

**Straight Path Communications Inc.
General Business Update Conference Call
January 9, 2014**

Operator: Good morning and welcome to the Straight Path Communications Inc. General Business Update conference call. All participants will be in listen-only mode. Should you need assistance, please signal a conference specialist by pressing the star key followed by zero. After today's presentation, there will be an opportunity to ask questions. To ask a question you may press star then one on your touch tone phone. To withdraw your questions please press star then two. Please note this event is being recorded.

I would now like to turn the conference over to Rob Fink. Please go ahead.

Rob Fink: Thank you, Gary, and good morning and welcome to Straight Path Communications investor business update call. My name is Rob Fink and I am with KCSA Strategic Communications, investor relations advisors to Straight Path.

As a reminder, some of the matters Straight Path management will discuss on this call are forward-looking statements. You should keep in mind that these forward-looking statements are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements and that such statements are not a guarantee of future performance. In addition to the factors specifically noted in the forward-looking statements, such risks and uncertainties include, but are not limited to, general economic conditions and those factors discussed under the Risk Factors sections of the company's annual report on Form 10-K and quarterly reports on Form 10-Q and other SEC filings. The forward-looking statements are made as of this date, and the company does not assume an obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. In addition to this live call, a webcast live and archived are being posted on the Straight Path Communications investor relations website under the presentation link. You can find it there.

And now, I'd like to introduce Davidi Jonas, Chief Executive Officer, and Jon Rand, Chief Financial Officer. They will take you on today's call.

Davidi will introduce Straight Path and take you through the Company's overall strategy. Jonathan will outline the Company's fiscal plans and provide visibility into milestones for each of the business units. Following Jonathan's comments, they will open the call for questions.

With those comments complete, allow me to turn the call over to Davidi Jonas..... Davidi, the floor is yours.

David Jonas: Thanks, Rob, and thank you everyone for joining us on today's call.

With 2014 just underway, we thought it was important to host an inaugural Investor Conference call to introduce Straight Path to the financial community. Going forward we plan to host investor conference calls to review our results and provide insight into our operating activities.

I'd like to start off today's discussion by providing a history of Straight Path Communications.

Straight Path was just launched as a publicly traded company in August 2013, by IDT Corp. IDT created Straight Path to better grow and monetize two important assets - wireless spectrum and intellectual property – both of which were divisions within IDT. IDT spun-out Straight Path in a tax free transaction to IDT shareholders, which included these two divisions and \$15 million of operating capital.

It will be helpful to understand IDT and its success with spin-off companies and value-creation. Founded 23 years ago as a low-cost international long distance carrier, IDT has since become a major international telecom company. It has also achieved a strong track record of growing businesses internally, and then positioning them to maximize value externally. Prior to spinning off Straight Path, IDT had successfully incubated and monetized Net2Phone's IPO, the sale of IDT Entertainment, and Genie Energy's spin off.

In 2012, I was part the IDT strategic development team that determined that the company was unable to realize the true value of Spectrum and Intellectual Property divisions as part of the larger operational structure. It was then determined that combining these two, seemingly unrelated, units could optimize the opportunity to maximize growth, thereby unlocking value for existing shareholders, and creating a compelling opportunity for new investors.

With this in mind, I would now like to expand on the two business units that comprise Straight Path Communications: Straight Path Spectrum and Straight Path IP Group.

Let's begin with Straight Path Spectrum, which I believe provides shareholders with an opportunity for significant appreciation over the coming years and perhaps decades. IDT acquired the spectrum licenses in 2001 for \$60 million, along with other assets, from Winstar Communications' bankruptcy. You may recall that Winstar was a well-known provider of fixed wireless services to businesses in the United States in the late 1990s.

As background, wireless spectrum is the invisible infrastructure over which all wireless communications travel. Voice, data, Wi-Fi, broadcast, AM, FM, satellite, GPS etc. These are all examples of wireless communications. While demand for wireless data is expected to increase some 300% by 2017, spectrum is a finite resource. Communications networks have become so saturated with data usage which has resulted in an increasing possibility of network malfunction, failure, and delay. This is referred to as the spectrum crunch. Small cells— which are short-range, small form factor, transceivers—are anticipated by industry leaders to be the most frequently used solution to expand the wireless data bandwidth. In fact, many wireless carriers have already announced initiatives to increase the capacity of their networks over the next several years using small cell technology, and we agree. We believe the most efficient and cost-effective method of potentially deploying millions of small cells in the United States is by using our robust, nationwide 39 GHz spectrum as the wireless conduit to connect small cells into the communications networks – what is commonly referred to as backhaul.

Today, Straight Path Spectrum holds 814 39 GHz licenses, making us the largest holder of these licenses in the United States. We have coverage in all of the top 25 markets and are the only Company to have nationwide coverage in this space that is well suited for backhaul. This is a unique asset in today's market where efficient, high bandwidth coverage is in such high demand. We also hold 133 28 GHz licenses, many of them in the top markets, which supplement our core 39 GHz holdings and increase our coverage and bandwidth.

Prior to spinning off Straight Path, IDT engaged in some leasing of its spectrum and monetized a small portion through a direct sale of certain licenses to a leading wireless carrier. While sales of spectrum holdings highlight the value of the asset, we believe having deep nationwide coverage is such a competitive advantage that asset sales alone may not fully capitalize on the value of our spectrum. In fact, today Straight Path is focusing on licensing our spectrum to those looking to expand and/or boost capacity in their existing network as our spectrum is a potentially superior alternative to fiber – it is eco-friendly, more affordable, easier to deploy and faster than fiber solutions. Our 39 and 28 GHz bands offer considerable advantages over other spectrum bands, including less interference, better deployment, smaller antenna requirements, and the ability to power point to multipoint networks.

We are broadening our relationships with key equipment manufacturers who can supply hardware to exploit the advantages of our spectrum in backhaul and other applications to deliver high quality, high capacity, and importantly cost effective products, thereby creating yet another hook for our already eminently attractive solution.

Currently, we are focused on using spectrum in test beds and Proof of Concepts in order to show that our spectrum is the most optimal wireless solution to other

alternatives. While there may be opportunities for one-off sales of spectrum in certain markets, we believe the more significant monetization opportunity is in licensing our spectrum across a nationwide network.

While we continue to assiduously pursue the small cell backhaul opportunity, we are also looking to strengthen our revenue-producing business, leasing spectrum to internet service providers and others who are looking to deploy or expand their networks, and to those entities seeking to build cost effective redundancy within existing networks.

We believe the breadth and depth of our spectrum holdings positions us to play a key role in whatever direction technology and the industry takes us in the future.

Now let me turn to our second asset, intellectual property, or IP. Our Straight Path IP Group subsidiary holds patent portfolios, foundational to communication over computer networks. We are actively protecting and licensing these patents.

To start again with a bit of history, our intellectual property portfolio existed within IDT and Net2Phone. IDT was not in the position to realize the full value of these assets and the potential value was not being reflected in IDT's share price.

After separating the portfolios from IDT and contributing them to Straight Path, we believe that Straight Path is in a far better position to generate value from them.

In addition to seeking to license our technology for commercial use, our strategy includes aggressively defending our patents against infringement. Earlier this year, we filed enforcement actions against telecommunications service providers Bandwidth.com, Telesphere Networks, Vocalocity, and most recently Vonage, as well as electronics manufactures BlackBerry, Huawei, Samsung and ZTE.

Additionally, the International Trade Commission is investigating LG Electronics, Panasonic, Sharp, Sony, Toshiba, and Vizio and Amtran over the use of our patents in certain Point-to-Point Network Communication Devices and Products based upon our complaint filed on August 1, 2013.

To actively pursue enforcement of our patents, we have created a sophisticated patent protection program and are working with two top law firms on a contingency basis. Our partnerships with leading law firms ensure that our efforts are focused and professionally pursued, and that we are appropriately sharing the risks and rewards of those efforts. By establishing a solid record of favorable verdicts and settlements, Straight Path IP Group expects to establish its position in the industry, and facilitate subsequent licensing agreements with electronics manufacturers and communications providers.

To close out my comments on a positive note, I'm pleased to announce that we are close to settlements with a couple of parties in both Virginia and the International Trade Commission. In addition, we believe that there are others who we will be able to have meaningful dialogue within the coming months throughout the second quarter.

Now that I've provided an introduction and update on our business, I'll turn the call over to Jonathan Rand, our CFO, to provide a high level overview of our financial strategy, our most recent quarterly results for the first fiscal quarter of 2014. Jonathan, the floor is yours.

Jonathan: Thank you, Davidi. And thank you everyone for joining us on today's call.

This morning, I will provide an overview of Straight Path's fiscal and operational plans, including our advantageous CapEx and OpEx structures. I'll also share several milestones that we are pursuing in the upcoming quarters as steps to monetize both our Spectrum and our Intellectual Property holdings.

A good place to start is by reviewing our balance sheet relative to the anticipated funds needed to execute our plans for asset appreciation and revenue generation. One of the strengths of Straight Path is that we operate both the Spectrum and IP businesses in a manner that requires minimal CapEx and OpEx outlays. On the Spectrum side, there are minimal annual costs to maintain and lease our FCC licensed airwaves. We are not currently building out a network, so we also have minimal CapEx needs. On the IP side, due to the contingency relationships with our patent counsel, we have nominal ongoing legal expenses. In terms of OpEx, we maintain a stream-lined corporate structure and utilize a range of third parties for corporate operational support, resulting in a relatively modest OpEx. Lastly, we currently have a small Spectrum leasing customer base that has grossed approximately \$500K for the past few years.

At our current burn rate, we anticipate that our cash needs will be under \$3 million per year. Based on our Aug 1, 2013 starting balance sheet with IDT's initial capitalization of \$15M, we believe that Straight Path is well positioned to execute on our strategic plan for several years without a need to raise any additional capital.

Let me now jump into our first quarter results for Fiscal 2014. Please note that the first operating quarter is on track with this overall financial plan. For the quarter ended Oct 31, 2013, Straight Path recorded revenue of \$127,000, total expenses for the quarter were \$597,000, with a net loss of \$391,000. We finished the quarter with our cash and cash equivalents at \$14.9 million.

Now let's discuss our plans for monetization. There are two ways that we intend to monetize our Spectrum holdings. We believe the greatest long-term upside to

monetize our spectrum holdings is by leasing them in national or regional solutions. There are a number of likely candidates to lease spectrum, the biggest of which are the national wireless carriers. Other potential lease candidates include broadband service providers, certain fiber networks, and government and enterprise entities that need to expand their wireless networks or make them redundant. Demonstrating the multiple applications of our spectrum for various markets as part of an industry-wide wireless equipment ecosystem will encourage the eventual customer adoption of our spectrum in a wide range of possible applications.

Our expectation is that large scale opportunities with national wireless carriers could come to fruition sometime in 2015 -2017. While working on our offering to meet those anticipated needs, we will also focus on a range of opportunities in the broadband and ISP space that is likely to produce results in a shorter timeline, although we don't anticipate major changes in spectrum revenue in the short term.

There is also the ongoing possibility of an outright sale of some of our spectrum licenses, similar to the sale Davidi mentioned earlier, when IDT sold 8 spectrum licenses for \$6.8 million in March of 2012.

Here are a few goals that we are looking for in the coming quarters. These are the Spectrum milestones: launching a test bed to demonstrate our Spectrum for certain applications, working more closely with certain radio vendors, and securing several new Spectrum lease customers.

Moving to the IP Group, we continue to believe in the potential to realize significant value from users of our IP. In the next several quarters, we anticipate announcing the results of some settlement discussions, and we expect to seek licenses from additional companies.

Looking forward, we anticipate that the activities we are pursuing in both the Spectrum and Intellectual Property realms are likely to generate revenue well before our current burn consumes \$15 million. If our modeling is correct and we begin monetize either business in the near-term, then we expect to invest incremental revenue back into the business. We see a good opportunity to enhance the value of Straight Path Spectrum via a focused business development and marketing strategy. We are eager to pursue this course of action. Much further down the road, upon achieving sustained profitability and cash reserves, we intend to share a substantial portion of our earnings with our shareholders in the form of dividends.

Of course, circumstances may change, and we will address any unforeseen needs with our same fiscally conservative approach.

With that, let me turn the call over to Davidi for closing remarks.

David: To summarize, we believe our two operating units offer significant upside opportunity to investors. Given the current wireless landscape and shift to 4G as well as future generations of new technology, we believe that increased demand for bandwidth will result in tremendous opportunities to exploit our spectrum holdings. On the IP side, there continues to be numerous entities – large and small – that are using our IP without permission, and we will continue to explore all reasonable business and legal means to achieve compensation.

As we explain the Straight Path proposition and build a more educated and committed shareholder base, we will continue to explore the best paths to creating value for our partners. We believe in the future of Straight Path and expect to deliver on our proposed milestones.

I would like to thank our shareholders for joining our call today. We look forward to keeping you updated on our progress.

Operator, you may now open the call for questions.

Operator: We will now begin the question and answer session. To ask a question, you may press star then one on your touchtone phone. If you're using a speakerphone, please pick up your handset before pressing the keys. To withdraw your question, please press star then two. At this time we will pause momentarily to assemble our roster.

Again, if you have a question, please press star then one.

Once again if you have a question please press star then one.

As there are no questions the conference is now concluded. Thank you for attending today's presentation. You may now disconnect.