	20
1.8 BROADBAND MARKET	20
1.9 ACCESS TECHNOLOGIES	23
1.9.1 Cable/Ethernet.....	25
1.9.2 ADSL.....	25
1.9.3 Mobile access.....	26
1.9.4 Wi-Fi operators	26
1.9.5 Satellite access.....	26
2 BROADBAND WIRELESS ANALYSIS	28
2.1 HISTORICAL DEVELOPMENT OF BWA IN RUSSIA	28
2.2 THE CURRENT STATE OF BWA IN RUSSIA.....	29
2.2.1 Network deployments.....	30
2.2.2 Network geographical distribution.....	31
2.2.3 Network distribution by city.....	32
2.3 RUSSIAN BWA/WiMAX MARKET SIZING	33
2.4 EXPECTATIONS OF WiMAX	35
2.5 CHALLENGES IN THE RUSSIAN MARKET	36
2.6 WHAT TO EXPECT IN 2006-2007.....	36
3 REGULATORY ENVIRONMENT.....	38
3.1 CURRENT BWA REGULATION IN RUSSIA	38
3.1.1 2.4 GHz band.....	39
3.1.2 2.5-2.7 GHz band.....	40
3.1.3 3.5 GHz band.....	40
3.1.4 5-6 GHz bands	42
3.1.5 10.5 GHz band.....	43
3.1.6 26 GHz bands	43
3.2 WiMAX REGULATION: WHAT TO EXPECT (2006-2007)	43
3.3 LICENSING OVERVIEW	46
3.3.1 How to get a license for spectrum	46
3.3.2 Licensing rules.....	47
3.4 WiMAX PLAYERS IN RUSSIA	47
3.4.1 Vypelcom.....	48
3.4.2 MTS.....	49
3.4.3 Megafon.....	49
3.5 3G LICENSES	49

4 BWA/WIMAX SERVICE PROVIDERS ANALYSIS.....	51
4.1 BACKGROUND	51
4.2 TOP-10 RUSSIAN BWA OPERATORS.....	52
4.2.1 <i>Mediaseti</i>	52
4.2.2 <i>Art Communications</i>	55
4.2.3 <i>Netprovodov.ru (Enforta)</i>	58
4.2.4 <i>Tascom</i>	61
4.2.5 <i>Quantum</i>	62
4.2.6 <i>Enforta</i>	65
4.2.7 <i>Comstar-UTS</i>	69
4.2.8 <i>MCC (Alaris brand)</i>	71
4.2.9 <i>Infoseti</i>	73
4.2.10 <i>Synterra/Komet</i>	75
5 BWA/WIMAX VENDOR ANALYSIS.....	79
5.1 ALVARION	80
5.2 INFINET WIRELESS	82
5.3 ALCATEL	86
5.4 MOTOROLA.....	86
5.5 AIRSPAN	86
5.6 APERTO NETWORKS	87
5.7 NATEKS.....	87
6 MARKET FORECASTS 2006-2012.....	89
6.1 RUSSIA COUNTRY FORECASTS.....	89
6.2 RUSSIA REGIONAL FORECASTS.....	94

LIST OF EXHIBITS

EXHIBIT 1. MAJOR RUSSIAN TELECOM FIRMS	8
EXHIBIT 2. MAP OF RUSSIA AND SURROUNDING REGION	13
EXHIBIT 3. SIZE OF RUSSIAN TELECOMMUNICATIONS SERVICES MARKET FROM 2000 TO PRESENT	14
EXHIBIT 4. RUSSIAN MOBILE SUBSCRIBER GROWTH FROM 1995 TO THE PRESENT.....	15
EXHIBIT 5. RUSSIAN MOBILE SUBSCRIBERS IN MAJOR METROPOLITAN AREAS.....	16
EXHIBIT 6. BREAKDOWN OF RUSSIAN TELECOM MARKET BY SERVICE	16
EXHIBIT 7. INTERNET GROWTH IN RUSSIA FROM 2001 TO PRESENT – GOVERNMENT DATA	18
EXHIBIT 8. INTERNET GROWTH IN RUSSIA FROM 2001 TO PRESENT – INDUSTRY DATA	19
EXHIBIT 9. SALES OF PCs IN RUSSIA FROM 2002 TO PRESENT	22
EXHIBIT 10. BREAKDOWN OF INTERNET USERS BY ACCESS METHOD	24
EXHIBIT 11. MAJOR RUSSIAN BWA/WiMAX PROJECTS	28
EXHIBIT 12. DEPLOYMENT OF RUSSIAN BWA/WiMAX NETWORKS SINCE 2002.....	30
EXHIBIT 13. RUSSIAN DEPLOYMENT OF BWA/WiMAX NETWORKS, PERCENTAGE BY CITY SIZE	32
EXHIBIT 14. RUSSIAN DEPLOYMENT OF BWA/WiMAX NETWORKS, PERCENTAGE BY MACROREGION	32
EXHIBIT 15. RUSSIAN DEPLOYMENT OF BWA/WiMAX NETWORKS, AVERAGE PER CITY SIZE ...	33
EXHIBIT 16. VOLUME OF RUSSIAN BWA/WiMAX EQUIPMENT MARKET	34
EXHIBIT 17. NUMBER OF RUSSIAN BWA/WiMAX SUBSCRIBERS FROM 1998 TO PRESENT.....	35
EXHIBIT 18. EXAMPLES OF PRE-BWA/WiMAX NETWORKS DEPLOYED IN MAJOR RUSSIAN CITIES	36
EXHIBIT 19. TOP 20 RUSSIAN REGIONS IN INCOME AND PRODUCT, PER CAPITA	37
EXHIBIT 20. RUSSIAN BWA/WiMAX OPERATORS AT 3.5 MHZ BAND	41
EXHIBIT 21. SPECTRUM ALLOCATION WITHIN THE 5 GHZ BAND.....	42
EXHIBIT 22. MAXIMUM BWA/WiMAX TRANSMITTER POWER, BY FREQUENCY AND CITY SIZE ...	44
EXHIBIT 23. MAXIMUM BWA/WiMAX BS AND CPE POWER, BY FREQUENCY AND CITY SIZE ...	44
EXHIBIT 24. MAXIMUM BWA/WiMAX BS COVERAGE RADIUS, BY FREQUENCY AND CITY SIZE ..	45
EXHIBIT 25. TOP 10 RUSSIAN BWA/WiMAX OPERATORS.....	52
EXHIBIT 26. BWA/WiMAX PRICING PLANS OFFERED BY MEDIASETI	54
EXHIBIT 27. BWA/WiMAX PRICING PLANS OFFERED BY ART COMMUNICATIONS - CORPORATE	56
EXHIBIT 28. BWA/WiMAX PRICING PLANS OFFERED BY ART COMMUNICATIONS - RESIDENTIAL	56
EXHIBIT 29. SERVICES OFFERED BY ART COMMUNICATIONS TO MAJOR MARKET SEGMENTS.....	57
EXHIBIT 30. MARKET SEGMENTS FOR ART COMMUNICATIONS, BY PERCENTAGE	57
EXHIBIT 31. POPULATION OF CITIES SERVED BY NETPROVODOV.....	59
EXHIBIT 32. CITIES WITH NETPROVODOV BWA/WiMAX PRESENCE	59
EXHIBIT 33. BWA/WiMAX PRICING PLANS OFFERED BY NETPROVODOV	60
EXHIBIT 34. INTERNET ACCESS PRICING PLANS OFFERED BY TASCOM.....	62
EXHIBIT 35. WIRELINE ETHERNET PRICING PLANS OFFERED BY QUANTUM.....	64
EXHIBIT 36. REGIONS WHERE QUANTUM HOLDS LICENSES	65
EXHIBIT 37. BWA/WiMAX DEPLOYMENTS PLANNED BY ENFORTA	67
EXHIBIT 38. ENFORTA BWA/WiMAX CUSTOMER BASE, BY MARKET SEGMENT.....	68
EXHIBIT 39. COMSTAR-UTS CUSTOMERS, BY SERVICE	70
EXHIBIT 40. ALARIS CUSTOMERS, BY MARKET SEGMENT	72
EXHIBIT 41. INFOSETI UPPER MANAGEMENT	75
EXHIBIT 42. TELECOMINVEST MAJOR HOLDINGS	76

EXHIBIT 43. SHARE OF DEPLOYED RUSSIAN COMMERCIAL BWA/WiMAX NETWORKS, BY VENDOR.....	79
EXHIBIT 44. MAJOR BWA/WiMAX EQUIPMENT AVAILABLE IN RUSSIA.....	80
EXHIBIT 45. MAJOR CORPORATE CLIENTS AND PROVIDERS OF BREEZENET.....	81
EXHIBIT 46. MAJOR CORPORATE CLIENTS AND PROVIDERS OF BREEZEACCESS.....	81
EXHIBIT 47. MAJOR CORPORATE CLIENTS AND PROVIDERS OF WALKAIR.....	82
EXHIBIT 48. BWA/WiMAX NETWORKS DEPLOYED BY ALVARION, BY MARKET SEGMENT AND FREQUENCY BAND.....	82
EXHIBIT 49. INFINET WIRELESS BWA/WiMAX COMMERCIAL DEPLOYMENT – BY REGION.....	84
EXHIBIT 50. TOP 10 RUSSIAN CUSTOMERS OF INFINET WIRELESS.....	85
EXHIBIT 51. AIRSPAN NETWORK DEPLOYMENT SCHEDULE.....	87
EXHIBIT 52. APERTO’S MOST SIGNIFICANT PROJECTS IN RUSSIA.....	87
EXHIBIT 53. ANNUAL BWA/WiMAX CPE SHIPMENT FORECASTS FOR 2005-2010, IN UNITS ..	89
EXHIBIT 54. ANNUAL BWA/WiMAX BASE STATION SHIPMENT FORECASTS FOR 2005-2010, IN UNITS.....	89
EXHIBIT 55. ANNUAL BWA/WiMAX BS AND CPE SHIPMENT FORECASTS FOR 2005-2010, IN US DOLLARS.....	90
EXHIBIT 56. CUMULATIVE BWA/WiMAX EQUIPMENT SALES FORECASTS, FROM 2005-2010 ..	90
EXHIBIT 57. ANNUAL BWA/WiMAX EQUIPMENT SALES FORECAST, BY FREQUENCY BAND.....	91
EXHIBIT 58. WiMAX EQUIPMENT PENETRATION FORECAST FOR 2005-2010, AS A PERCENTAGE OF BWA SHIPMENTS.....	91
EXHIBIT 59. ANNUAL BWA/WiMAX EQUIPMENT SHIPMENT FORECASTS, IN UNITS.....	92
EXHIBIT 60. ANNUAL EQUIPMENT SALES FORECAST FOR BWA VERSUS WiMAX, IN US DOLLARS	92
EXHIBIT 61. ACCUMULATED SUBSCRIBER FORECAST FOR BWA AND WiMAX, 2005-2010	93
EXHIBIT 62. ACCUMULATED WiMAX SUBSCRIBER FORECAST, FIXED AND MOBILE.....	93
EXHIBIT 63. MAP OF RUSSIAN REGIONS, WITH POTENTIAL BWA/WiMAX MARKET PERCENTAGE	95
EXHIBIT 64. CUMULATIVE BWA SUBSCRIBER FORECAST BY REGION, 2005-2010.....	96
EXHIBIT 65. GROSS PRODUCT FOR RUSSIAN MACROREGIONS IN 2004.....	96
EXHIBIT 66. GROSS PRODUCT OF CENTRAL MACROREGION IN 2004.....	97
EXHIBIT 67. GROSS PRODUCT OF NORTH-WEST MACROREGION IN 2004.....	97
EXHIBIT 68. GROSS PRODUCT OF SOUTH MACROREGION IN 2004.....	98
EXHIBIT 69. GROSS PRODUCT OF VOLGA MACROREGION IN 2004.....	98
EXHIBIT 70. GROSS PRODUCT OF URAL MACROREGION IN 2004.....	98
EXHIBIT 71. GROSS PRODUCT OF SIBERIA MACROREGION IN 2004.....	98
EXHIBIT 72. GROSS PRODUCT OF FAR EAST MACROREGION IN 2004.....	99

Executive Summary

This report contains data and analysis on the current opportunities and challenges of the Russian BWA/WiMAX markets. The report also provides forecasts of key Russian markets up to 2010. An in-depth review and analysis of the top ten BWA/WiMAX potential service providers was conducted to understand the current Russian market activity. An overall understanding of the Russian Federation market would be incomplete without a detailed review and analysis of spectrum activity and overall regulation, which constitute a central part of this report.

Russian Market Structure

Russian Market Structure

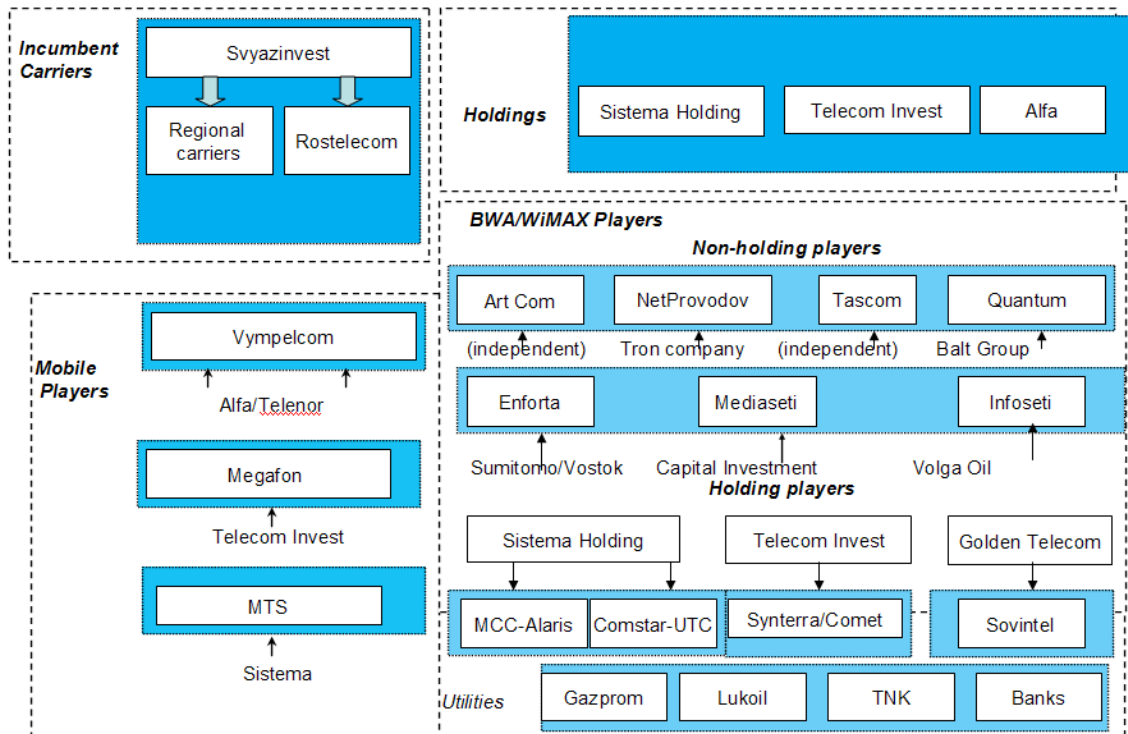


Exhibit 1. Major Russian telecom firms

Background

The Russian economy is growing for the 7th consecutive year, at a 6-7% annual rate. The country is fully engaged in becoming a market-driven economy. The whole economic structure is slowly changing from prevalence of large conglomerates to an economy based on small- and medium-sized businesses.

This new growing economy requires a modern telecommunication infrastructure in order to ensure competitive levels of productivity. The telecommunication industry in Russia has had to grow rapidly over last 10 years to overcome many years of under-investment during the communist era.

The fixed-line penetration across the country in 1991 was 15.8%, but doubled to 30% in 2005. The Internet market grew significantly in 2005, at an average annual rate of 36.25%. Internet penetration, 16% in 2005, has traditionally been constrained by low PC penetration levels.

Russian businesses and individuals are eager to use new technologies and services. Mobile penetration is now approaching that of the European Union. In February 2006, mobile penetration in Russia reached 90%, with 130 million subscribers and in Moscow even exceeded that level, compared to 97% for the EU. The next huge potential market is the broadband Internet access market. Broadband Internet penetration among residential users is still extremely low at an estimated 3.9% at the end of 2005.

Market Drivers

There are more than 40,000 towns without any communications facilities, and wireless networks represent an efficient solution for providing bundled services in these neglected areas. Further, modern communications are required by oil, gas and other utilities with substantial funds available for capital investment.

This underserved demand for broadband constitutes an opportunity for wireless ISPs to gain a significant share in this growing key market. In Russia the growth rate of personal income and corporate revenue in large cities exceeds the growth rate of the overall economy. Therefore, a growing number of Russians have sufficient disposable income to afford these new telecom services if offered. Further, despite Russia's enormous land area, 70% of its population live in urban areas.

The portion of Internet users on dial-up is declining rapidly, from 43% at the beginning of 2005 to 30% at the end of 2005. Those six million remaining dial-up users represent a huge opportunity for BWA/WiMAX in the years to come.

Further, some state programs that are aimed at providing Internet and telephone service in the most remote areas of the country, may spur BWA market development. For instance, Electronic Russia wants to implement information technologies in municipal organizations and educational institutions across the country, and BWA is an ideal vehicle to achieve this goal.

BWA/WIMAX Regulation

The telecom regulator is the Ministry for Communications and Information (MCI), while the **State Radio Frequency Commission (SRFC) is in charge of spectrum management and radio regulation.**

The authorities are trying to find a compromise between satisfying market demand and sharing the spectrum among different user segments (government, satellite stations, broadcasting, etc.). Also, the MIC is trying to achieve the state goal – to increase penetration of telecom services across Russia while not allowing companies to conduct business solely in the most profitable large cities.

Currently, the following frequencies are used for BWA/WiMAX: 2.4 GHz, 3.5 GHz, 5.1 GHz, 5.2 GHz, 5.7-6.4 GHz, 10.5 GHz, 26 GHz and 28 GHz. **All these frequency**

bands require a license. The important characteristics of each frequency band are presented in the Regulatory Environment section of the report.

Although several networks are deployed in the 3.5 GHz band (such as Alaris' in Moscow), shortage of spectrum makes it unlikely that this band will be widely used for WiMAX deployment in the near future. Currently, the majority of networks operate in the 5-6.4 GHz bands.

The majority of market participants expect the process of WiMAX deployment in Russia to be tortuous. At the end of 2005, the SRFC issued a special document that defines technical parameters of WiMAX networks. Any potential network must meet these requirements in order to get a license.

BWA Overview

There are more than 200 companies that provide broadband wireless access in the Russian market. There were a total of 65,000 BWA subscribers in 2005, including users of private networks.

In small and middle sized towns, this access is typically via a WISP operating one or two base stations and providing BWA as an additional service to dial-up/Ethernet services. Development plans by WISPs are limited to their given town or area. The typical number of customers varies from a few dozen up to 2-3 hundred. Still, there are no national networks, with the largest networks covering no more than 10 cities. As a result, Maravedis expects consolidation of service providers to reach "critical mass" over the next three years. In fact, at the time this report was being finalized, Enforta announced that it would be acquiring all of Netprovodov's telecom businesses. However, as this transaction was not yet final, this report contains separate company profiles for Netprovodov and Enforta.

BWA/WiMAX Service Providers

The task of determining the Top-10 Russian BWA providers was challenging. Little information is available regarding most BWA providers' shareholders/owners, financial results, subscriber base or pricing plans. However, we were able to obtain insights from industry experts, analysts and service providers themselves.

Starting 2007, tough competition will lead to consolidation among service providers. By 2009-2010 we can expect the M&A activity to produce national operators.

Among the Top-10 service providers already active that we interviewed, those that belong to one of the three holding companies will be serious players in the market. Others, such as Enforta, also benefit from a sound investment capacity. However, vendors and financiers need to be skeptical about service providers' announcements that seem overly ambitious, for these sometimes lack substance.

What to Expect in 2006-2007

It can be expected that limited certified WIMAX equipment will be installed in Russia in the second half of 2006 because of lack of spectrum in the 3.5 GHz band. It is also probable that 5 GHz certified equipment will only become available in 2007.

The largest prospects for WiMAX certified equipment in Russia lie in the 2.5-2.7 GHz band, for which ample certified equipment for both fixed and mobile WiMAX will be available in 2007. Spectrum in that frequency band will become available once TV channels are digitalized and a proper allocation is put in place in 2007-2008.

Challenges

One of the distinctive features of the Russian market is that operators want to offer services under conditions **of limited and licensed frequency spectrum**. In large cities, where BWA is mostly used now, metropolitan networks will face growing competition of wireline access technologies, influenced by limited frequency spectrum and RF interference.

Moreover, Russia is a very price-sensitive market. Demand for broadband services is exploding, but both service providers and residential end-users demand very low-cost CPE (in the \$100 range) to adopt WiMAX extensively. So far, the demand for broadband wireless services has been mainly driven by high-end corporate, residential and government users.

Further, many of the cash-rich operators we interviewed said that they prefer not to commit to large network deployments until enough spectrum is made available.

On the regulatory front, WiMAX mobile is not yet permitted by the SRFC. For WiMAX to prosper in Russia, frequency bands in the 2 GHz range (2.3-2.4 and/or 2.5-2.7 GHz) must be made available to commercial operators. That will require current analog broadcasters to digitalize their networks, which will take a long time.

Market Forecasts

The entire market of BWA equipment is expected to reach \$45-50 million in 2006 (from about \$27 million in 2005)¹ and \$365 million by 2010.

It is clear that speed of BWA deployment will vary greatly among regions, as determined by economic structure, growth rate, standard of living and distribution of wealth.

The most promising regions (oblasts²) for the development of BWA/WiMAX networks are Moscow city, Saint Petersburg, Samara oblast, Sverdlovsk oblast, Rostov oblast, Tatarstan republic, Krasnodar krai, Tyumen oblast, Chelyabinsk oblast and Bashkortostan republic. The Central region will concentrate one-third of total subscribers.

Maravedis projects an accumulated 867,000 subscribers by 2010 among residential and business users, with WiMAX subscribers representing one-third of the total.

Approximately 60% of the WiMAX subscribers will be residential mobile customers, while fixed WiMAX will continue to be driven by large corporations and gradually by SME customers.

¹ Maravedis estimations

² Regions

Methodology & Assumptions

The research was conducted through two main channels:

Secondary Sources

Maravedis always strives to provide its clients with a new and unique perspective of the industry based on its own research. To ensure that we add value to the information already available to stakeholders in the industry, we reviewed most of the market research available on broadband wireless access in Russia, including

- ITU Statistical Yearbook 2004
- The World Bank Development Indicators 2005
- Numerous articles

Primary Sources

Primary research is a lengthy but indispensable process for market research because it yields data neither biased nor distorted by intermediaries. As part of this research, Maravedis conducted interviews with the following:

- All service providers listed in the report
- The Regulatory Authority
- National account managers and other key representatives of equipment vendors active in the Russian market

The survey took place from January to April 2006 and involved discussions with product managers, marketing managers, regulators, technologists and sales people at all organizational levels.