UTStarcom Signs IP DSLAM Deal with Bharat Sanchar Nigam Ltd. (BSNL) for Second Phase of National Internet Backbone Rollout in India

Contract Represents Expansion of Initial IP DSLAM Deployment in August 2004

ALAMEDA, Calif., Feb 24, 2005 /PRNewswire-FirstCall via COMTEX/-- UTStarcom, Inc. (Nasdaq: UTSI), a global leader in IP-based, end-to-end networking solutions and services, today announced that an expansion contract for the deployment of 75,000 ports of its AN-2000(TM) B820 and AN-2000 B100 IP-based Digital Subscriber Line Access Multiplexer (IP DSLAM) platforms and related equipment for the second phase of Bharat Sanchar Nigam Ltd.’s (BSNL) National Internet Backbone project. This contract extends the initial $9.2 million contract signed with BSNL in August 2004. BSNL is the incumbent and largest telecommunications services provider in India, with a presence in the fixed-line, cellular mobile, long distance and data markets.

( Photo: http://www.newscom.com/cgi-bin/prnh/20031229/UTSLOGO )

"BSNL is a key customer for UTStarcom in the fast growing Indian market, a country with a population of more than one billion people and around five million Internet subscribers," said Ruchir Godura, country manager and director of South Asia operations for UTStarcom. "UTStarcom's IP DSLAM solution will enable BSNL to offer new broadband-based triple play services, such as high-speed Internet access, interactive gaming and multimedia entertainment services like video on demand, that increase subscriber revenues and speed the operator's return on investment."

BSNL’s National Internet Backbone is a TCP/IP-based network currently comprising around 400 nodes distributed across India and supporting over one million subscribers with PSTN and ISDN Internet Access Services. The second phase of the project includes rollout of a broadband access network across 198 cities in India to provide reliable high-speed Internet connectivity and other value-added services and applications. UTStarcom's market leading IP DSLAM platform is designed to be a key enabler for BSNL's triple play services strategy.

About UTStarcom's IP DSLAM Products

UTStarcom's AN-2000 B820 and AN-2000 B100 are carrier-class IP DSLAM solutions that can be used by telecommunications service providers to migrate their access networks seamlessly and economically from narrowband voice-only services to full broadband capabilities. These platforms are designed to enable carriers to generate additional revenue by offering customers the triple play of data, voice, and video services over a single copper loop. The AN-2000 B820 and AN-2000 B100 are economical to deploy, eliminating the need for costly ATM infrastructure and accelerating return on investment.

AN-2000 IP DSLAMs convert ATM customer traffic into IP at the ADSL line card, simplifying the delivery of multiple, high-speed services such as Voice-over-IP (VoIP), TV-over-IP (TVoIP) and Video-on-Demand (VoD) in addition to traditional broadband data services over a backbone network that employs low-cost IP switching and routing. An all-IP network also simplifies the process of video streaming, incorporating technologies such as IP multicast and IP Quality of Service (QoS). To date, UTStarcom has deployed more than five million IP DSLAM lines globally.

About Bharat Sanchar Nigam Ltd. (BSNL)

BSNL, a Government of India owned corporation, is the incumbent and largest telecommunications services provider in India with a pan-India footprint but for Delhi and Mumbai. The corporation is an integrated telecommunications service provider with presence in the fixed line, cellular mobile, long distance and data segments, and has over 35 million fixed line, 5.5 million cellular mobile and one million internet subscribers.

BSNL's National Internet Backbone (Phase-I) is a TCP/IP based network comprising about 400 nodes distributed across India and supporting over one million subscribers with PSTN and ISDN Internet Access Services. The second phase of the project includes roll-out of a broadband access network across 198 cities in India to provide reliable high-speed internet connectivity and other value added services such as VPN, Video Multicast, Video-on-Demand, etc. to customers over DSL lines. UTStarcom's leading IP DSLAM platform is designed to be a key enabler for BSNL's triple play services strategy. BSNL’s corporate website can be found at www.bsnl.co.in.

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 wireline, wireless, optical and switching solutions to operators in both fast growth 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 New Jersey, China, 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

The foregoing statements regarding, without limitation, the anticipated deployment of IP DSLAM platforms and related equipment in connection with contracts signed with BSNL, including BSNL’s rollout of a broadband access network across 198 cities in India as part of the second phase of the National Internet Backbone project, BSNL’s capacity to offer broadband-based triple play services using UTStarcom’s IP DSLAM solutions and resulting increases in subscriber revenue and the speed of return on investment, the ability of telecommunications service providers to migrate access networks seamlessly and economically from narrowband voice-only services to full broadband capabilities using UTStarcom’s AN-2000 B820 and AN-2000 B100, the simplified delivery of multiple high-speed services provided by AN-2000 IP DSLAMs and the simplified process by which carriers may support video streaming using an all IP-network, 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 rapidly changing nature of India's and Asia's telecommunications markets, possible delays in system deployments or product introductions, possible downturns in the telecommunications markets of India, Asia generally and worldwide, the termination of new contracts, partnerships or alliances, including those with BSNL, and other uncertainties, such as changes in government regulation and licensing requirements and economic and political stability in India and Asia generally. 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.

SOURCE UTStarcom, Inc.

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