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**UTStarcom Holdings Corp
Conference Call Presentation**

NASDAQ: UTSI

Jan 12, 2015



Disclosure & Forward Looking Statements

This investor presentation contains forward-looking statements, including statements regarding the Company's expectation regarding its strategic initiatives and business outlook. Forward-looking statements are based on current expectations, estimates, forecasts and projections about the Company, the Company's future performance and the industries in which the Company operates as well as on the Company management's assumptions and beliefs.

These forward-looking statements are only predictions and are subject to risks and uncertainties that may cause actual results to differ materially and adversely from the Company's current expectations. These include risks and uncertainties related to, among other things, changes in the financial condition and cash position of the Company, changes in the composition of the Company's management and their effect on the Company, the Company's ability to realize anticipated results of operational improvements and benefits of the divestiture transaction, successfully operate and grow its services business, execute its business plan and manage regulatory matters, as well as the risk factors identified in the Company's latest Annual Report on Form 20-F, and Current Reports on Form 6-K, as filed with the Securities and Exchange Commission. We undertake no obligation to update these forward-looking statements to reflect events or circumstances occurring after the date of this investor presentation. The Company is in a period of significant transition and the conduct of its business is exposed to additional risks as a result.



Conference Call Agenda

-  Updates on Shareholder Matters
-  Continuation of Existing Strategies
-  Our Future Strategies
-  Data Center Market Overview
-  Smart City Market Overview
-  Conclusion



Updates on Shareholder Matters

- ❖ On August 7th, two shareholders filed a 13D form, reporting a binding term sheet with 11.7 million shares planned to be sold between investors.
- ❖ On November 4th, a share purchase agreement was signed between two current shareholders and a new strategic investor.
- ❖ On December 4th, 5.0 million shares exchanged hands between investors.
- ❖ The company believes that the new investor expects to acquire additional 6.7 million shares in 1H16.
- ❖ Mr. Gu joined the Board representing the new strategic investor.



Continuation of Existing Strategies

- ❖ Focus on high margin revenue in our broadband business, which remains a key business driver globally.
- ❖ Endeavor to achieve a healthy geographic diversification.
- ❖ Further streamline business and improve operational efficiency.
- ❖ Review investment portfolio for monetization opportunities

Our Future Strategies

- PTN and Japan market remain our core business
- VGL enterprise customers in N. American
- Data Center Opportunities
- Smart City Opportunities

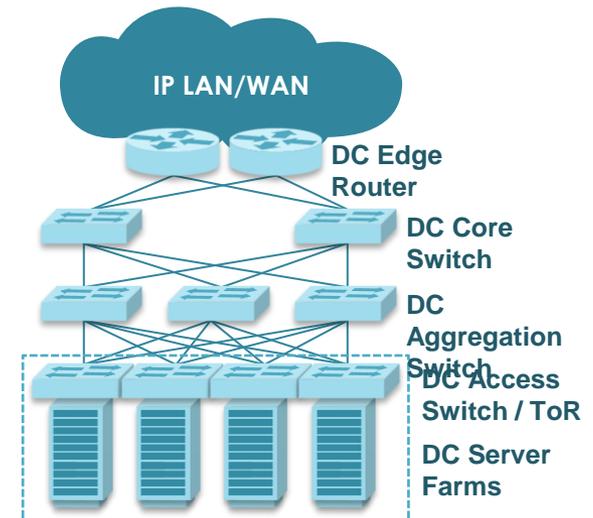


SMARTCITY

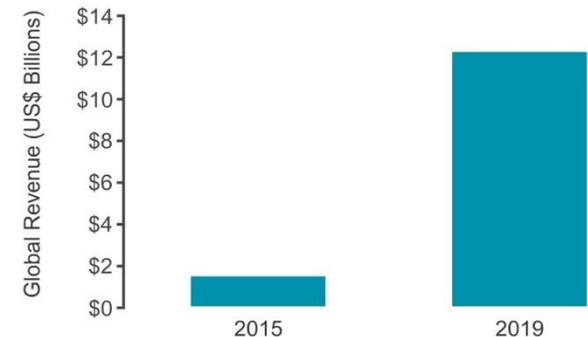


• Data Centers

- Large clusters of servers and storage interconnected by network switches/routers
- There is a shift from in-house facilities to collocation and outsourced, from physical servers to virtualized and software-defined architectures and cloud-enabled services
- The Layer 2-3 Ethernet switch market is expected to exceed \$25 billion in 2019. Data center switching will drive most of the growth in the market. Data center switching growth will be driven exclusively by the cloud**
- Data Center Ethernet Switch market growth at 16.27% CAGR (2013 to 2018)***
- Global Data Center Market Compound Annual Growth **is estimated to be greater than >10%** - Data Center Market in China has a **CAGR of 18.18% (2013-2018)**



SDN 'in-use' controllers and switches in the data center and enterprise LAN set to top \$12 billion by 2019



© IHS, IHS Infonetics Data Center and Enterprise SDN Hardware and Software: Biannual Market Share, Size and Forecasts; 2nd Edition, 2015

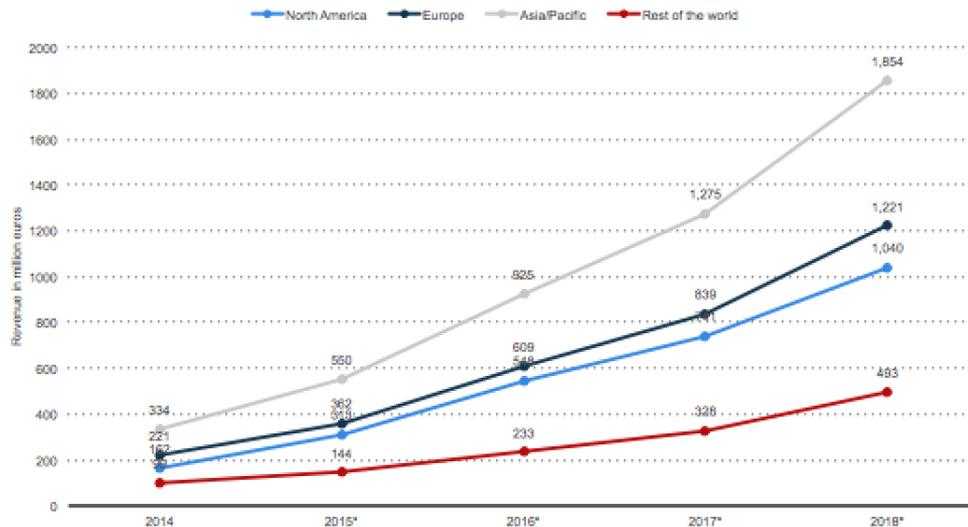


Data Center Market Opportunities

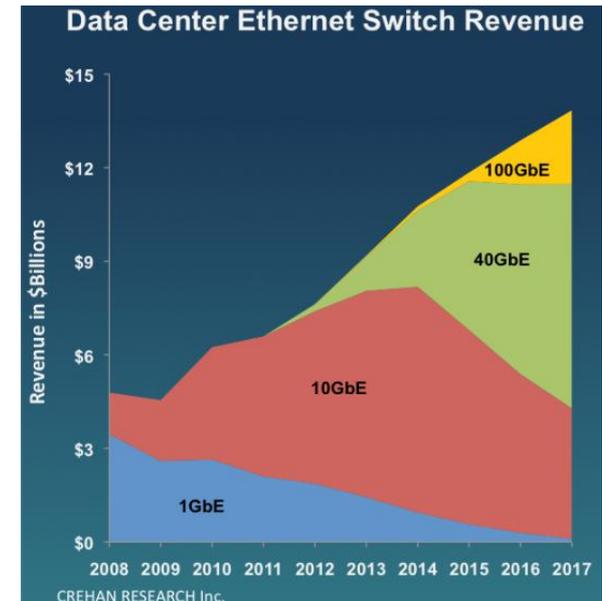
Impact as related to UT business

- Potential need for large volumes of DC Switches
- UT's SDN/NFV can bring many benefits:
 - Integration of DC and Telecom infrastructure for efficient end-to-end service orchestration
 - Integration with DC for efficient implementation of network functions: Firewall, DPI, VPN, Routing, Load balancing etc.

Asia/Pacific is expected to have the largest NFV and SDN market growth between



DigiWorld Yearbook 2015, page 98

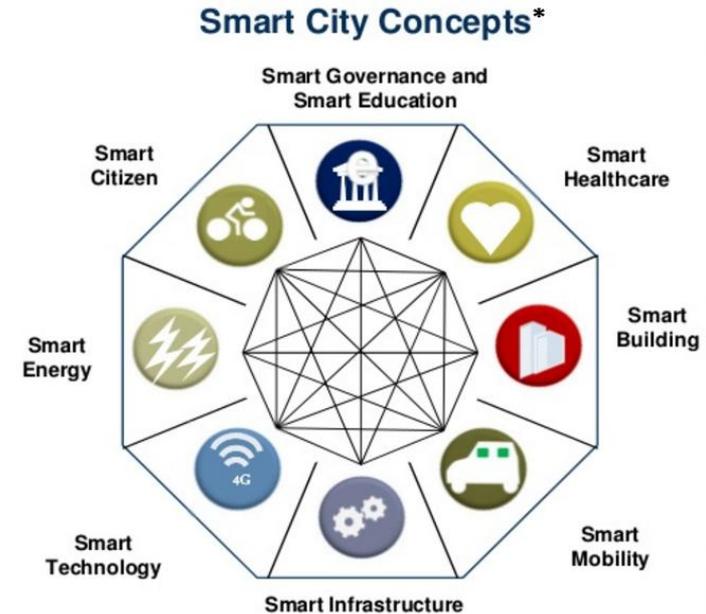


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Smart City Market

- **Smart City is new industry**

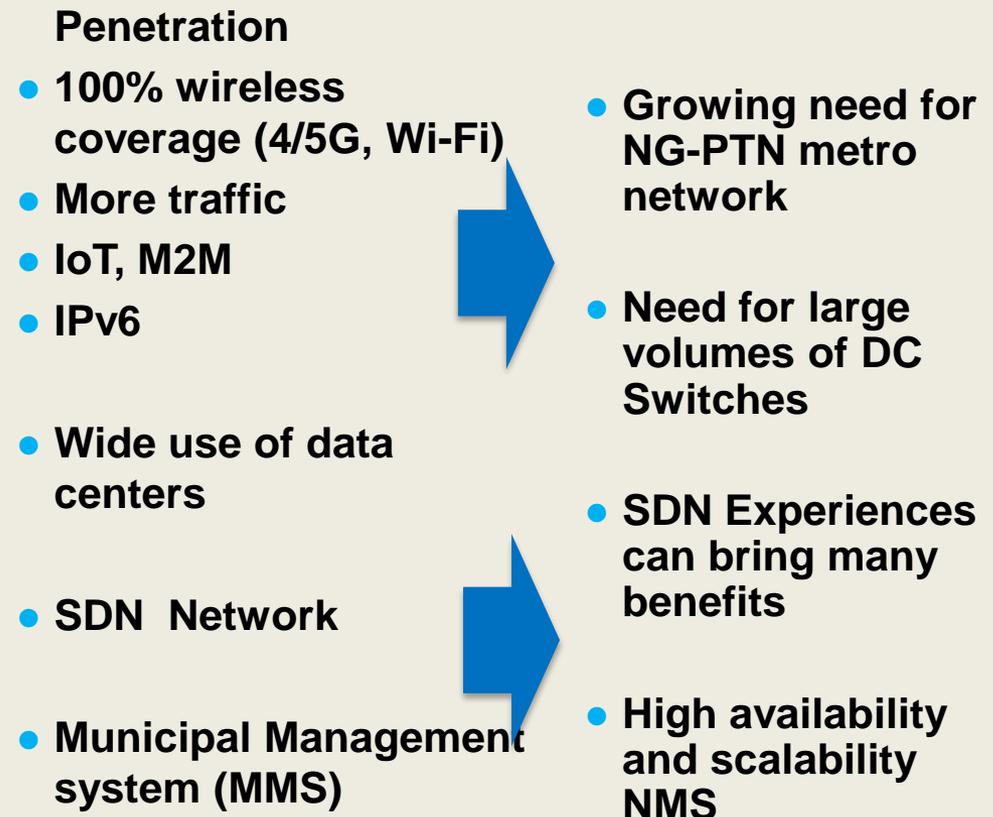
- Smart cities are cities built on ‘Smart’ and ‘Intelligent’ solutions and technology that will lead to the adoption of at least 5 of the 8 following smart parameters smart energy, smart building, smart mobility, smart healthcare, smart infrastructure, smart technology, smart governance and smart education, smart citizen*
- Global Smart City Market is Likely to be Worth a Cumulative \$1.565 Trillion by 2020*
- The global smart cities market is expected to grow from \$654.57 billion in 2014 to \$1,266.58 billion by 2019, at an estimated Compound Annual Growth Rate (CAGR) of 14.1% from 2014 to 2019**
- Driven by the growth in the networking of connected devices and the need for connected infrastructure from municipal structures to homes and buildings
- ICT – vital enabling element of the Smart City concept!



Smart City

- ✓ ICT – vital enabling element of the Smart City concept
- ✓ Requires 100% broadband penetration both fixed line and wireless
- ✓ Assumes convergence of Telecom and IT infrastructure:
 - Internet access
 - Broadband services
 - Telecom services
 - Data services
 - Cloud services
 - Security, VPN, Firewall
 - Big data analytics
 - IoT, M2M

Impact as related to UT business





Conclusion

- ❖ For broadband business, we continue to focus on our core customers and markets, expand our innovative product portfolio, and optimize operational efficiencies.
- ❖ For strategic investments, we continue to look for ways to speed up our monetization process while optimizing the investment return.
- ❖ Last but not least, we expect partnership between Phicomm and UTStarcom to create new growth opportunities in Data Center and Smart City markets.



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