Anterix First Quarter Fiscal 2027 Earnings Conference Call
August 12, 2026

Corporate Speakers:

- Natasha Vecchiarelli, Vice President, Investor Relations and Corporate Communications, Anterix
- Scott Lang, President and Chief Executive Officer, Anterix
- Christopher Guttman-McCabe, Chief Regulatory and Communications Officer, Anterix
- Elena Marquez, Chief Financial Officer, Anterix

Participants:

- Sebastiano Petti, Analyst, JP Morgan
- Mike Crawford, Analyst, B. Riley Securities
- Greg Pendy, Analyst, Clear Street
- Unidentified Participant, Analyst, Craig-Hallum Capital Group

PRESENTATION

Operator: Welcome to Anterix's First Quarter Fiscal 2027 Earnings Conference Call. (Operator Instructions)

Please be advised that today's conference is being recorded.

I would now like to turn the conference over to your speaker for today, Natasha Vecchiarelli. Please go ahead.

Natasha Vecchiarelli: Good morning, everyone. Thank you for joining us today for Anterix's first quarter fiscal year 2027 investor update call.

I'm Natasha Vecchiarelli, Vice President of Investor Relations and Corporate Communications.

Joining me today are Scott Lang, President and CEO; Chris Guttman-McCabe, Chief Regulatory and Communications Officer; and Elena Marquez, CFO.

Please note that our first quarter financial results were issued yesterday afternoon, and the related materials are available on our Investor Relations website.

Today's call will begin with prepared remarks from management, followed by a question-and-answer session. We may also discuss our business outlook and make forward-looking statements. These statements are based on our current expectations and predictions. Actual events or results could differ materially due to risks and uncertainties described in our SEC filings including our most recent Form 10-K and Form 10-Q.

With that, I'll turn the call over to Scott.

Scott Lang: Thank you, Natasha, and good morning, everyone.

When we last spoke in June, we shared the progress we were seeing across the business including increasing customer engagement, active commercial discussions, and a broader recognition of the strategic importance of licensed spectrum.

Over the last two months, that activity has continued, and in many cases, has accelerated.

First, as I am sure many of you have seen, just yesterday SpaceX filed an ex-parte letter with the FCC across three separate dockets, including ours, advocating for inclusion of a new satellite build-out deployment option.

Of note, two of the three bands referenced by SpaceX are still in the process of seeking a rulemaking where ours, as you know, has been finalized.

In response, yesterday Anterix filed a letter in support of SpaceX's proposal, stating our belief that their request will enhance the optionality and the expanded use of our spectrum in the market. This filing validates what we have been saying all along. Access to low-band spectrum is extremely limited, and the demand for our nationwide 10 MHz footprint is increasing across all sectors.

This is further reflected in close to a dozen spectrum-related initiatives involving wireless carriers, satellite, and space-based connectivity providers, along with the successful conclusion of the AWS-3 auction. That plays directly into the position we have built at Anterix.

Our 900 MHz spectrum gives us multiple ways to create value through utility transactions, product revenue around the networks we enable, strategic opportunities, and new applications as the market evolves. The key point is this.

We are not managing to one outcome. We have optionality. With a nationwide licensed low-band spectrum portfolio and increasing market recognition of what we own, that optionality puts us in a very strong position, and we continue to be disciplined on how we maximize this asset.

We are pursuing the opportunities where value is most compelling and where we can create the best long-term outcome for customers and shareholders. The opportunity is significant, and the market is moving in our direction.

Turning to our utility pipeline, the last two months have been equally active, and we were pleased with the amount of interest and engagement with nearly a dozen active opportunities.

Before I turn the call over to Chris, I want to recognize the remarkable team at Anterix. The progress we are seeing today is a reflection of their hard work, commitment, and execution. I am incredibly proud of what they continue to accomplish.

With that, I will turn the call over to Chris.

Chris Guttman-McCabe: Thanks, Scott, and good morning, everyone.

As Scott highlighted, we have optionality which extends not only to how we monetize our spectrum, but also to how we advance it. Whether market-specific, regional, or national in scope, we can approach our clearing objectives in a way that aligns with customer demands planned and the opportunities in front of us.

With the FCC's expansion to the full 10 MHz broadband configuration, our focus remains on advancing our nationwide footprint, building on the 40% of counties already cleared in the 10 MHz configuration.

We also have the capability to move at the pace the opportunity requires. We believe our teams can effectuate nationwide clearing of the full 10 MHz configuration in a way that fully aligns with customer deployment requirements and the opportunities we see in the market.

We have consistently executed against our clearing commitments, meeting requested delivery schedules, and delivering broadband availability ahead of contracted timelines for the majority of our customers. That track record demonstrates the scalability of our approach and our ability to translate spectrum availability into customer and shareholder value. The progress we are making and the growing interest we see reflect the capabilities we have built, the strength of our relationships, and the significant opportunity that remains ahead.

With that, I'll turn the call over to Elena.

Elena Marquez: Thank you, Chris.

Anterix is entering this next phase from a position of financial strength. Our income statement has significantly improved over the last several quarters with higher revenue and lower expenses.

For the first quarter fiscal year 2027, our GAAP revenue is $2 million, and our operating expenses are $9.5 million, a level we have maintained with our disciplined cost structure. In addition, broadband license exchanges generated a gain of approximately $11 million during the quarter, further demonstrating our ability to actively manage and maximize the value of this unique asset.

Returning to the balance sheet, we ended the quarter with approximately $116 million in cash and no debt. During the quarter, we received approximately $16 million in customer payments and $20 million from stock option exercises. We expect to receive approximately $10 million of additional contracted proceeds during the remainder of fiscal 2027. We also continue to invest in clearing with approximately $7 million allocated to spectrum clearing during the quarter.

Our balance sheet is one of our greatest strengths. Our scarce, low-band spectrum asset combined with our robust cash balance positions us to pursue attractive monetization opportunities as the market continues to evolve. We remain disciplined in managing expenses and thoughtful in how we allocate capital towards activities that increase the value and commercial availability of our spectrum.

Importantly, as Scott discussed, the market environment surrounding spectrum transactions continues to provide greater transparency into the value of licensed spectrum ownership. We're seeing that through both our own commercial execution and broader market activity.

Our executed utility spectrum transactions have averaged approximately $1.40 per MHz POP, while the FCC's most recent AWS-3 auction averaged approximately $2.50 per MHz POP. We believe there is a strong upside opportunity both for existing and prospective investors when compared to our current market capitalization which implies a spectrum valuation of approximately $0.60 per MHz POP.

We're also seeing continuous strategic demand for spectrum across the communications ecosystem, with activity involving companies like Amazon and Globalstar, and EchoStar, and Rocket Lab, and Iridium. While these transactions reflect different spectrum characteristics and strategic objectives, together they provide additional market reference points for the value of licensed spectrum.

In our view, the market has more evidence than ever to value our asset, and Anterix has increasing ways to realize that value. That is an important distinction. We control a scarce, licensed, low-band spectrum at a time when demand for spectrum is increasing and supply remains constrained.

With no debt, a strong cash position, and a disciplined cost structure, we have the flexibility to be thoughtful about timing and remain firm on pricing as we monetize this asset. That matters because the majority of the value remains ahead of us. Across our nationwide footprint, approximately three billion MHz POPs, representing about 85% of our total MHz POPs, remain available to monetize including many of the largest and most valuable metropolitan markets.

In closing, we have the balance sheet to be patient, the discipline to invest where it matters, and significant value still ahead of us to capture.

With that, I will turn the call back over to Scott.

Scott Lang: Thanks, Elena. Before we open the call for questions, I want to leave you with one final thought.

We believe Anterix is uniquely positioned at the intersection of two powerful forces: heightened demand for secure connectivity and a finite supply of high-quality licensed spectrum.

We are excited about where we are and what lies ahead.

QUESTIONS AND ANSWERS

Operator: (Operator Instructions) First question will be coming from the line of Sebastiano Petti of JP Morgan. Please go ahead.

Sebastiano Petti: I guess given just the amount of demand in the market that you each touched on as well as the active customer engagements, is the strategic review still actively passive or has the volume or the level of conversations internally within the company increased given some of the market forces and activity out there as well?

Then, if you could also update us on where you are—I think you touched on there's engagement with, I think Scott said a dozen active opportunities out there.

Just where are you with utilities, other utilities outside of your traditional IOUs, and maybe helping us think about maybe gating factors there for additional opportunities, additional, perhaps, announcements outside your traditional cohort and maybe some of these other utility infrastructure opportunities.

Scott Lang: Good morning, Sebastiano.

On the first one, the strategic review, as you can imagine, the increasing demand and the preciousness of licensed spectrum, I would say has increased the amount of interest with our spectrum, both from the utility side, which leads into your second question, and the first question of the strategic review, that those conversations on both of those angles are increasing in the last two months since we spoke with you.

And regarding the deals, as I did mention on the prepared remarks, there's about a dozen deals. They're very active. There continues to be new deals that are coming to the table each month. The ones that were starting two months ago when we spoke with you have continued to accelerate in their conversations.

I'll leave you this last thought to give you a little bit more color on the 12. There are a very nice set of seven-digit, eight-digit, and nine-digit deals, and very well represented in each one of those categories.

Operator: Next question is coming from the line of Mike Crawford of B. Riley Securities. Please go ahead.

Mike Crawford: Given that SpaceX now can be seen as a credible buyer to take everything and having over $100 billion of cash and securities on its balance sheet, have you come back to your critical infrastructure targets and said, look, this is now or never? Because I'm sure your asset would be more valuable to someone like a SpaceX to the extent that it covered more of the country and with less of a patch quilt pattern.

Scott Lang: Mike, it's Scott.

We clearly are talking about that. We'll be prepared for that. That's a rich problem to have when the time comes, and we will be ready to have it.

I will leave you with this. I wake up every morning of how to maximize the shareholder value and this incredible asset that we're sitting on. I know I have the Board's full support, and this team's full support, that we will not compromise this asset and the value of this asset for a subpar deal.

Mike Crawford: Okay. Thank you. Just on the status of, quote, this asset, so you got 40% of counties now cleared for a 5x5 LTE. Can you give any estimate of cost to clear everything? Including what percent of that might be additional slices of spectrum you would need to acquire at the 600 MHz auction closing place for the Report and Order earlier this year?

Scott Lang: Elena, do you want to take that?

Elena Marquez: Yes, Mike, I will start that and then pass it over to Chris for some additional remarks. As we've commented in the past, we speak to different audiences in these calls, and we need to continue to maintain our negotiation leverage as we negotiate with our incumbents and keep our costs down and returns up. Those different audiences, of course, yourself, the analysts, our investors, incumbents, and customers.

In addition, given that there's now optionality to how we may monetize this spectrum, if we continue to monetize geography by geography, the cost may be lower as they will be over several years.

If there's a nationwide buyer, of course, that is looking to clear the spectrum faster, then that cost estimate may be higher, given that there may be a higher level of incentives to be provided and so on and so forth, and just the process will need to be accelerated.

But regardless of the cost estimates, even with the most conservative, highest estimates, we believe that there's significant upside in the gross value of our asset as compared to the current market cap.

I wanted to also, in addition, comment on the gross value of the asset. I mentioned in my prepared remarks that the current two most relevant benchmarks to us are our own, which is the average of all the deals that we've closed, which is the 12 deals over the last several years. That's about $1.40 per MHz POP. The gross value of the asset of the remaining 3 billion POPs, if we use that benchmark, would put us at well over $4 billion.

If we use the most current, most latest auction by the FCC which averaged about $2.50, the gross value of our asset will be about $7.5 billion. Again, we believe there's significant upside as compared to our current market cap.

Chris, did you have any additional comments on clearing?

Chris Guttman-McCabe: Yes. Thanks, Elena. Mike, to your question specifically about 600, first, I just want to make sure we level set with everyone on the call. Every one of our deals to date has been a significant premium to 600.

So even if we were starting with the basis of having to secure spectrum from the commission's inventory at that price point, the delta between what we've sold at to date and that is significant.

Then, more specifically, the reality is the amount of spectrum we take from the Commission's inventory—it's a sliding scale. Obviously, it differs from county to county. The fact of the matter is every time we clear an incumbent, we onboard their channels, which means we pay less to the FCC from a spectrum in their inventory, 600 MHz price.

So, we've been careful not to give a macro or micro level. But what we've said is, as Scott said, we're going to be a shepherd of this asset and we're going to monetize it to our shareholders' benefit.

We're very good at this clearing. We can and will be able to monetize 100% of the country. I know you and I and the team and our team had that conversation after the last call. We are confident that 100% of the country is monetizable. We're confident that we can do it in a way that is extremely valuable to our shareholders and to the ultimate buyer.

Scott Lang: I have to pile on. And early in my days as the CEO of this company, I called out that one of the superpowers that was immediately obvious in this company was its ability to understand spectrum, ability to clear spectrum, and put that to use in the market.

That continues to show up as a superpower that's only gained strength, and the amount of work that Chris and his team are doing with the strategic nature of our nationwide footprint and clearing to ensure all 10 MHz POPs are monetized has been really a pleasure to watch and to see their performance.

Mike Crawford: Great. I have one final question.

Hopefully, given the clearing activity that you've already been incurring for the first half of this quarter, is there any color you can give on potential GAAP broadband license gain estimate for this quarter or the remainder of this fiscal year, following the just over $10 million gain recorded in the first quarter?

Elena Marquez: Yes, Mike, as you know, we don't guide. But I will say we do expect, I'll call them, at least single-digit million gains in the following quarter.

Operator: Our next question is coming from the line of Greg Pendy of Clear Street. Please go ahead.

Greg Pendy: Can you share any—it looks like your D2D experimental licenses run through—I guess they started on May 31st.

Can you share anything you've learned so far and what decision points we should be looking for going forward on those trials?

Scott Lang: Yes, Greg. We talk about this regularly. Both Lynk and ourselves, we're very pleased with the results. So, we call it a success. It has a green checkmark to it, and we are very pleased. The D2D satellite is something we've been anticipating for a long time. Obviously that is really playing out nicely for us, to have that preparation regarding the activity we see in the market. But Chris, do you want to double click on that?

Chris Guttman-McCabe: All that, Scott, is spot on. Greg, we're excited to have the coverage.

Yes. I mean, Lynk has been a great partner. It has introduced us, as Scott referenced, to the D2D world. The first round of tests were incredibly successful. We're in conversations with them about how to evolve.

I will say, we loved—and you saw a press release from us yesterday and a filing at the FCC—we loved what SpaceX introduced publicly, as Scott referenced. It's what we've been talking about internally, which is right now we have two different ways, our licensees have two different ways to satisfy build-out.

We would love to have a third way to add satellite coverage to that. And so what we're seeing is, across the board, you're hearing this word, optionality.

So, we see optionality in how to monetize, we see optionality in how to clear, and we love the idea of optionality of how to satisfy build-out. David Goldman and the team at SpaceX are very good at what they do, and we love the idea that they've put into the public discourse, the idea of using satellite coverage to satisfy build-out.

Greg Pendy: That's very helpful. Can you just let us know with your active conversations on the utilities, whether it's justified or not, as you sell them on a private and secure connection, is there any concerns that they might have about adding a satellite layer that conflicts with the exclusivity that utility customers think they're paying for, or believe in?

Scott Lang: We have not. I have not. I think if there was any concerns on this, we would hear about it. I have not heard any concerns on that. In fact, I think, initially, if anything, they see the optionality as very strong for their cases of the conversations that we've had, Greg.

Greg Pendy: Okay. Very helpful. Then just one final one. Given the strong cash position that you ended at, it looks like there's $226 million left on the buyback authorization. How should we be thinking about that given that it expires in September, I guess late September?

Elena Marquez: Yes, Greg. No, we—just as much as we talk about optionality and maximizing the value of the spectrum, we think about capital allocations almost daily, and we always think of where we should put every dollar to ensure that we maximize the shareholder return while we also balance, of course, the financial health of the company.

Having a strong balance sheet currently allows us to make investments and to ensure that we are unlocking the value of the monetizable spectrum and also allows us to be patient and to ensure that we utilize the best opportunities to monetize it.

Share buybacks will continue being in our toolkit. I expect that—I wouldn't be surprised if we renew the program in September, and when the time is right, that is always something that we can utilize.

Operator: Our next question is coming from the line of George Sutton of Craig-Hallum Capital Group. Please go ahead.

Unidentified Participant: This is Logan on for George.

First one for me, I wondered if you could just give us an update on TowerX and CatalyX.

I'm curious as we think about those dozen opportunities that you talked about, maybe just give us a sense what portion of those include conversations about those offerings. And maybe just help us understand how close you feel like you're getting to having tangible deals there.

Scott Lang: Logan, good to hear from you and pass our hello to George. The role that those launches have given us have played out exactly as we were hoping, to eliminate friction.

To beyond spectrum, we work with utilities to help understand the broader roadmap of actually getting it deployed and having their business executives get use of it.

So how commercially that plays out regarding specific products or the premium that we're seeing and the friction that we're reducing in the market is still early days, but it is making a big impact on the acceleration of the deals, the value that we're getting based on the deals, and the interest in new conversations that is opening up for us to have broader conversation within the utilities, and other sectors for that matter.

But commercially, how that plays out is still early days, and we're shaping that, but it is certainly playing a nice impact positively for us.

Unidentified Participant: Got it. Then just one other for me. I mean you mentioned the AWS-3 results. I'm curious as we look at the pricing in certain areas where you guys might also be in negotiations for spectrum deals, do those results have any impact on negotiations or pricing talks on your end?

Elena Marquez: Yes. Logan, this is Elena. Absolutely. Any public data and benchmarks certainly educate our pricing conversations with our customers given that they're public benchmarks. So absolutely, it's been having a great positive effect on our pricing strategy and conversations.

Operator: There are no more questions in the queue, and I would like to now turn the call back over to Scott Lang, CEO, for closing remarks. Please go ahead.

Scott Lang: I want to just start with, once again, recognizing this team here at Anterix and the hard work and dedication that I see every single day, literally seven days a week, almost 24 hours a day. I want to thank all of our investors. I want to thank all of the analysts for dialing in today and the thoughtful questions.

It's a real honor to be the CEO of this company and understanding what we do every day and the value and the great company that we are creating. So, I want to thank all of you for joining, and we will look forward to following up and staying in touch. Have a great day.

Operator: This concludes today's conference. Thank you for participating. You may now disconnect.