The Infrastructure That Lets the Future Happen

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Key Takeaways

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

If we lived in a world where mobile signals were visible, the sky would shimmer like a storm—layers of frequencies rolling over rooftops, crossing oceans and saturating valleys. These signals, ephemeral as they are, depend on something very tangible: towers. Hundreds of thousands of them, anchored in real soil, consuming real power and playing host to antennas that carry our entire digital lives.

Telecommunications infrastructure isn't just about broadcasting—it's about economic compounding. It's about betting on the inevitability that more data will flow, more people will connect, and more machines will talk to each other, faster and more frequently. The companies building and managing these towers are, in effect, custodians of that inevitability.

And if 5G was the spark, the blaze is just getting started.

Macro Layers: What's Really Happening Underneath All the Growth

The story of mobile infrastructure today is not a single headline. It's several layers deep.

First, there's the layering of the network itself. 5G isn't one thing—it's a set of spectrums, each with its own physics. Low-band 5G gives you reach; mid-band gives you balance; high-band gives you raw speed but almost no distance. Carriers don't build one layer—they build all three, in phases, with towers playing the starring role for coverage, and colocation1 playing the economic lever.2 This buildout takes years.

Second, artificial intelligence (AI) is already shifting the game. From the outside, a tower looks like steel and concrete. But inside companies like American Tower and Helios, algorithms are optimizing energy use, predicting maintenance and, increasingly, identifying lease-up potential via GIS overlays and digital twins. Power uptime at 99.99% isn't just an engineering feat—it's a software story, too.3

Third, there's the counterintuitive truth of rural demand. We often associate telecom innovation with dense cities, but more than 80% of people in markets like the U.S. live in suburban or rural areas.4 Macro towers are irreplaceable here. That's why the most underappreciated opportunity may not be edge data centers in New York—but solar-powered towers in Malawi or Oman.

In short, this isn't a "5G rollout" story anymore. It's a full-blown, multi-decade infrastructure transition.

Three Companies, Three Narratives of Scale and Strategy

Helios Towers: The High-Conviction, High-Impact Play

If there's a company that's learned to thrive at the edge of infrastructure and impact, it's Helios Towers. In 2024, Helios Towers passed the 14,000-site milestone and reached a tenancy ratio of 2.05x. That number may not sound thrilling at first glance—but in this business, it's the heartbeat of profitability.

Here's why: telecom towers are built once but monetized many times. The first mobile network operator (MNO) that leases space on a tower essentially pays for the privilege of being the anchor tenant. But the second and third tenants? That's where the magic happens. The steel doesn't change. The land lease doesn't change. The maintenance crew doesn't get more expensive. Yet every new antenna added to the structure turns a fixed-cost asset into a high-margin annuity.

That's what the tenancy ratio captures: how many customers are stacked vertically on the same asset. When Helios moves from a 1.9x ratio to 2.05x, it's not just a decimal shift—it's margin expansion, capital efficiency and return on invested capital (ROIC) compounding in real time. It's the quiet math of infrastructure investing: small changes at the tower level ripple into massive changes in the profit & loss (P&L).

And with 6% annual growth in mobile demand expected across their regions, that upward march in tenants-per-tower isn't just probable: it's built into the macro.5

But Helios isn't just filling towers; they're building in places where no coverage existed before.

Take the Democratic Republic of Congo—DRC for short—a country roughly the size of Western Europe, rich in natural resources but still working to build out the infrastructure that most people in developed markets take for granted. In many parts of the DRC, there's no reliable grid electricity. Power outages are not occasional—they're expected. So, for telecom operators, uptime doesn't just require engineering; it demands fuel logistics, redundancy planning and real-time responsiveness.

That's why most mobile towers in the region rely on diesel generators running day and night to ensure people can make calls, access mobile money or get emergency information. It's effective, but it's also expensive—and carbon-intensive.

Most companies would see that complexity and run. Helios Towers didn't. Instead, they're investing more—committing more than $100 million through 2030 into lower-carbon power systems, including solar, battery hybrids and algorithm-driven remote monitoring that optimizes generator usage and flags faults before they happen.6

And they're innovating on the physical side, too. Their next-gen tower design—smaller footprint, lighter materials—can be deployed in as little as two weeks, without concrete or heavy machinery. It's not just faster; it's more sustainable and better suited for the rural terrain. Each one can host up to three tenants, which means even remote communities can be economically viable for network expansion.

In a market often defined by risk, Helios is building for resilience. They're not just extending connectivity—they're rewriting the cost curve for how it can be done.

This is frontier infrastructure with a spreadsheet's discipline: return on invested capital (ROIC) of 12.9%, positive free cash flow and customer satisfaction in the high 90s.7

In an age where ESG (environmental, social, governance) is often cosmetic, Helios has made it their economic strategy.

SBA Communications: The Quiet Compounder

SBA Communications operates quietly but with almost surgical precision. At first glance, their numbers look like something from a tech platform: earnings before interest, taxes, depreciation and amortization (EBITDA) margins around 69% and tower cash flow margins consistently north of 80%.8 But here's the thing—SBA isn't selling cloud subscriptions or software licenses. They build steel structures, lease space on them to telecom providers and then collect rent.

To appreciate how rare that is, consider this: most capital-intensive businesses—think airlines, auto manufacturers, utilities—struggle to maintain EBITDA margins above 20%–30%. Even many software companies, which sell digital products with near-zero marginal costs, live below the 40% line.

So, when SBA turns nearly 70 cents of every revenue dollar into EBITDA, it's not just impressive—it's a masterclass in operational leverage. The secret is structural. A tower costs millions to build, but once it's up, the incremental cost of adding a second or third tenant is minimal. The land is already leased. The maintenance is already scheduled. The power systems are already humming. Every new tenant becomes almost pure margin.

This is why the tower business has often been called "real estate meets telecom economics." It's long-term, inflation-protected and increasingly tech-augmented. And SBA has taken that model and executed it with an efficiency that most real estate portfolios—and most tech firms—can only envy.

Their approach is textbook efficient: build, lease, acquire—but only when it's ROIC-accretive. And then return capital. In Q1 2025, they repurchased $123 million of stock, declared a dividend and increased guidance across key financials.9

What makes SBA fascinating isn't just their margin—it's the optionality. With a $1.5 billion repurchase plan,-10 they're signaling confidence in their cash flows, but also flexibility. International growth via acquisitions like Millicom adds risk, but they offset that with laser-tight U.S. operations.

If Helios is the bold bet, SBA is the beautiful balance sheet.

American Tower: Building for the Next Layer of the Internet

Then there's American Tower—the giant with ~149,000 assets spanning 22 countries.11 They are no longer just a tower company. With the CoreSite acquisition, they're part of the edge computing revolution, linking macro towers to hyperscale data centers and positioning themselves for where the data ends up, not just how it moves.

In 2024, American Tower generated $9.9 billion in property revenue—almost all of it from leasing space on towers, rooftops and data centers to wireless carriers and tech companies.12 But the real story isn't just the top line. It's what's left over.

Their adjusted funds from operations (AFFO) per share—a key measure of recurring, spendable cash flow—grew nearly 7% last year.13 For those unfamiliar, AFFO is to a tower company what free cash flow is to a tech firm or dividends are to a utility: it's what you can count on quarter after quarter. It's how infrastructure businesses measure their ability to pay shareholders, reinvest in growth or reduce debt.

That kind of growth—steady, inflation-resistant and largely contractual—is rare in a world increasingly defined by volatility. But for American Tower, it's been the norm. Over the last decade, they've taken a simple, durable model—build towers, lease space to carriers, repeat—and layered it with new opportunities: hyperscale data centers, AI workloads, low-latency networks for virtual and augmented reality and the coming infrastructure of autonomous vehicles.

This isn't a company chasing fads. It's a company building the physical framework that those fads—if they become real—will rely on.

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

Where the Sky Meets the Signal

For decades, the story of telecommunications has been told through steel towers—rising from hillsides, parking garages and desert outposts. These towers form the invisible scaffolding of our modern digital lives, carrying everything from a FaceTime call in Austin to a payment confirmation in Accra. But now, a new layer is joining the architecture: satellites. As data demands soar and connectivity expectations go global, the industry is rapidly shifting toward a "sky-plus-earth" strategy—one where macro towers and orbital constellations operate not as rivals but as complementary force multipliers.

This is not theoretical. American Tower and SBA continue to invest in densifying 5G networks through physical colocation and spectrum layering while simultaneously expressing interest in edge computing and hybrid models. Meanwhile, companies like **Iridium** and **Globalstar** are expanding into **direct-to-device** services—offering connectivity without needing a terrestrial network at all. Iridium, for example, now serves

2.46 million devices across aviation, maritime, government and industrial verticals, powered by a mesh of 66 low-Earth orbit (LEO) satellites designed for low latency and global reach. Their new **Iridium NTN Direct** initiative aims to bring satellite-based messaging to standard **5G chipsets**, making satellite connectivity feel as seamless as cell service.14

In parallel, **Globalstar** is demonstrating what a terrestrial-satellite hybrid business model could look like. Their **Band n53 spectrum**, covering nearly **1 billion POPs**15 across 12 countries, is being deployed alongside a new satellite constellation and the **XCOM RAN** system—a purpose-built private 5G network designed for critical applications like industrial automation and logistics hubs. Unlike many traditional spectrum holders, Globalstar's strategy is to lease rather than build, creating a recurring revenue model that aligns with infrastructure investing. And with 85% of their network capacity reserved for a single global handset partner, they're already proving that satellites can be more than just backups—they can be core.16

Viasat, on the other hand, is leaning heavily into defense, aerospace and sovereign communications infrastructure. With $1.8 billion in fiscal year 2024 revenue from their government segment alone, they are building out **multi-orbit**, **multi-domain** architectures that enable edge-based ISR, satellite-to-satellite links and resilient communications in adversarial environments.17 The strategic logic is simple: when connectivity becomes a matter of national security, you don't just want redundancy—you want interoperability, autonomy and mission assurance. Towers might bring the signal to your phone. Satellites make sure it stays on in a war zone.

Conclusion: Owning the Pipes Matters More Than Ever

In the age of apps, AI and streaming, it's easy to forget the physical world beneath it all. But someone has to own the land, the steel and the power. Someone has to ensure the signal works 24/7, whether it's in Paris or Pretoria.

Tower companies are no longer just lease collectors—they're becoming infrastructure orchestrators. And as data demands triple, spectrum densifies and AI rewires how networks are managed, the ones who own the most strategically located towers may not just keep up—they may set the pace.

And don't forget the satellite companies!

Because while the future might travel wirelessly, it still needs a place to land. For investors looking at different megatrends that depend more and more on the fast, secure transmission of data, the WisdomTree New Economy Real Estate Fund (WTRE) represents a diversified approach with companies focused on towers and satellites representing a 25%–30% weight.18

1 Colocation refers to how one tower can host many different tenants, each paying fees to do so

2 "U.S. Technology and 5G update: As of December 31, 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: "U.S. Technology and 5G update: As of December 31, 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, 4/28/25. https://www.sbasite.com/investor-relations

9 Source: "Q1 2025 earnings release and financial statements" [press release], SBA Communications Corporation, 4/28/25. https://www.sbasite.com/investor-relations

10 Source: "Q1 2025 earnings release and financial statements" [press release], SBA Communications Corporation, 4/28/25. https://www.sbasite.com/investor-relations

11 Source: "Q4 2024 financial and operational update" [investor presentation], American Tower Corporation, 2/25. https://www.americantower.com/investor-relations

12 Source: "Q4 2024 financial and operational update" [investor presentation], American Tower Corporation, 2/25. https://www.americantower.com/investor-relations

13 Source: "Q4 2024 financial and operational update" [investor presentation], American Tower Corporation, 2/25. 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., 12/12/24.

17 Source: "Defense and advanced technologies teach-in" [investor presentation], Viasat Inc., 10/17/24. https://www.viasat.com/investors

18 Source: WisdomTree, with data as of 4/28/25. **Subject to change.**

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Top 10 Holdings WTRE

Source: WisdomTree.

For current holdings of WTRE, please click here. Holdings are subject to risk and change.

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