The infrastructure that lets the future happen

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Christopher Gannatti, CFA
Global Head of Research

Baoqi Zhu
Associate Director, Quantitative Research & Multi Asset Solutions

Key Takeaways

- As 5G matures and artificial intelligence (AI) reshapes network operations, tower companies like Helios Towers, SBA Communications and American Tower are evolving into high-margin, tech-augmented infrastructure platforms at the heart of global connectivity.
- Beyond urban centres, mobile data growth in rural and emerging markets is fuelling demand for resilient, low-carbon tower infrastructure.

If mobile signals were visible, the sky would shimmer with layers of frequencies rolling over rooftops, crossing oceans and saturating valleys. Those signals rely on something tangible: towers. Hundreds of thousands of sites, anchored in the ground, powering antennas that carry our digital lives. Telecommunications infrastructure isn't only about broadcasting; it's about compounding economics, a bet that more data will flow, more people will connect and more machines will talk, faster and more often. If 5G was the spark, the blaze is only beginning.

Macro layers: what's really happening underneath all the growth

This story is several layers deep. First, the network itself is layered. 5G isn't one thing, it's a set of spectrums with different physics. Low-band provides reach; mid-band balances coverage and capacity; high-band delivers speed over short distances. Carriers build all three in phases. Towers are the coverage backbone, and colocation[1] is the economic lever[2]. The build-out takes years.

Second, artificial intelligence is reshaping operations. Behind the steel and concrete, algorithms at companies like American Tower and Helios Towers optimise energy use, predict maintenance and identify lease-up potential via geographic information system (GIS) overlays and digital twins. Power uptime at 99.99% is not just an engineering feat, it's a software story too[3].

Third, rural demand is underappreciated. In markets such as the US, most people live in suburban or rural areas where macro towers are irreplaceable[4]. Some of the most compelling opportunities are solar-powered towers in markets like Malawi or Oman, not merely edge data centres in New York.

This is no longer a simple '5G rollout'; it's a multi-decade infrastructure transition.

Three companies, three narratives of scale and strategy

Helios Towers: the high-conviction, high-impact play

Helios Towers has learned to thrive at the edge of infrastructure and impact. In 2024, it passed 14,000 sites and reached a tenancy ratio of 2.05x, the heartbeat of profitability. Towers are built once but monetised many times: the anchor tenant covers much of the fixed cost and the second and third tenants turn a fixed-cost asset into a high-margin annuity. Moving from 1.9x to 2.05x is not a rounding error; it represents margin expansion, capital efficiency, and return on invested capital (ROIC) compounding in real-time. With ~6% annual mobile demand growth expected across its regions, the march in tenants-per-tower is embedded in the macro[5].

Helios builds where coverage is scarce and power is unreliable. In places like the Democratic Republic of the Congo, grid electricity is inconsistent, so uptime depends on logistics, redundancy and real-time response. To lower costs and carbon, Helios is investing more than $100 million through 2030[6] in solar, battery hybrids and algorithm-driven monitoring that optimises generator use and flags faults early. Its next-gen tower design has a smaller footprint, uses lighter materials and can be deployed in about two weeks without concrete or heavy machinery. It can host up to three tenants, making remote sites economically viable.

This is frontier infrastructure executed with discipline, reflected in an ROIC of approximately 12.9%, positive free cash flow and customer satisfaction levels in the high 90s[7]. In an age where ESG can be cosmetic, Helios has made it an economic strategy.

SBA Communications: the quiet compounder

SBA Communications operates with surgical precision. Earnings before interest, taxes, depreciation and amortisation (EBITDA) margins sit around 69%, and tower cash-flow margins are more than 80%[8], levels that most capital-intensive sectors never reach and that even some software firms struggle to achieve. The structure explains it: once a tower exists, the incremental cost of a second or third tenant is small. Land is leased, maintenance is scheduled, and power systems are in place. Incremental rent becomes high-margin cash flow. It's why towers are often described as 'real estate meets telecom economics.' Long term, inflation-linked and increasingly tech-augmented.

SBA's playbook is disciplined: build, lease, acquire, only when ROIC-accretive, and return capital. In Q1 2025 it repurchased $123 million[9] of stock, declared a dividend and raised guidance. A US $1.5 billion[10] repurchase plan signals confidence and flexibility. International expansion (including deals linked to Millicom) adds risk but is balanced by tight US operations. If Helios is the bold bet, SBA is the balance-sheet masterclass.

American Tower: building for the next layer of the internet

American Tower is the platform with approximately 149,000 assets across 22 countries[11]. With CoreSite, it sits at the edge-computing nexus, linking macro towers to hyperscale data centres and positioning for

where data ends up, not just how it moves. In 2024, it generated $9.9 billion[12] in property revenue, largely from leasing towers, rooftops and data centres to wireless carriers and tech companies.

More important is what's left over. Adjusted funds from operations (AFFO) per share, a key measure of recurring, spendable cash flow, grew nearly 7%[13] last year. AFFO underwrites shareholder returns, reinvestment and deleveraging. Over the past decade, American Tower has adopted a durable model: build towers, lease space, repeat. It also layered in new opportunities: hyperscale data centres, AI workloads, low-latency networks for virtual and augmented reality and infrastructure for autonomous systems. It is not chasing fads; it is building the framework those trends will require.

If Helios is the growth frontier and SBA is the margin machine, American Tower is the platform.

Where the sky meets the signal

For decades, telecommunications has been told through steel towers, the invisible scaffolding of digital life from a FaceTime call in Austin to a payment confirmation in Accra. Now, satellites are being integrated into the architecture. As data demands soar and connectivity expectations globalise, the industry is shifting to a 'sky-plus-earth' strategy: macro towers and orbital constellations as complementary force multipliers.

This is not theoretical. American Tower and SBA are densifying 5G through physical colocation and spectrum layering while exploring edge computing and hybrid models. Iridium operates a mesh of 66 low-earth orbit (LEO) satellites and serves approximately 2.5 million devices across aviation, maritime, government, and industrial verticals. Its iridium Non-Terrestrial Network Direct initiative aims to bring satellite-based messaging to standard 5G chipsets, making satellite connectivity feel as seamless as cellular[14].

Globalstar is demonstrating a terrestrial-satellite hybrid. Its Band n53 spectrum covers around one billion POPs[15] across 12 countries, alongside a new satellite constellation and the XCOM RAN system, a private 5G network for industrial automation and logistics. The strategy emphasises leasing over building, creating recurring revenue. With about 85%[16] of its capacity reserved for a single global handset partner, satellites are moving from a backup option to an essential part of the connectivity system.

Conclusion: owning the pipes matters more than ever

In the age of apps, AI and streaming, it is easy to forget the physical world beneath it all. Someone must own the land, the steel and the power, and ensure the signal works 24/7, from Paris to Pretoria. Tower companies are moving from lease collectors to infrastructure orchestrators. As data demands multiply, spectrum densifies and AI rewires network management, those who own the most strategically located towers may not just keep up, they may set the pace. And satellites deserve a place in that allocation.

[1]Colocation refers to how one tower can host many different tenants, each paying fees to do so.
[2]'US Technology and 5G update: As of 31/12/2024' [investor presentation], American Tower Corporation, 2025. https://www.americantower.com/investor-relations
[3]Source: 'Annual report and financial statements 2024,' Helios Towers plc, 2025. https://www.heliostowers.com/investors

[4]Source: 'US Technology and 5G update: As of 31/12/2024' [investor presentation], American Tower Corporation, 2025. https://www.americantower.com/investor-relations

[5]Source: 'Annual report and financial statements 2024,' Helios Towers plc, 2025. https://www.heliostowers.com/investors

[6]Source: 'Annual report and financial statements 2024,' Helios Towers plc, 2025. Retrieved from https://www.heliostowers.com/investors

[7]Source: 'Annual report and financial statements 2024,' Helios Towers plc, 2025. Retrieved from https://www.heliostowers.com/investors

[8]Source: 'Q1 2025 supplemental financial data,' SBA Communications Corporation, 28/04/2025. https://www.sbasite.com/investor-relations

[9]Source: 'Q1 2025 earnings release and financial statements' [press release], SBA Communications Corporation, 28/04/2025. https://www.sbasite.com/investor-relations

[10]Source: 'Q1 2025 earnings release and financial statements' [press release], SBA Communications Corporation, 28/04/2025. https://www.sbasite.com/investor-relations

[11]Source: 'Q4 2024 financial and operational update' [investor presentation], American Tower Corporation, 02/2025. https://www.americantower.com/investor-relations

[12]Source: 'Q4 2024 financial and operational update' [investor presentation], American Tower Corporation, 02/2025. https://www.americantower.com/investor-relations

[13]Source: 'Q4 2024 financial and operational update' [investor presentation], American Tower Corporation, 02/2025. https://www.americantower.com/investor-relations

[14]Source: '2024 annual report,' Iridium Communications Inc., 2025. https://www.iridium.com

[15]Stands for 'points-of-presence'; when a company says they cover 1 billion POPs, it means their network (terrestrial, satellite or hybrid) has the technical capability to reach 1 billion people within their licensed or operational coverage area.

[16]Source: 'Investor day presentation' [Presentation slides], Globalstar, Inc., 12/12/2024.

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