



*InterDigital, Inc.  
Annual Meeting of Shareholders*

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding InterDigital, Inc.'s current beliefs, plans and expectations as to: (i) future results, projections and trends; (ii) our strategy; (iii) our 3G/4G revenue growth potential and the growth potential of our 3G patent licensing program; (iv) the development of next generation cellular technologies, including LTE and LTE-Advanced, (v) future global mobile device sales and market opportunities; and (vi) selective acquisitions and investment opportunities. Such statements are subject to the "safe harbor" created by those sections.

Words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "forecast," variations of any such words and similar expressions, and graphical charts and timelines representing future estimates or events are intended to identify such forward-looking statements. Actual results and events may differ materially from those described in any forward-looking statement as a result of certain risks and uncertainties, including, without limitation: (i) the market relevance of our technologies; (ii) changes in the needs, availability, pricing and features of competitive technologies as well as those of strategic partners or consumers; (iii) unanticipated technical or resource difficulties or delays related to further development of our technologies; (iv) our ability to leverage or enter into new customer agreements, strategic relationships or complimentary investment opportunities on acceptable terms; (v) our ability to enter into additional patent license agreements; (vi) changes in expenses related to our technology offerings and operations; (vii) whether we have the appropriate financial assets and/or cash flows; (viii) unfavorable outcomes in patent disputes and the expense of defending our intellectual property rights; (ix) changes in the market share and sales performance of our primary licensees, and any delay in receipt of quarterly royalty reports from our licensees; and (x) changes or inaccuracies in market projections, as well as other risks and uncertainties, including those detailed in our most recent Annual Report on Form 10-K, most recent Form 10-Q and from time to time in our Securities and Exchange Commission filings.

We undertake no obligation to update any forward-looking statement contained herein. This presentation includes various "non-GAAP financial measures," as that term is defined in Regulation G promulgated by the Securities and Exchange Commission, which are reconciled to the most directly comparable GAAP financial measures at the end of this presentation.

- Strong wireless technology expertise
  - 200+ engineers; 80% with advanced degrees
  - Over 17,000 issued patents and applications
- Technology used in every cellular device
- Deep relationships in wireless ecosystem
  - 50%+ of 3G market under license
  - Software in millions of 3G devices

- Financial strength and stability
  - 2009 revenues: ~\$300 million
  - Highly profitable, ~ 30% margin\*
  - Cash: \$482 million, no debt\*\*
  - Market capitalization: ~\$1 billion (NASDAQ: IDCC)
  - Ranked #3 in best mid-cap stocks by Forbes (2009)

\*\*For Q4, 2009

\*\* at 3/31/2010



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# Solid Financial Results to Drive Growth

	Q1 2010	2009
Revenues	\$116.2 million <i>+ 65% over Q1 2009</i>	\$297.4 million <i>+30% over 2008</i>
Net income	\$48.8 million <i>\$1.09 per share</i>	\$87.3 million <i>\$1.95 per share</i>
Pro forma net income *	N/A	\$97.3 million <i>\$2.18 per share</i>
Free cash flow *	\$65.4 million	\$284.3 million
Cash and short term investments	\$482.4 million	\$409.8 million

## Momentum from New Agreements

- Samsung - \$400 million 2G/3G Agreement
- Pantech – \$120 million - Includes LTE
- Cinterion & Enfora– M2M
- Casio – 2G & 3G License
- Beceem – 2G/3G Modem Cores
- CapiSemi – 3G Modem Core

\* Pro forma net income excludes a 2009 repositioning charge. InterDigital defines “free cash flow” as operating cash flow less purchases of property, equipment, technology licenses, and investments in patents. Detailed reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented at the end of this presentation.

1G	2G	3G
Voice	Data	Multimedia
<i>Analog</i>	<i>Digital</i>	<i>Broadband</i>

## Technology development ahead of the curve

- When analog cellular started to gain traction, we were already working on **digital wireless systems**
- When the world was focused on voice, **our focus was data**
- When others looked at narrowband, we were **developing wideband**

### *In the early 1980s:*

- ✓ *Roaming and handoff techniques*
- ✓ *Distributed base station technologies*

### *1985 First digital wireless call*

*InterDigital demonstrates prototype of its digital wireless system*

### *1992 First B-CDMA system*

*InterDigital completed prototype of the world's first broadband CDMA system*

## Focused on fundamental system architecture

- Wireless resource management
- Network robustness
- Interference mitigation

### *In the early 1990s:*

- ✓ *Power control*
- ✓ *Handoff*
- ✓ *Pilot codes*
- ✓ *Multi-channel arrangements*

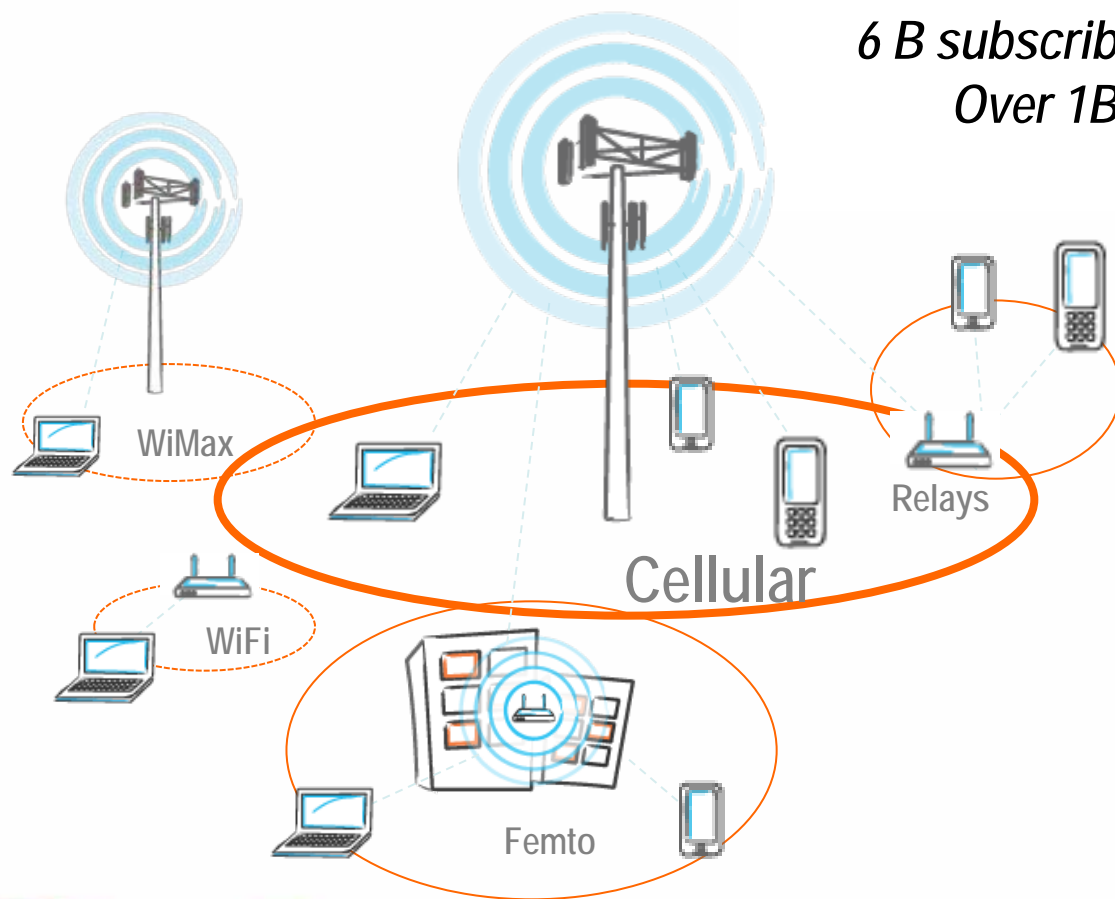
# Yesterday: *People Connecting to People*

*Since 1990 and continuing growth*

*6 B subscribers worldwide*

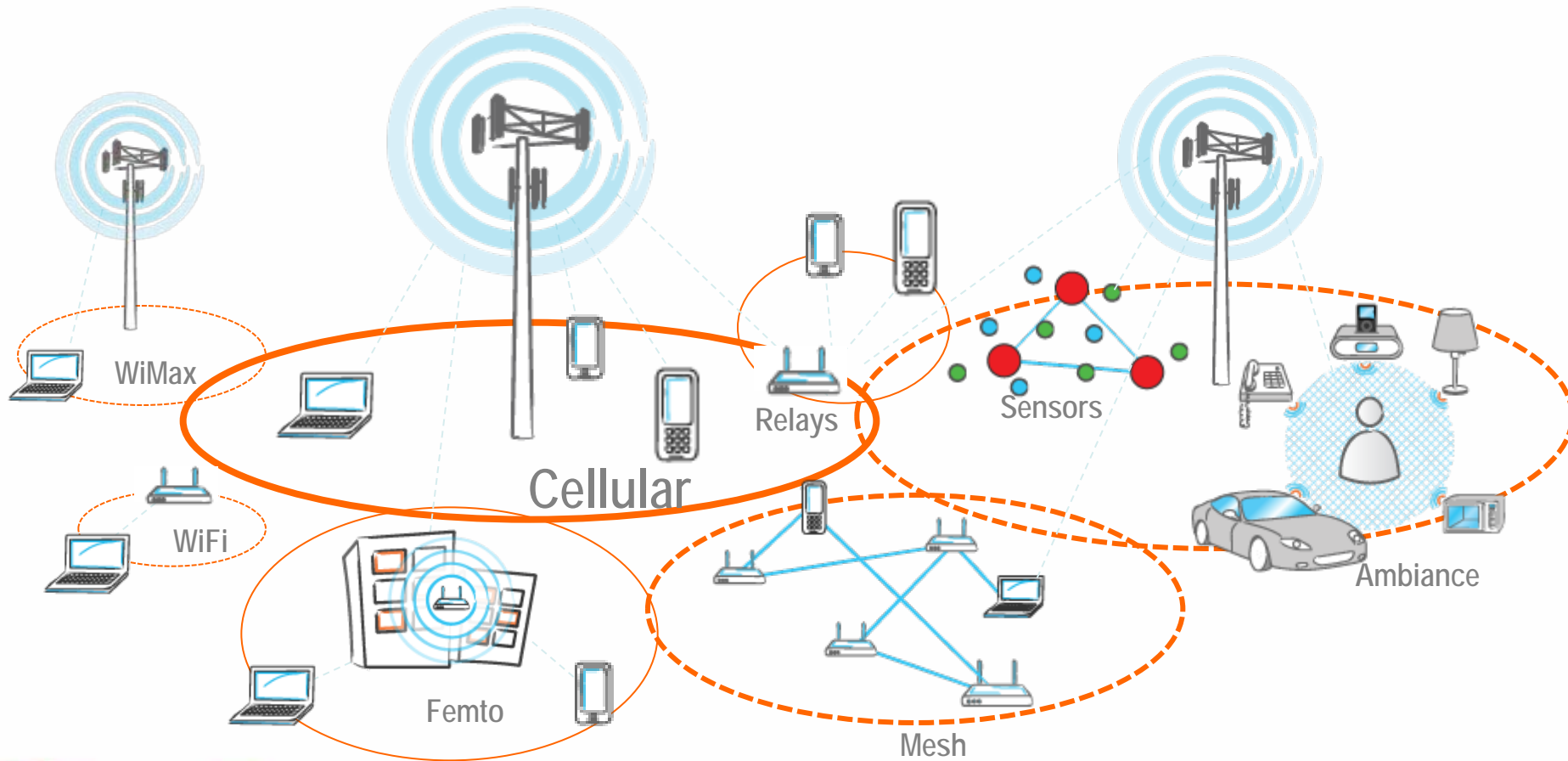
*Over 1B devices shipped yearly*

*Over \$2.5B in patent licensing*



# Today: *People Connecting to Things*

*Highly complex, unorganized and disconnected*



# The Next Generation: New Waves of Innovation

1G	2G	3G	4G
Voice	Data	Multimedia	Seamless Mobility
<i>Analog</i>	<i>Digital</i>	<i>Broadband</i>	<i>Network of Networks</i>

**Dependable connections** for everyone, everything, everywhere

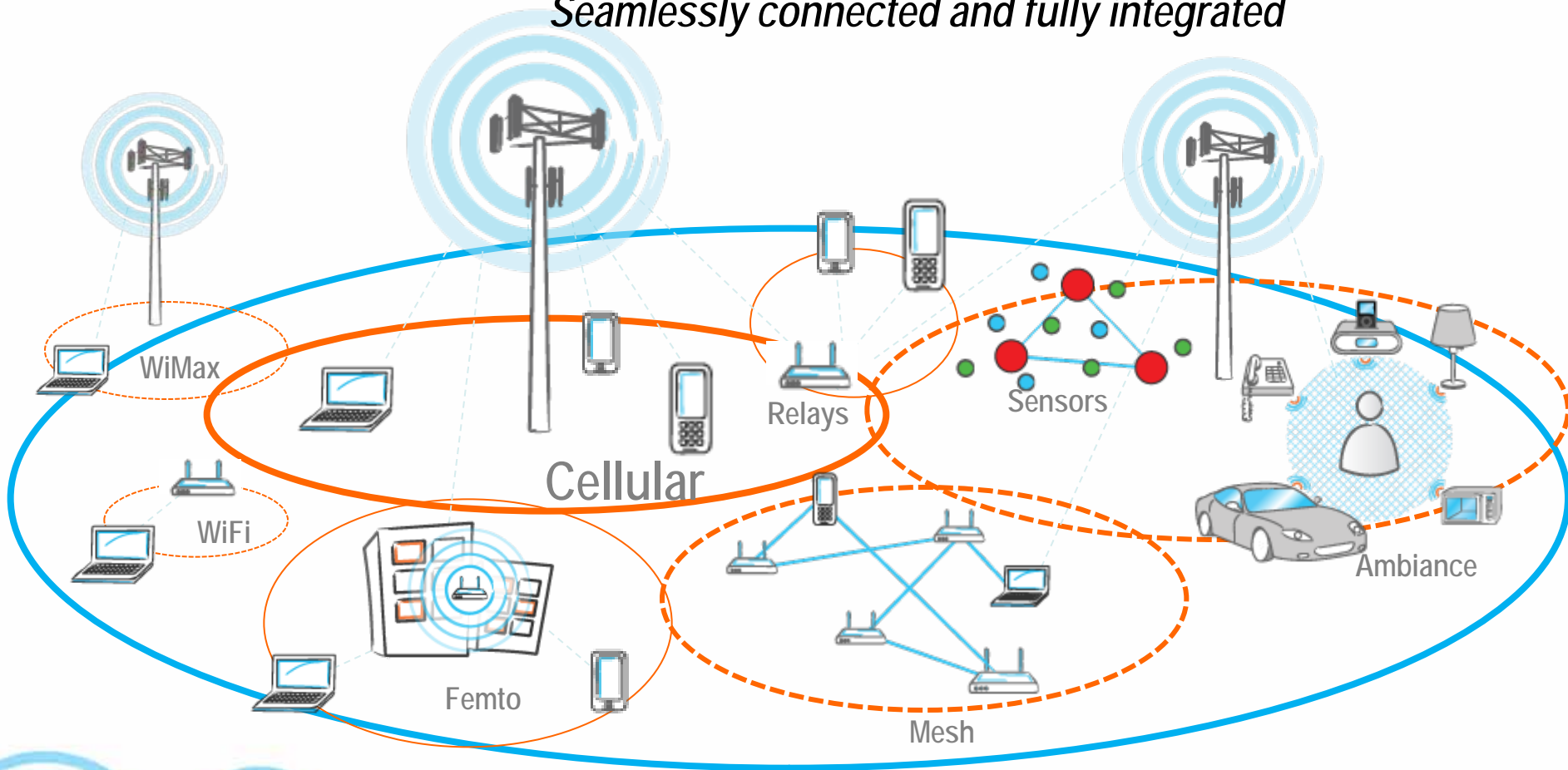
**Ultra-broadband**, low latency, high capacity, and reliable coverage for limitless applications

**QoS flexibility**, balancing high throughput with low power, low cost, and small size

**Security and privacy**, preventing misuse, tampering, malware, and other unauthorized access

**Making it work together**, transparent, seamless, and without interference

*Billions of subscribers, trillions of connections  
Seamlessly connected and fully integrated*



# Expanding Demand for Pervasive Wireless Services

*New services and applications*

*All shapes and sizes*

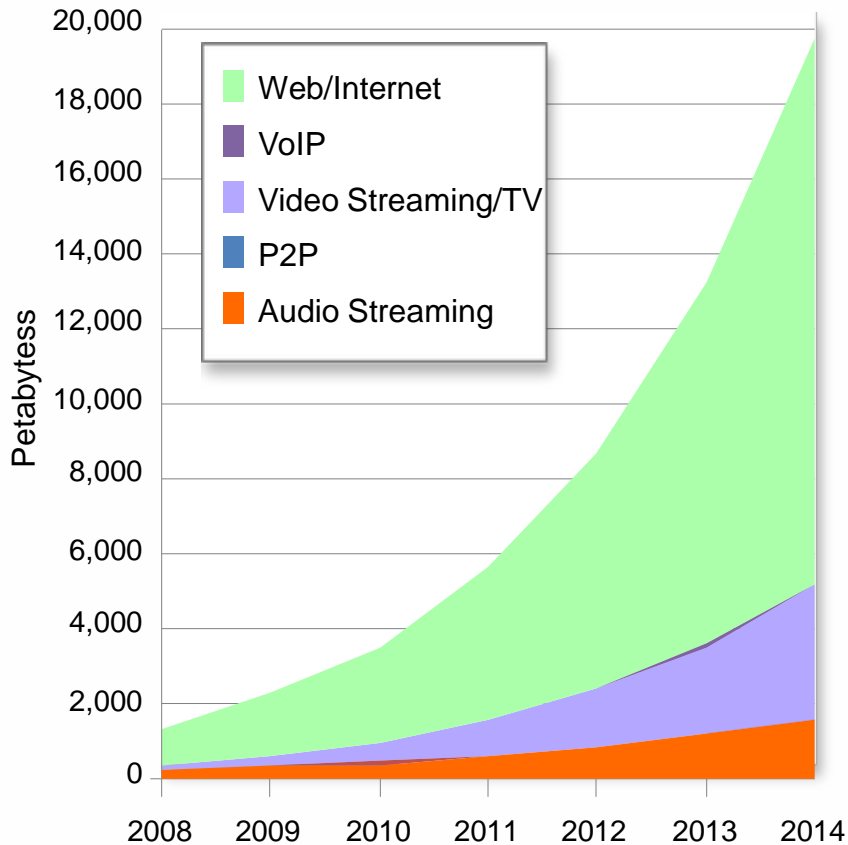
*On any device, anywhere, at anytime*



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# Mobile Data Demand Causes Bandwidth Crunch

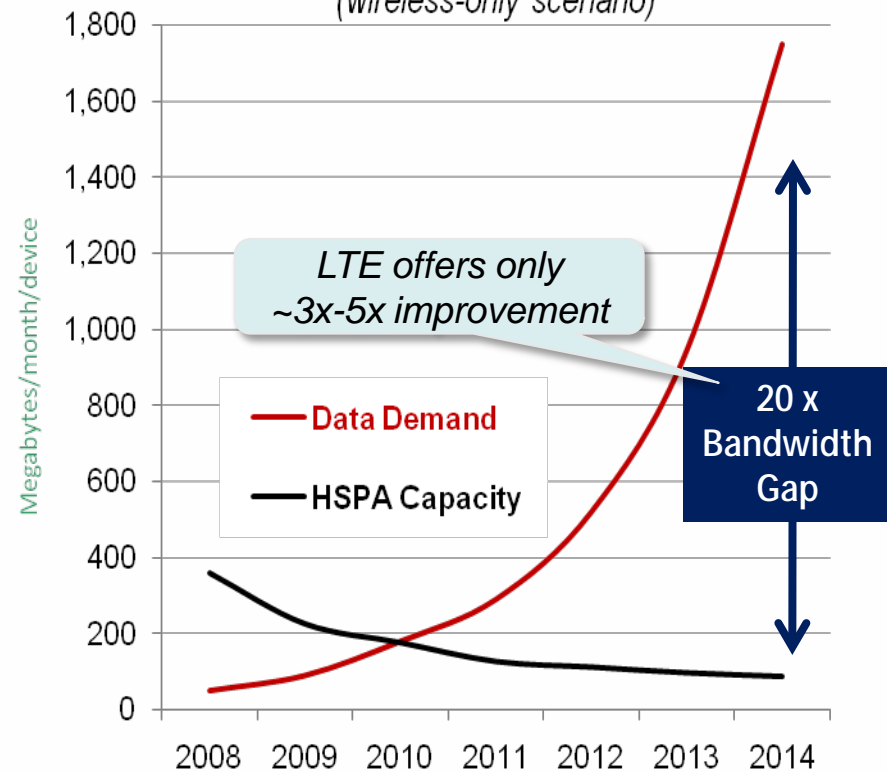
## Global Mobile Network Data Traffic



Source: ABI Research, Mobile Data Traffic Analysis 2009

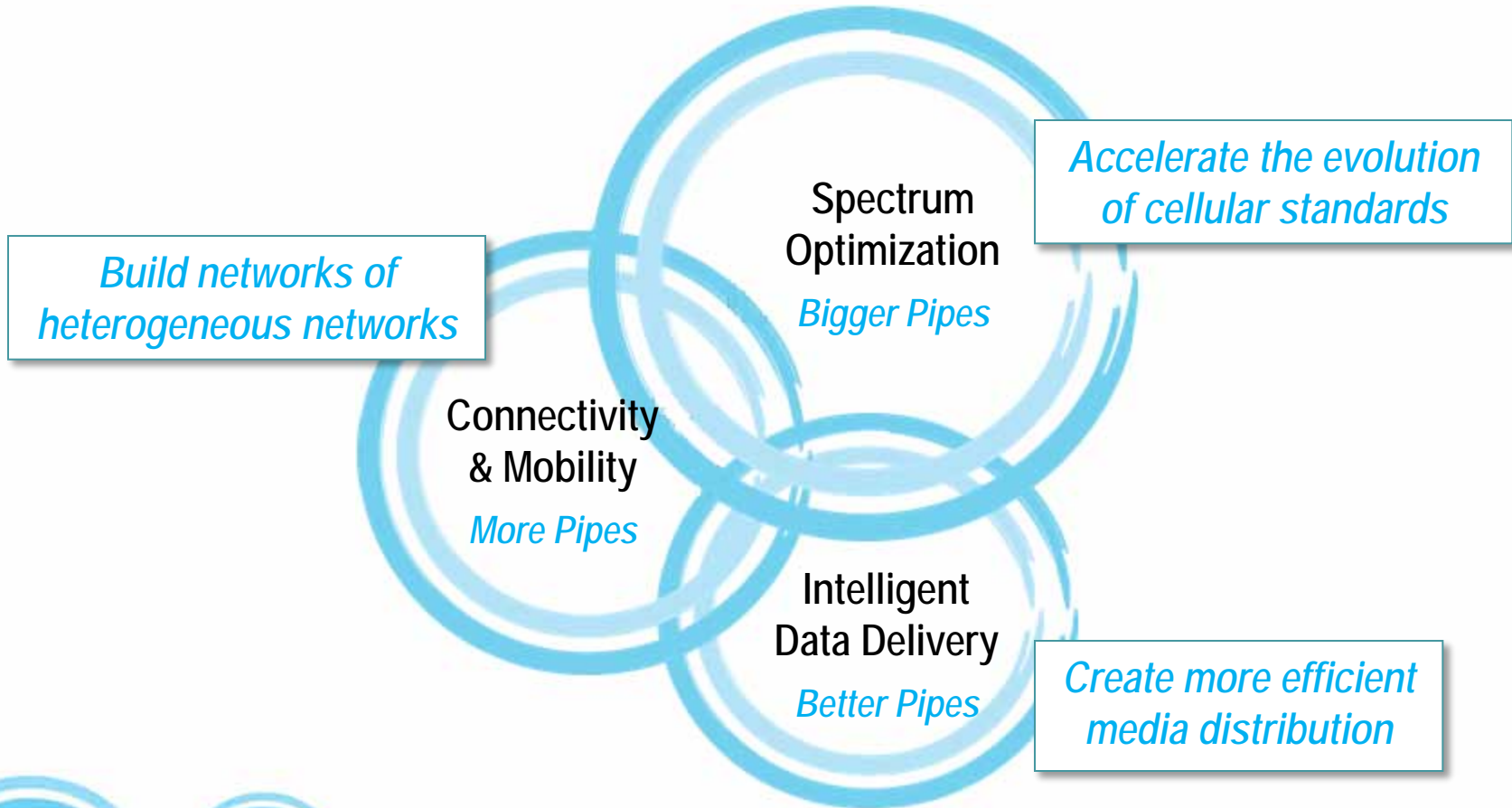
## HSPA network capacity and data demand

forecast per device for an incumbent 3G operator  
(wireless-only scenario)



Source: Cisco

*Core innovations that support increased data usage and a richer multimedia experience*





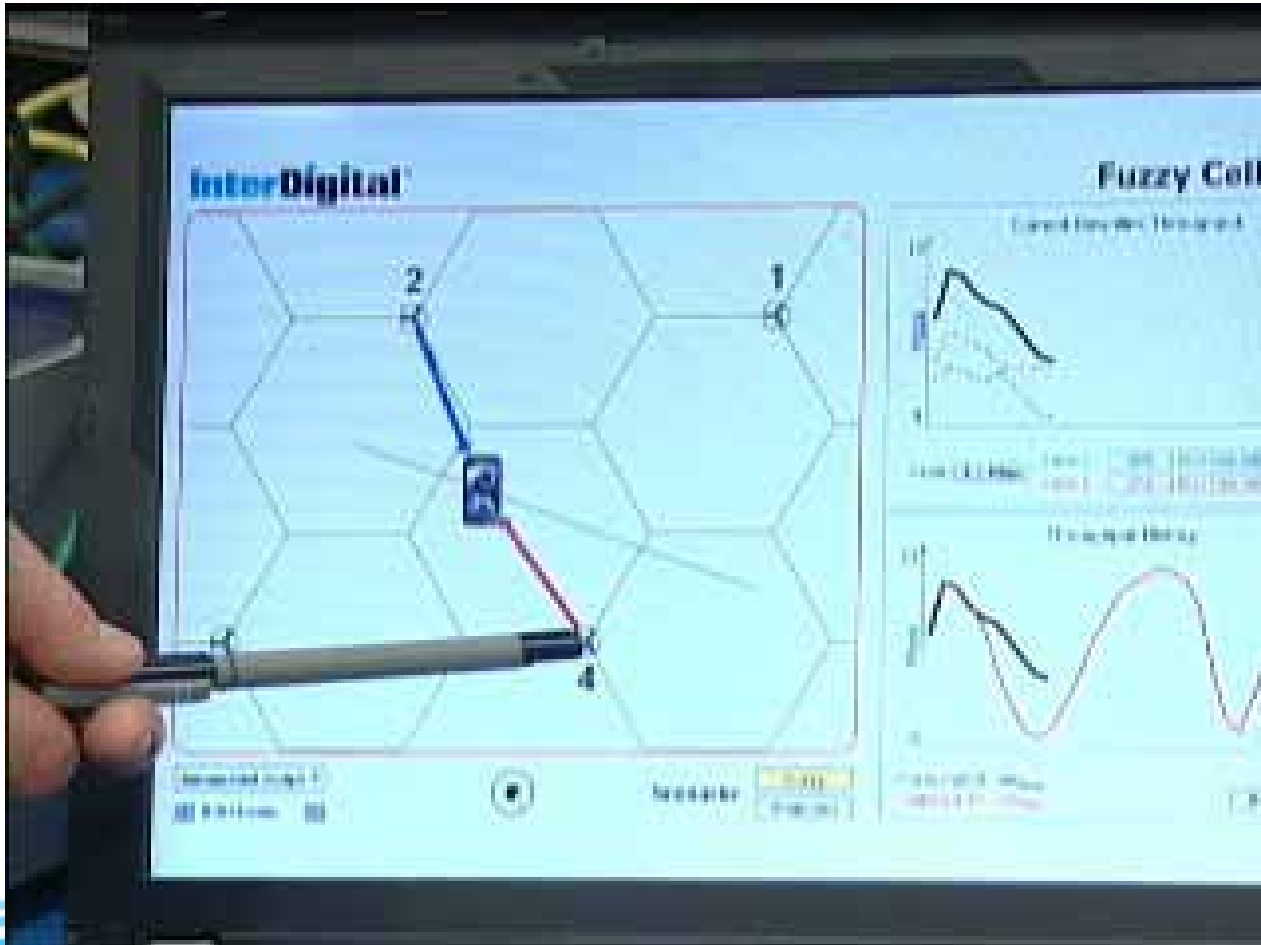
# Bigger Pipes: Spectrum Optimization

- Strong position in LTE
  - Inventions in fundamental system design
  - Among leading standards contributors
  - Signed our first LTE license agreement in 2009
- Advanced network topologies and spectrally efficient air interface solutions for LTE-advanced and beyond uniform

Inventing the Next Cellular Air Interface	Short Term (0-5 Years)	Mid Term (5-10 Years)	Long Term (>10 Years)
<b>Spectral Efficiency Solutions</b>			
Fuzzy Cells	p		
Coordinated MultiPoint (E-CoMP)	p		
<b>Spectrum Opportunities</b>			
Unlicensed/Lightly Licensed Spectrum			p
High Frequency Solutions			p
<b>New Topologies</b>			
Enhanced Relays		p	
Cellular Controlled Direct Mobile-to-Mobile			p

## Fuzzy Cells

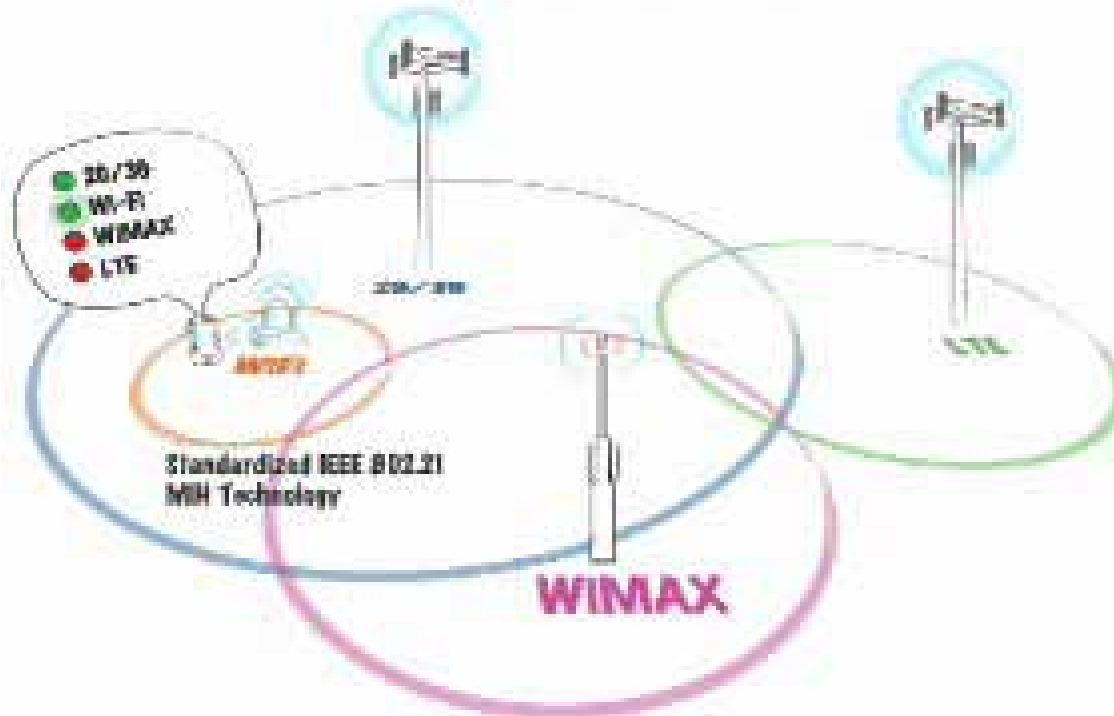
*Spectral efficiency solution for LTE-Advanced – providing superior cell-edge performance and overall system throughput*



## Device Mobility

### Media Independent Handover (MIH)

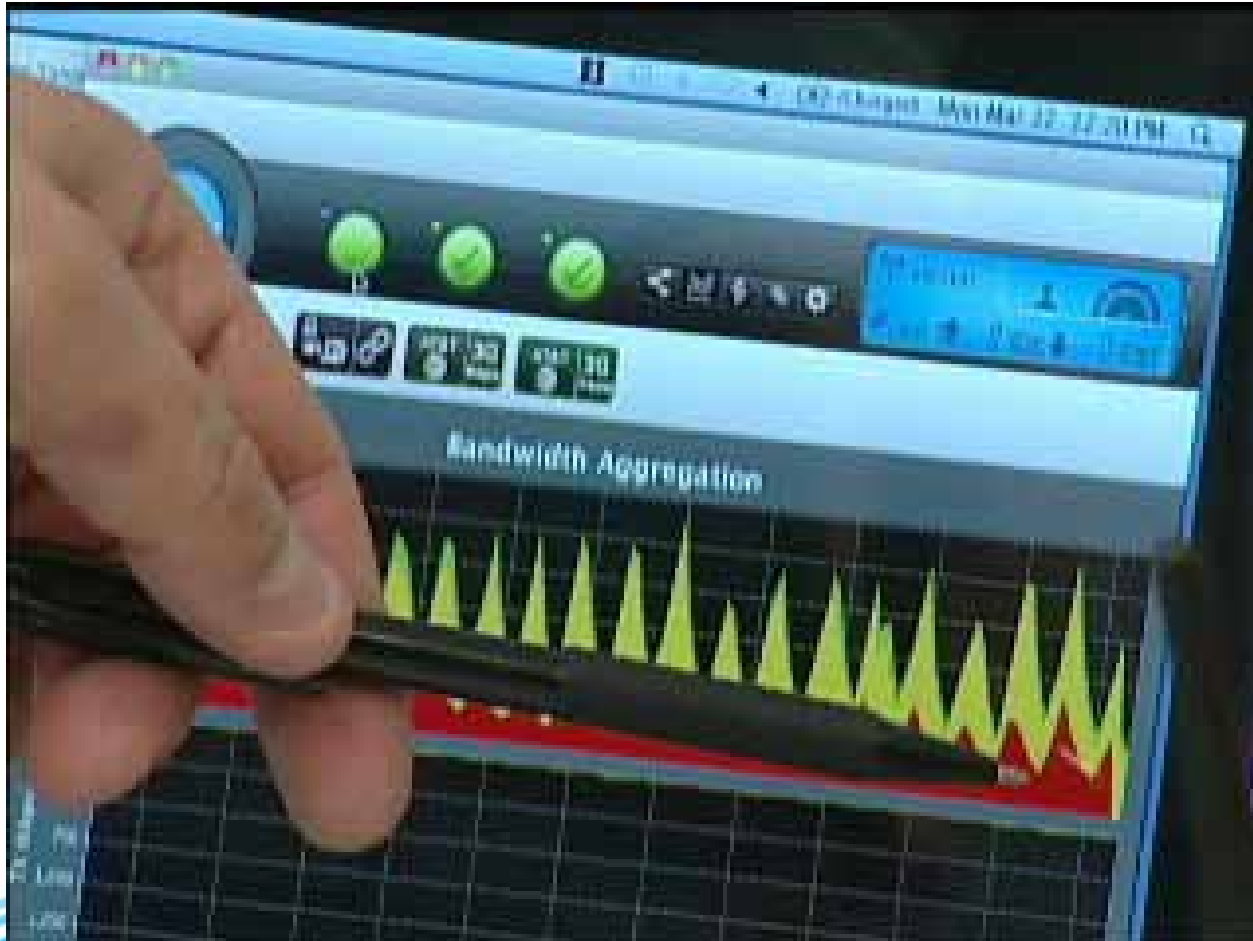
Seamless handover when switching between air interfaces



More

## Bandwidth Aggregation

*Cognitive radio techniques for aggregating multiple and heterogeneous bandwidth sources*



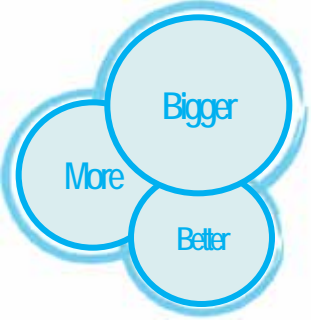
Better

## Media Mobility

*Intelligent data optimization and seamless multimedia transfers across devices and networks*



# A Vision Shared by Others



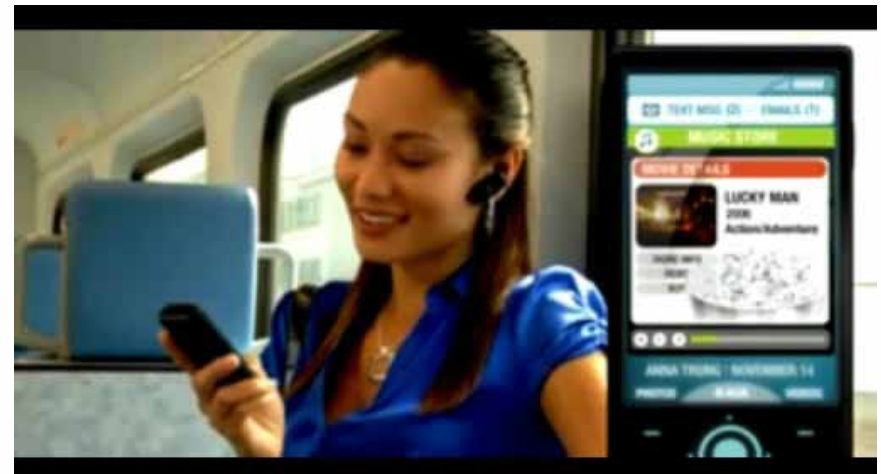
## More Efficient Wireless Networks, a Richer Multimedia Experience, and New Mobile Broadband Capabilities

Alcatel-Lucent



Samsung

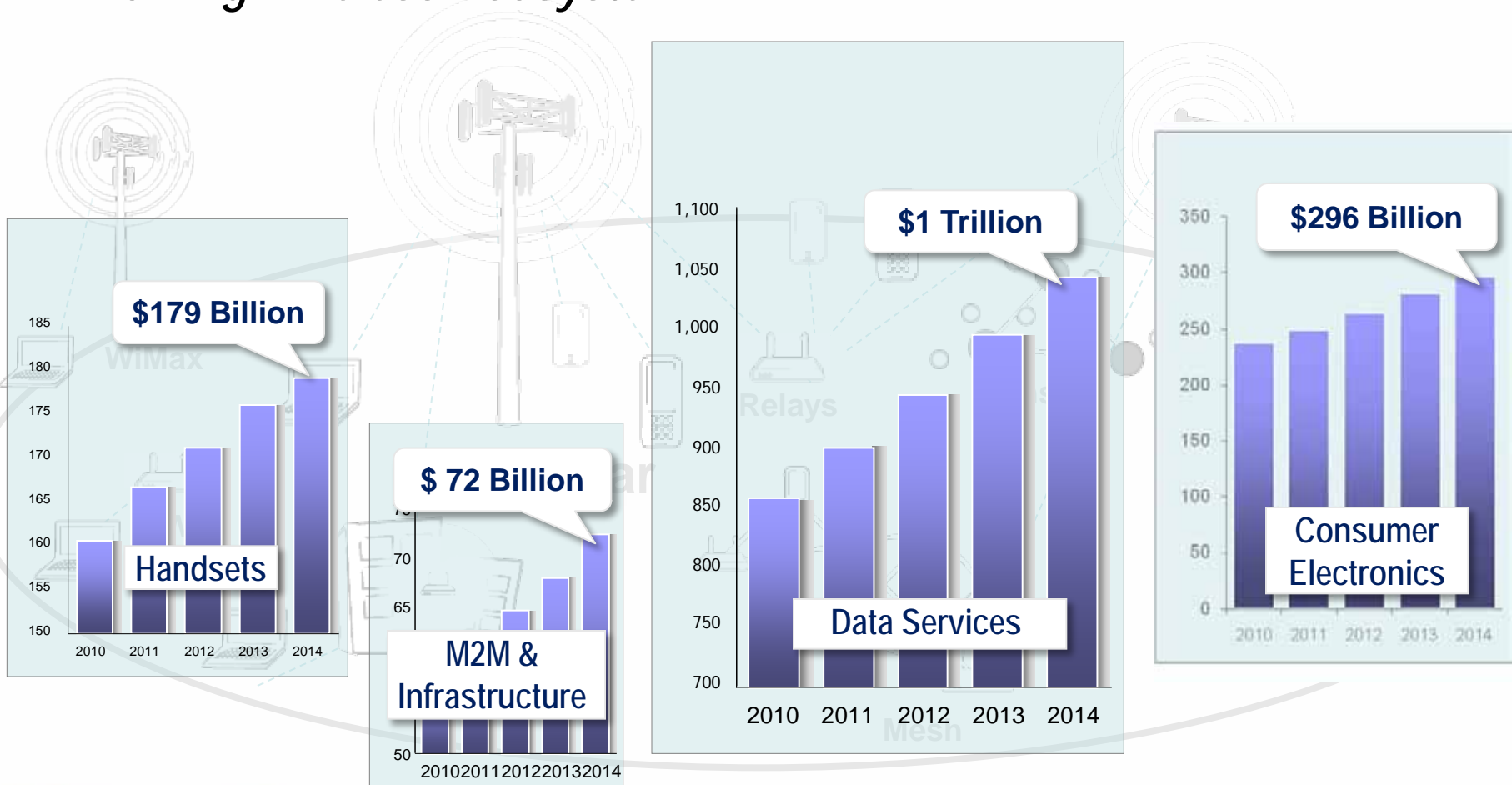
Intel



Qualcomm

# 2x to 7x Projected Growth in Addressable Market

## Evolving Wireless Ecosystem



Source: ABI Research, Mobile Data Traffic Analysis 2009; CEA

# Delivering Technical Knowhow Across Wireless Value Chain

## Technology Licensing

- Engineering expertise
- Strong patent portfolio
- Substantial intellectual property in next generation wireless
- Compelling innovation roadmap beyond cellular

*Infinion  
Spreadtrum  
ST Ericsson  
Beceem  
CapiSemi*

*50%+ of  
3G market*

Devices

Infrastructure

Data Services  
and Applications

## Patent Licensing

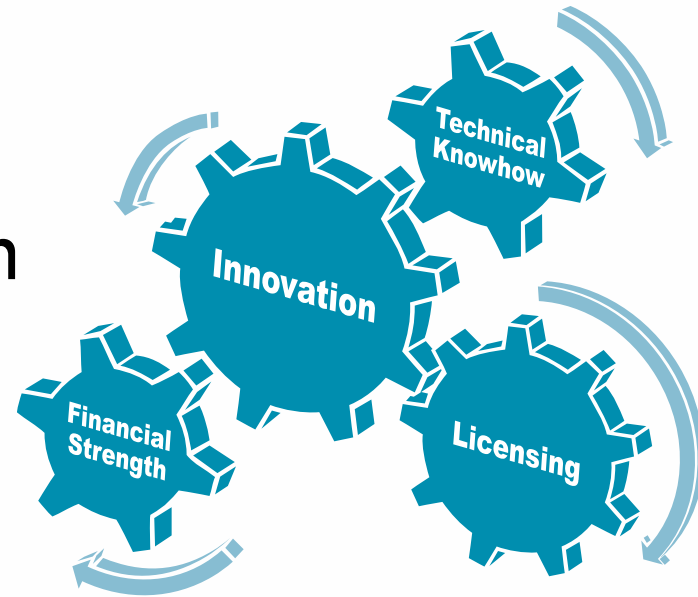
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## A leading developer of digital wireless technology

- Established technical expertise in next generation technologies
- Successful R&D and licensing programs
  - Strong portfolio of 3G and 4G technologies
- Financial strength and stability

## Multiple opportunities to drive growth

- 3G/4G royalties from growth of existing licensees
- Potential to grow share in 3G/4G market with new licensees
- Diverse, market-driven innovation roadmap drives potential in new addressable markets
- Operating leverage in business model





*Appendix*

**InterDigital, Inc.**  
**Reconciliation of Pro Forma Free Cash Flows to**  
**InterDigital (GAAP) Net Cash Provided by Operating Activities**  
(In thousands)  
(Unaudited)

	For the Twelve Months Ended December 31, 2009	For the Three Months Ended March 31, 2010
<b>Net cash provided by operating activities</b>	\$ 320,694	\$ 72,702
Purchases of property, equipment, & technology licenses	(5,139)	(442)
Patent additions	(31,285)	(6,855)
<b>Free cash flow</b>	<u>\$ 284,270</u>	<u>\$ 65,405</u>

Free cash flow is a supplemental non-GAAP financial measure that InterDigital believes is helpful in evaluating the company's ability to invest in its business, make strategic acquisitions and fund share repurchases, among other things. A limitation of the utility of free cash flow as a measure of financial performance is that it does not represent the total increase or decrease in the company's cash balance for the period. InterDigital's computation of free cash flow may not be comparable to free cash flow reported by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP.

# Reconciliation of Consolidated Statement of Operations

## InterDigital, Inc.

(Dollars in thousands except per share data)  
(unaudited)

	For the Twelve Months Ended December 31, 2009		
	Actual	Adjustments	Pro Forma
REVENUES	<u>297,404</u>		<u>297,404</u>
OPERATING EXPENSES:			
Other operating expenses	144,911	3,800	148,711
Repositioning	38,604	(38,604)	-
	<u>183,515</u>	<u>(34,804)</u>	<u>148,711</u>
Income from operations	113,889	34,804	148,693
OTHER (LOSS) INCOME:			
Interest and investment (loss) income, net	(1,186)	3,900	2,714
Income before income taxes	112,703	38,704	151,407
INCOME TAX BENEFIT (PROVISION)	<u>(25,447)</u>	<u>(28,616)</u>	<u>(54,063)</u>
NET INCOME	<u>\$ 87,256</u>	<u>\$ 10,088</u>	<u>\$ 97,344</u>
NET INCOME PER COMMON SHARE - DILUTED	<u>\$ 1.95</u>		<u>\$ 2.18</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - DILUTED	<u>44,080</u>		<u>44,080</u>

The above pro forma statements of financial results exclude the expense associated with the repositioning charge and the related tax benefit, foreign tax credits, investment writedown and bad debt expense. The company has provided these pro forma figures here and elsewhere in this presentation. Management regards the repositioning charge and related tax benefit as a non-recurring item not indicative of operating results for the period and believes that investors might share this viewpoint.