Connexion by Boeing and UTStarcom Make In-flight Mobile Phone Calls a Reality

Connexion by Boeing, a business unit of The Boeing Company (NYSE:BA), recently concluded a week of demonstration flights in Europe that showed travelers how mobile telephony in flight can be provided safely and conveniently for passengers in flight.

During flights aboard a Boeing 737-400 test and demonstration airplane, Connexion One, guests sampled not only the Connexion by Boeing SM high-speed, real-time Internet service, which now includes four channels of live TV, but also used roaming-enabled mobile phones to make and receive phone calls.

"Enabling people to make and receive phone calls during flight demonstrated the flexibility of a high-speed connectivity system like ours," said Chris Petersen, program manager for voice and cellular service at Connexion by Boeing. "We allowed our guests to make calls to the ground while we flew over international waters, and almost everyone's first call was to their boss. Both callers and call recipients were equally excited and impressed by the voice quality and the reliability of the connection."

The ability to make Global Standard for Mobile (GSM) and code-division multiple-access (CDMA) calls over Connexion by Boeing's system was made possible through Alameda, Calif.-based UTStarcom, Inc. (Nasdaq: UTSI), a global leader in IP-based, end-to-end networking solutions and services. UTStarcom supplied its MovingMedia 2000 all-IP mobile network infrastructure equipment to Connexion by Boeing and also provided technical support on the ground for call switching and completion.

"Our MovingMedia 2000 product is the only all-IP mobile infrastructure solution on the market today, and is designed to provide significant operational cost savings to service providers as it does not require traditional TDM transmission backhaul," said Jack Mar, president of the CDMA/GSM division at UTStarcom, Inc. "UTStarcom's MovingMedia 2000 network solution is compact, uses IP transport technology and is capable of working over satellite transmission medium, making it an ideal solution to offer cellular service for passengers on commercial airlines."

Connexion by Boeing intends to enable mobile phone devices onboard commercial airplanes utilizing the existing broadband satellite link and make this available to its airline customers as early as 2006. "Enabling mobile connectivity is a natural service evolution for our system, which currently allows passengers on more than 120 flights a day to use WiFi-enabled laptops to connect to what is important to them," said David Friedman, Connexion by Boeing vice president of marketing and direct sales. "We plan to make it available to our airline customers should they want it, once discussions between regulatory authorities and airline customers worldwide have been concluded, and the industry has come to an agreement on how to implement it in practice."

About Connexion by Boeing
Connexion by Boeing is, for the second year running, the recipient of the World Travel Award for World's Leading High-Speed In-flight Internet Services Provider. IDC wireless services analysts recently named Connexion by Boeing as one of the wireless companies to watch in 2005, and it is also the recipient of Network Magazine's Innovation Awards 2005 honor for "Product Breakthrough." Through a broadband connection to an equipped airplane, high-speed Internet, data and entertainment connectivity is delivered directly to travelers in flight. The Connexion by Boeing service is available today on flights offered by Lufthansa, SAS, Japan Airlines, ANA, Singapore Airlines, China Airlines, Korean Air, Asiana Airlines and El Al Israel Airlines. In addition, Etihad Airways and Austrian Airlines have announced their intent to install the Connexion by Boeing system on their long-range airplanes. Connexion by Boeing also offers a high-speed connectivity solution for the business aviation market and has announced Teekay Shipping as its launch customer for the maritime market. For more information, please visit www.connexionbyboeing.com.

About MovingMedia 2000
As a leading vendor of wireless infrastructure technology, UTStarcom's MovingMedia 2000 aims to provide wireless operators with a complete, all-IP solution to reap the multiple advantages of 3G networks. The solution is designed to offer a smooth migration path for CDMA2000-based providers, allowing them to utilize emerging technologies such as CDMA2000 1XEV-DV as they become available. The system is backwards compatible with CDMA 2G (IS-95) technology. Moreover, all solution components are standards based, providing complete interoperability with other standards-based products and allowing wireless operators to preserve their existing equipment investment.

The MovingMedia 2000 solution leverages market-proven technologies and UTStarcom's extensive experience in building IP equipment and deploying IP networks. The MovingMedia 2000 product suite utilizes UTStarcom's distributed softswitch architecture for switching, transport, signaling, and call control. The MovingMedia 2000 product line includes a comprehensive suite of RF network elements, including base stations (BTS) and base station controllers (BSC), wireless softswitch components, and core data network components, including the packet data server node (PDSN) and home agent (HA).

About UTStarcom, Inc.
UTStarcom is a global leader in IP-based, end-to-end networking solutions and international service and support. The company sells its broadband, wireless, and handset solutions to operators in both emerging and established telecommunications markets

around the world. UTStarcom enables its customers to rapidly deploy revenue-generating access services using their existing infrastructure, while providing a migration path to cost-efficient, end-to-end IP networks. Founded in 1991 and headquartered in Alameda, California, the company has research and design operations in the United States, China, Korea and India. UTStarcom is a FORTUNE 1000 company. For more information about UTStarcom, visit the company's Web site at www.utstar.com.

Forward-Looking Statements:
Forward-Looking Information is subject to Risk and Uncertainty
Some of the statements in this news release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our intentions, plans, expectations, assumptions and beliefs about future events and are, therefore, subject to risks, uncertainties and other factors and conditions, many of which are outside our control. Important factors and conditions that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Among other things, the forward-looking statements relating to Connexion by Boeing's service evolution and new feature introductions could be impacted by a number of factors, including market conditions and others. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained in this news release with caution.

The foregoing statements regarding, without limitation, the features and functionality of the MovingMedia 2000 solution, including, without limitation, its ability to provide cost savings to service providers, offer a smooth migration path for CDMA2000-based providers and allow wireless operators to preserve existing equipment investments and the expected rollout of mobile phone devices onboard commercial aircraft by Connexion by Boeing, are forward-looking in nature and are subject to risks and uncertainties that may cause actual results to differ materially. These factors include rapidly changing technology, the changing nature of the telecommunications market in general and the market for in-flight mobile services in particular, the possibility of slower than expected growth in the telecommunications market, evolving product and application standards, changes or delays in product introductions and deployments, including those of Connexion by Boeing, possible downturns in the telecommunications market, the termination of significant contracts, partnerships or alliances, and other uncertainties, such as changes in government regulation and licensing requirements in relevant markets. UTStarcom also refers readers to the risk factors identified in its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K as filed with the Securities and Exchange Commission.

###

For further information:
Elissaveta Bahovska
Connexion by Boeing (London)
+44 20 7747 5533
Stephanie Gallagher
Engage PR for UTStarcom
+1 (510) 388-3287