

WiMAX Services Revenues in Asia Pacific to Surge to US\$5.5 Billion by 2012, Says Springboard Research

- *Predicts India and Japan to be the largest WiMAX markets in the region by 2012*
- *Number of WiMAX subscribers in the region to grow to 33.9 million by 2012*

Singapore, July 3, 2008: WiMAX, a new broadband wireless access technology, is expected to gather strong momentum in the Asia Pacific region with WiMAX services revenues estimated to grow from US\$58 million in 2007 to US\$5.46 billion by 2012, according to the latest report by Springboard Research, a leading innovator in the IT market research industry. This translates to a compounded annual growth rate (CAGR) of 148% for the period.

The report, titled “Laying the Foundation: WiMAX in Asia/Pacific 2008”, further estimated the number of WiMAX subscribers to grow from 230,000 in 2007 to 33.9 million by 2012. Mobile WiMAX services are estimated to garner a significant majority of revenues and subscribers compared to fixed WiMAX services during the forecast period.

The report goes on to predict that India and Japan will be the largest markets for WiMAX in the region by 2012, with an estimated 35.7%, and 16.9% share, respectively, of the total regional market, followed by Pakistan and China. Springboard added that its forecasts have accounted for some key assumptions including those related to country-specific licensing environments in the region, execution of investment plans outlined by vendors and market availability of WiMAX equipment as per projections.

“The next couple of years will be critical for WiMAX growth in Asia Pacific, and during that time, we are expecting services to be available for end users in over 10 countries,” said **Bryan Wang, Research Director - Connectivity Research at Springboard Research**. “The majority of WiMAX subscribers will be from Korea, Pakistan, India, and Australia. At the same time, billions of dollars of investment is going to be spent on WiMAX infrastructures over the next five years, which also creates a big potential market for telecom equipment manufacturers,” Mr. Wang added.

Key Markets and Players

Springboard’s report forecast 15.8 million WiMAX subscribers in India by 2012, representing 46.7% of total subscribers in the Asia Pacific region, and 35.7% total regional revenues from the country. India’s market leadership will be fostered by support from the government, ambitious investment plans by players like BSNL and Tata Communications, and the replacement of poor legacy fixed-line broadband infrastructure.

“We see tremendous potential for WiMAX deployment in many emerging markets in the region, which have struggled to extend fixed line/broadband infrastructure beyond a few big cities and into the rural and poorer areas,” Mr. Wang added.

Springboard asserts that Australia will register WiMAX infrastructure investments worth an estimated US\$500 million by 2012 on the back of aggressive plans by key players, Unwired and OPEL Ventures (a government-funded entity). The total market for WiMAX services in Australia is estimated to be US\$123.6 million by 2012. In Japan, Mobile WiMAX services are expected to monopolize the market as UQ Communications is slated to become the largest WiMAX operator, with the total market slated to grow to US\$924.5 million by 2012.

While Korea is predicted to more slowly adopt WiMAX despite having the world’s largest current subscriber base, China is expected to issue WiMAX licenses by 2009.

WiMAX Vendors

According to Springboard’s report, Motorola is the leader in the WiMAX vendor community in Asia Pacific for 2008, on the basis of a large number of significant WiMAX contracts won, along with a well-defined strategy to develop more WiMAX business in the region. The report goes on to rank individual WiMAX equipment vendors using Springboard’s WiMAX “*Vendor Leadership Index*,” According to the index, the top five WiMAX vendors in Asia Pacific are:

1. Motorola
2. Alcatel-Lucent
3. Samsung
4. Nortel
5. Cisco

“Traditional equipment vendors are expected to dominate the rankings as the market evolves and becomes more mature, due to their strong historical relationship with most telecom operators and extensive deployment and operation capabilities,” Mr. Wang explained.

Regulatory Environment

Springboard’s report added that telecom operators are fast overcoming their concerns about accommodating WiMAX within their existing frequency allocation framework. While Australia was one of the first countries in the world to release broadband wireless access (BWA) spectrum for WiMAX services in 2004, New Zealand, Korea, Singapore and Japan are other prominent countries to have issued similar licenses in 2007. India, Thailand and Indonesia are expected to announce spectrum allocation by 2008, while China is expected to hold off until 2009.

“With the maturity of WiMAX technology, and more operators and regulators around the world supporting WiMAX, we have seen most regulators in this region now announcing their plans to clear unused spectrum, or collect the spectrum used by the satellite or broadcasting industries, and re-allocate these spectrums specifically for the use of broadband wireless access (BWA),” Mr. Wang said.

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WiMAX Definition

Springboard defines WiMAX, an acronym for Worldwide Interoperability for Microwave Access, based on the IEEE 802.16 standard, as a wireless digital communications system intended for wireless “metropolitan area networks.”

IEEE 802.16 is split between IEEE 802.16d, or “fixed WiMAX,” which does not allow for handoff between base stations, and IEEE 802.16e, or “mobile WiMAX,” which allows fixed, nomadic, portable and mobile capabilities. WiMAX can provide broadband wireless access (BWA) up to 30 miles (50 km) for fixed stations, and 3 - 10 miles (5 - 15 km) for mobile stations.

About this Report

Springboard Research’s report “*Laying the Foundation: WiMAX in Asia/Pacific 2008*” offers an in-depth market overview and analysis of WiMAX uptake in Asia Pacific. It features commentary on the latest WiMAX licensing updates and regulatory frameworks in 16 major countries in the region, including Australia, India, China, Singapore, Korea and Japan. In addition, the report details information on the leading WiMAX equipment vendors active in the region. It also features Springboard’s *Market Attractiveness Index* to rank different countries on the basis of growth opportunities, and introduces the *Vendor Leadership Index* to rank individual vendors on the basis of their market leadership in the region.

About Springboard Research

Springboard Research is a next-generation IT market research and advisory firm. Springboard leverages its pioneering research model to deliver greater agility and flexibility in IT market research and helps its clients lead rather than follow market trends. Springboard works with the leading IT companies in the world in the software, services, telecommunications and hardware sectors. Founded in 2004, Springboard has a worldwide presence with offices in the United States, Australia, Singapore and Japan, as well as global research centers in India, Pakistan, and Morocco. Springboard has been acknowledged as an emerging leader and was recently named a ‘Rising Star’ in the global IT market research industry by Outsell, the leading research and advisory firm for the information industry. For more information, please visit www.springboardresearch.com

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