



CREATING THE LIVING NETWORK™

InterDigital

Dougherty & Company Conference
September 6th, 2018



Forward-looking Statements

- 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) its strategy and business plan; (iii) the company's future revenues and expenses, including its expectations with respect to third quarter 2018 revenues and expenses; (iv) investments; (v) partnerships, commercial initiatives and other potential business and revenue opportunities, including through new markets; (vi) technology development timelines; (vii) future global mobile device and IoT device shipments and market opportunities; (viii) our long-term effective tax rate under the Tax Cuts and Jobs Act; and (ix) the impact of the acquisition of the Technicolor patent licensing business on the company's revenue base and profitability. Such statements are subject to the safe harbor created by those sections.
- Words such as “anticipate,” “believe,” “estimate,” “expect,” “project,” “intend,” “plan,” “forecast,” “will,” variations of any such words or similar expressions, and graphical timelines representing future estimates or events are intended to identify such forward-looking statements. Forward-looking statements are subject to risks and uncertainties. Actual outcomes could differ materially from those expressed in or anticipated by such forward-looking statements due to a variety of factors, 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) the entry into additional patent license, patent sales or technology solutions agreements; (v) our ability to successfully identify and launch new commercial businesses; (vi) our ability to successfully identify and expand into new markets; (vii) our ability to enter into partnerships, strategic relationships or complementary investment opportunities on acceptable terms; (viii) the accuracy of market sales projections of the company's licensees, changes in our estimates of third quarter 2018 sales by our per-unit licensees, delays in payments from our licensees and related matters; (ix) amounts of royalties payable following routine audits, if any, and the timely receipt of such amounts during third quarter 2018; (x) the resolution of current legal proceedings, including any awards or judgments relating to such proceedings, additional legal proceedings, changes in the schedules or costs associated with legal proceedings or adverse rulings in such legal proceedings; (xi) unanticipated costs or expenses; (xii) the final purchase price allocation for the Technicolor acquisition; (xiii) changes in the company's strategy going forward; (xiv) changes or inaccuracies in market projections or technology development timelines; and (xv) the company's final review of, and any regulations or guidance that may be issued regarding the implementation of, the Tax Cuts and Jobs Act, as well as other risks and uncertainties, including those detailed in our Annual Report on Form 10-K for the year ended December 31, 2017, our Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, and from time to time in our other Securities and Exchange Commission filings. We undertake no duty to update publicly any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law, regulation or other competent legal authority.



A Long History of Leadership in Mobile Technology

- Over four decades of mobile innovation, and pioneers in digital wireless
- ~190 R&D staff in nine R&D locations around the world*
- Our engineers have contributed inventions to IEEE, IETF, 3GPP, ITU, ETSI and MPEG standards, among others
- InterDigital has invested over \$700 million in R&D during the past decade, vs. ~\$5B in revenue (2008-2017)

Recognized as Thomson-Reuters and Clarivate Top 100 Global Innovator, an independent and exclusive listing of top innovating companies worldwide, in 2015 and 2016



*as of 12/31/17

2017 – Another Tremendous Year

2017 REVENUE

\$533M

2017 OPEX

\$231M

2017 NET INCOME

\$174M

5G CONTRIBUTIONS

>1,000

A Simple Growth Strategy Focused on Research

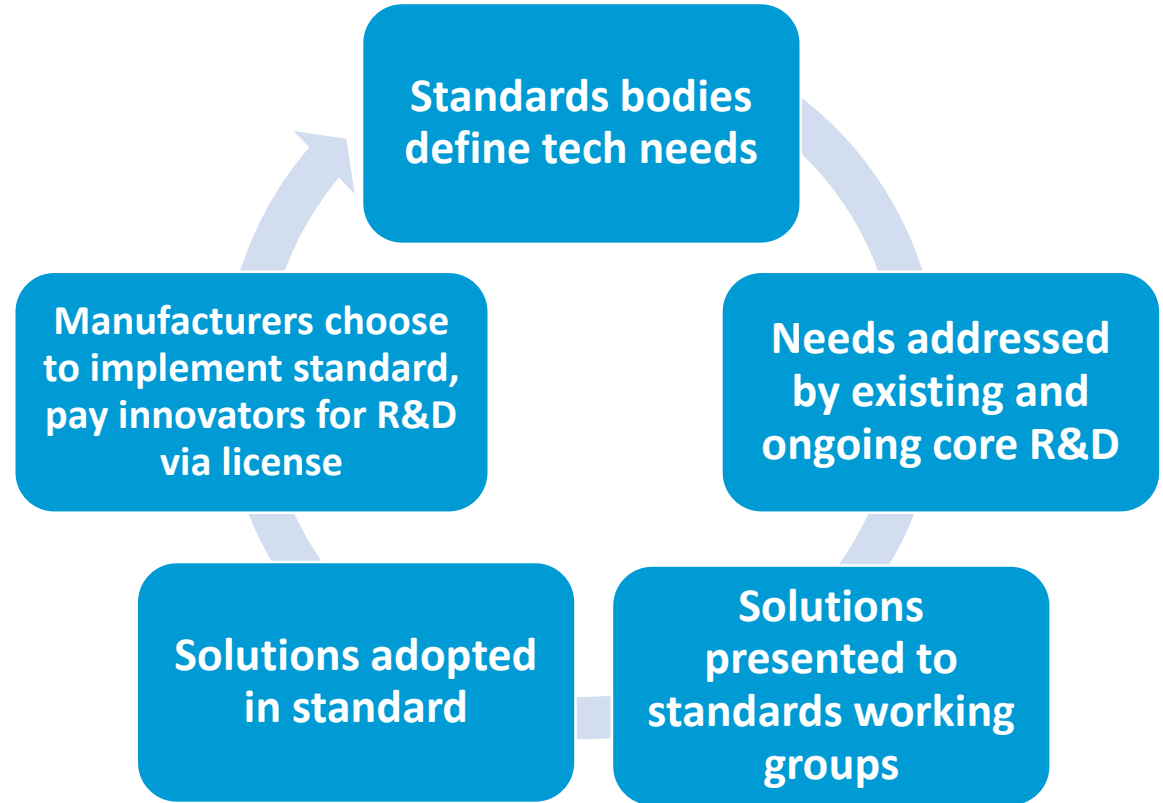
**CORE CELLULAR
WIRELESS**

**INTERNET OF
THINGS**

NEW TECH AREAS

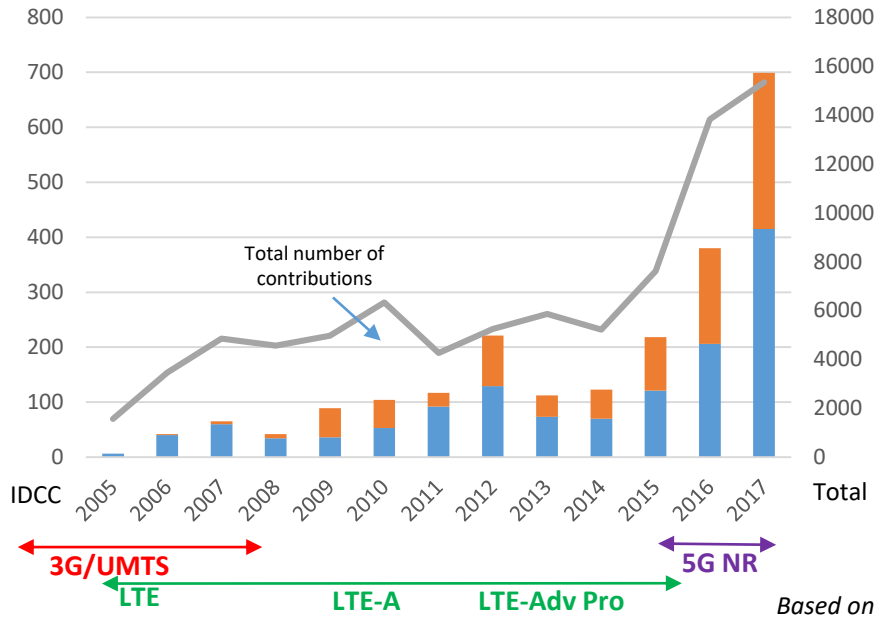
Core Cellular: Leveraging Standards as a Channel to an Entire Industry

Once adopted in a standard, solutions are incorporated into products that implement that standard, resulting in complete market access across the industry

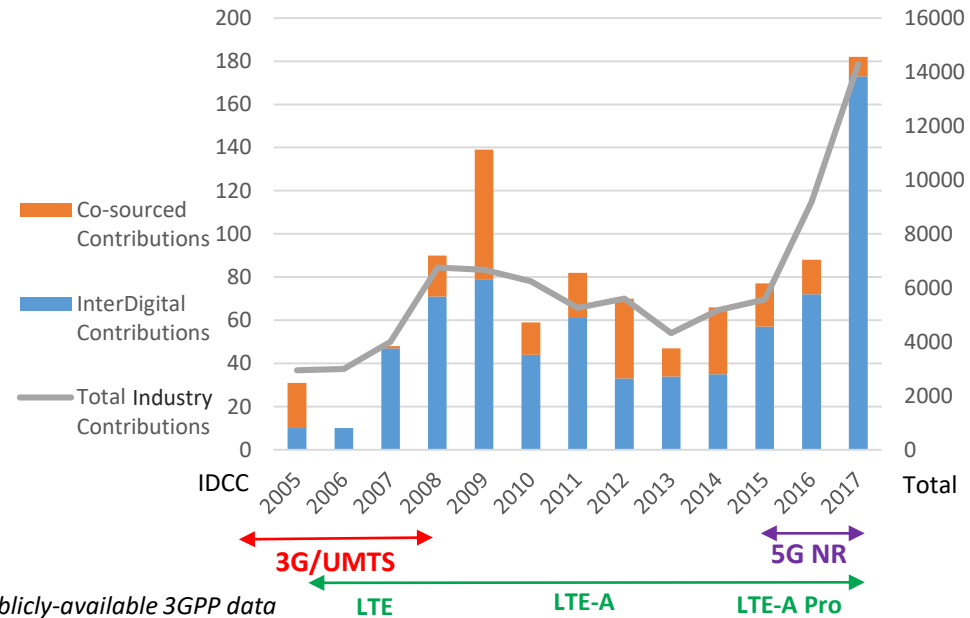


Our Platform: Continued Leadership into 5G

InterDigital RAN1 Contributions per Year



InterDigital RAN2 Contributions per Year



Based on publicly-available 3GPP data

~9X increase in 3GPP standards participation in past decade

Strong emphasis on collaboration, especially with licensees



IoT – Three Complementary Market Approaches

LICENSING CONNECTIONS

*~3B connections in 2018, more than tripling to >9B in 2023**

PLATFORM SOLUTION

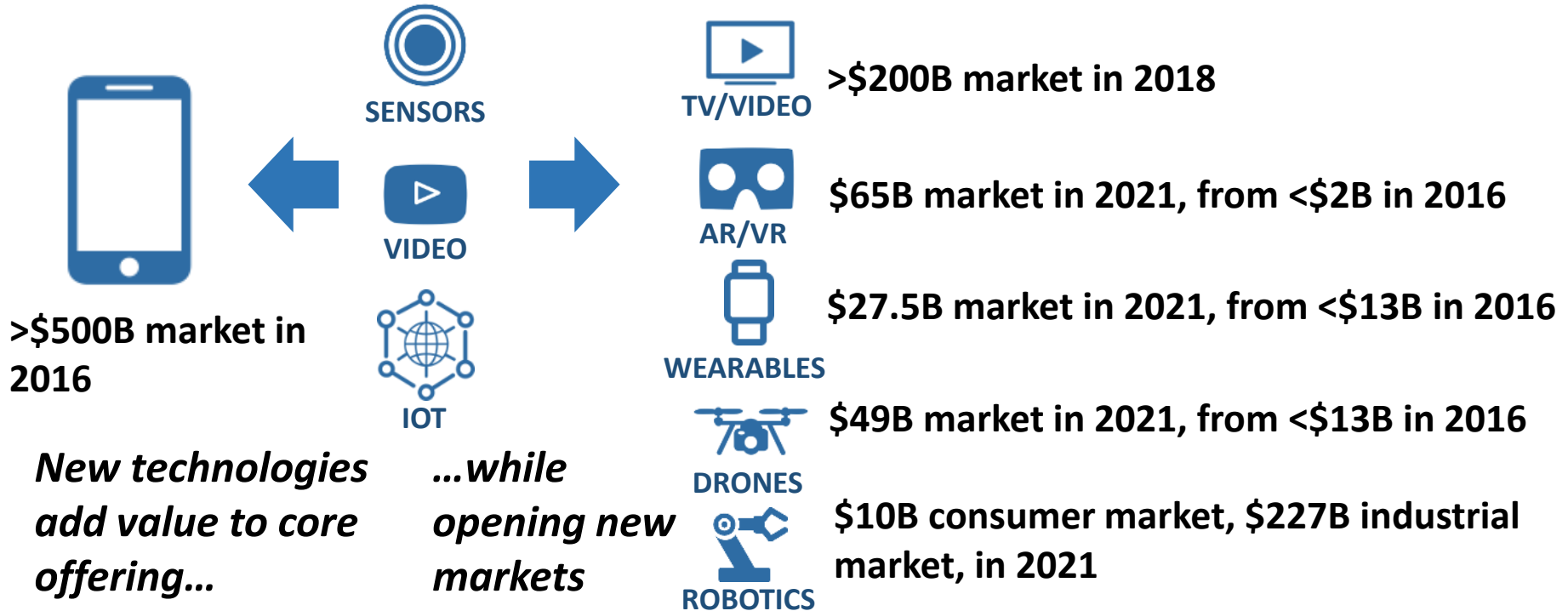
Multiple global awards, and successful live deployments/ trials in Europe, Asia

LICENSING PLATFORMS

*A research heritage to earliest IoT, and a ~\$100B market by 2023**

**All market data ABI Research, Q1 2018*

M&A Strategy: Add Value to Customers + Tap New Markets



All data ABI Research, Q1 2017

InterDigital + Technicolor Patent Licensing: a Perfect Example

INTERDIGITAL



Leading patent portfolio in wireless comms + *InterDigital Labs pipeline*

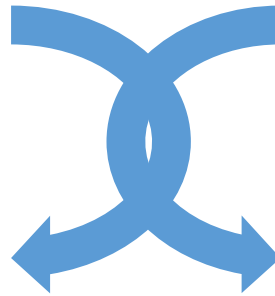
Ability to deploy portfolio into handset licensing business, with 100% of revenue to InterDigital

technicolor



Industry-leading portfolio in video & other tech + *Technicolor R&I labs pipeline*

New revenue stream in consumer electronics field via 57.5% revenue share net of costs



InterDigital + Technicolor Patent Licensing: a Perfect Example

INTERDIGITAL



Leading patent portfolio in wireless comms + *InterDigital Labs pipeline*

Ability to deploy portfolio into handset licensing business, with 100% of revenue to InterDigital

technicolor



Using 2017 recurring revenue as base, ~10% increase to revenue base of core handset licensing business, coupled with lower 14-15% tax rate, drives 50% increase in profitability.



Q3 2018 Guidance: Steady Revenue, One-Time Technicolor Impact, Other Adjustments

- Expected Total Q3 Revenue: \$71-75M, \$89-91M on pre-ASC 606 basis (effective as of 9/5/18 guidance release)
- Anticipated Technicolor-related cash expense of \$11-15M in Q3, of which ~50% is expected to be one-time transaction-related costs
- Purchase Price Allocation expected to be finalized later this month – currently expect PPA will result in ~\$5M of depreciation & amortization in Q3
- Also expect two offsetting non-recurring items in Q3 – an investment impairment and a tax credit – to provide \$7-10M net after-tax credit to income statement

A Continually Strengthened Executive Team



Bill Merritt
President &
CEO



Jannie Lau
Chief Legal
Officer



Rich Brezski
CFO



Jim Nolan
EVP,
Products



Eric Cohen
Chief Development
Officer

Ex-Dolby Labs,
Cowen, J.P. Morgan,
Credit Suisse; ex-
director, Via
Licensing and DTS



Dr. Henry Tirri
Chief Technology
Officer

Former CTO,
HARMAN; ex-EVP,
Nokia and CTO,
Nokia Research
Center



Tim Berghuis
Chief Licensing
Officer

16-year
InterDigital
veteran incl. 9
in licensing; ex-
Motorola



**Nicole
Kahny**
CHRO



**Patrick Van
de Wille**
CCO



Bob DiFazio
VP, InterDigital
Labs



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Thank you