SAFE HARBOR STATEMENT: Statements in this presentation that are not statements of historical facts, including statements regarding our business outlook or expected performance or developments, are forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from the results anticipated in these forward-looking statements due to risks arising from and relating to the recent combination of YDI Wireless, Inc., Terabeam Corporation, KarlNet, Inc. and Ricochet Networks, Inc. and our ability to achieve the contemplated benefits of that combination; the downturn and ongoing uncertainty in the telecommunications industry and larger economy; the intense competition in our industry and resulting impacts on our pricing, gross margins, and general financial performance; and the other factors discussed in our filings made from time to time with the Securities and Exchange Commission and our other public statements.

Who is Terabeam:
- Incorporated in 1986: recent acquisitions include Terabeam Corporation, KarlNet, Inc., and Ricochet Networks, Inc.
- Full product line from 900 Mhz to light (FSO)
  - offering microwave, millimeter wave and FSO
- We believe that we have shipped more FCC certified license free MMW systems than every one else in the world combined
- Own and operate Ricochet®, world’s largest wireless mesh network
- Over 60 patents issued: dozens pending
- Profitable 4 of the last 5 years

Advantages of FSO
- License free world wide
- Extremely high data rates available and possible
- Quick and easy to install: shoot through glass THIS IS BIG
- Huge cost saving vs. fiber in many applications
- Interference/RF planning is immaterial
- Reliability is good if properly deployed: not heavily affected by rain, so good compliment to MMW

Disadvantages of FSO
- Significant range limitation: less than 1 kilometer for five 9s
- Aiming issues for higher capacity/longer links
  - Significantly affected by weather conditions: fog, snow, sleet, hail, smog, etc.
  - Affected by other conditions: birds, solar glare, spiders, compacted snow, window washers, etc.

Applications for FSO/MMW Systems
- Fiber Extension/Local Access
  - Provide off-network customers with immediately deployable wireless lateral links at a cost that can be significantly less than most trench fiber laterals or multiple leased lines.
- Wireless Network Aggregation and Backhaul
  - FSO and MMW links offer a high-availability connection with scalable bandwidth to meet 3G and WiMAX network backhaul requirements.
- Service Restoration and Temporary Communications
  - Fast and easily deployable high capacity links from FSO/MMW provide an immediate connectivity solution in the event of a service outage.
- Protect Assets with Spatial Diversity
  - Protect network integrity by making your alternative network paths technically and physically diverse. Local government’s #1 fiber threat is a subcontractor with a backhoe!
- LAN-to-LAN Connections
  - Provide immediate, high bandwidth connections between nearby buildings with high availability, excellent data security, and no recurring monthly fees or fiber trenching.
Fiber Extension with FSO/MMW

- Requires no trenching, and no permitting in most areas
- Can be scaled to meet service level availability requirements
- Deployment of days, rather than weeks or months for fiber
- FSO/MMW behaves like a physical fiber link, making connection to and interoperability with Ethernet or SONET/SDH devices simple
- Lower total cost of ownership
- Scalable bandwidth to support finer-grained services

LAN-to-LAN Campus Connections

Columbia School of Medicine on our 60 GHz link: Through all weather conditions “…worked as advertised…”

Wireless Network Backhaul

- No recurring operating costs
- No licenses to purchase or maintain
- Virtually no interference, even in high-density deployment scenarios
- Highly secure wireless data transmission
- Simple to deploy and re-deploy as necessary

Great compliment to BPL!!!!

Disaster Recovery/Redundancy

- Quick deployment to restore high-bandwidth access (days vs. weeks or months)
- Provides high bandwidth and high availability comparable to original connection
- Narrow beam transmissions for exceptionally high data security
- Redeploy to other locations to ensure higher availability
- High-value, lower-cost solution compared to other options

MMW Tokyo Example: Waseda University

- Independent network developed by Waseda University’s Global Information & Telecommunications Institute
- Seeking to develop a wireless communications system and confirm new technology solutions
- Introduced the first network using 60GHz band frequency allocation in Japan
- Includes 18 Gigalink units paired with 2.4 GHz and Optical fiber

- Is extreme capacity wireless ready for prime time???
  - Unquestionably “YES!”
  - Wi-Fi Revolution exploding data demands (WiMAX????)
  - Capex contractions/real world economics have limited fiber deployments but existing infrastructure provides plenty of demarcations for wireless
  - Reliability built through redundancy (networking vs. telco)
  - Dramatic decreases in prices of wireless equipment: labor and permits not going down in price for wired solutions
  - Customers will pay a premium for mobility
  - VOIP eliminates voice/data distinction