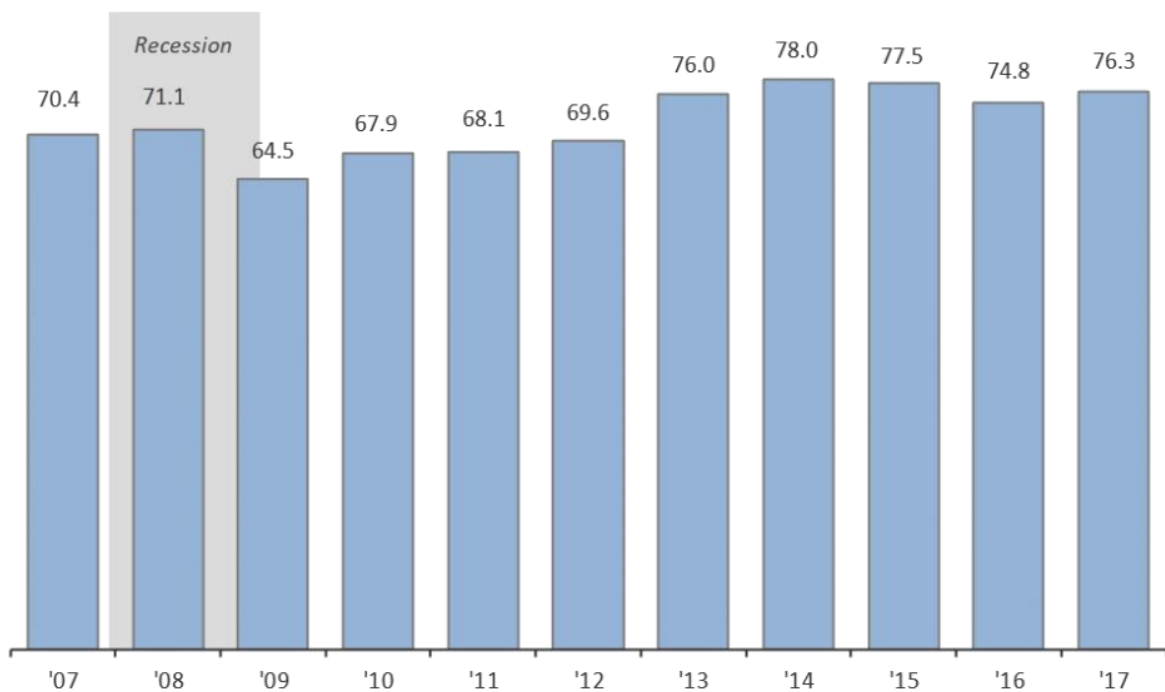


USTELECOM

THE BROADBAND ASSOCIATION

Historical Broadband Provider Capex

U.S. Broadband Provider Capital Expenditures, 2007-2017 (\$ billions)



Source: USTelecom. Figures are rounded.

Broadband Provider Capital Expenditures Methodology

USTelecom collected capital expenditures data for wireline telecommunications, wireless telecommunications, and cable broadband providers in order to approximate an industry aggregate. The data exclude other providers, such as satellite providers, telecommunications resellers, and electric utilities. The data are nominal; USTelecom does not adjust for inflation or quality. Figures are rounded. Previous years may include minor revisions. The majority of telecommunications data come from company financial statements, taking into account business segment reporting,

accounting changes, mergers, and spin-offs. The analysis is subject to the reporting practices of individual companies. Capital expenditures may include investment in property, plant, and equipment, capitalized software, capitalized interest during construction, corporate, directory, and other capital expenditures, and intra-company eliminations. USTelecom made reasonable efforts to eliminate double counting, non-U.S. investment, and non-capital spending. USTelecom made estimates for non-reporting companies. USTelecom also consulted additional market research and government sources for comparison, including the United States Census Annual Capital Expenditures Survey, the Yankee Group Global Capex Forecast 2010, the Skyline Marketing Capex Report 2010, data from the Cellular Telecommunications & Internet Association (CTIA), and New Paradigm Resources Group. Cable data are from the National Cable & Telecommunications Association (NCTA).