

The KonLin Letter TKL

1 STOCK OF THE YEAR

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AIRTOUCH COMMUNICATIONS

OTC BB: ATCH - 2.27

The demand for wireless substitution is accelerating in the U.S., while billions of people internationally will never be reached by landlines but do have access to cellular networks. In addition, a new forecast by research firm IDC stated that more U.S. Internet users will access the web through mobile devices than PCs or other wire line methods by '15.

ATCH is engaged in the development and marketing of patented telecommunication devices capable of converging voice, data, video, security, entertainment and other advanced communication services from various service providers on one piece of hardware. ATCH has seven U.S. patents (three approved and four pending) for its unique combination of cordless telephone technology and wireless signal amplification, which enables consumers and businesses to access voice, data and other applications and services over the cellular wireless network. With over 87% of mobile data and over 70% of mobile voice initiated at home or at the office by using ATCH's pioneering technology, there is no reason wireless phones need to be mobile phones. *ATCH's HomeConneXX1500 wireless phone is certified to be used on the Verizon Wireless 3G networks.* The product allows customers and small businesses to "cut the cord" to their landline service providers for both voice and data, while retaining excellent phone sound quality and full data services.

ATCH's solution for home/office use can create just as convenient a step to access as that of wireless broadband without turning on a PC or without having the home connected by landline infrastructure, by a device that lasts longer and may have even more home-oriented applications than regular mobile. ATCH's telephone and data unit, with its innovative patented signal amplification technology, operates at up to 10x's the signal strength of a handheld mobile phone while dramatically reducing the amount of microwave radiation to fragile human tissue caused by cellular phones.

ATCH has positioned itself for the rapid surge in demand for wireless access by consumers and businesses worldwide expected in coming months. The astute team, led by Pres./CEO Hide Kanakubo, has established a distribution scheme through the nation's wireless carriers, and its independent agents and retailers have emerged out of the ever-accelerating shift of dynamics to wireless technology as the most viable and vital media for information. ATCH recently signed a long-term 4G-LTE wholesale agreement with LightSquared™, the nation's



first wholesale-only integrated 4G-LTE wireless broadband and satellite network. Under this agreement, ATCH will be able to operate like a wireless carrier, and its proprietary unique hardware could be offered directly to the end user, enhancing both the features of the hardware as well as the services offered on it, which makes it poised for explosive growth.

Also, the joint venture with one of the largest Chinese distributors of Epson products in China, establishing AirTouch China, a wholly-owned subsidiary of ATCH with aggressive plans to grow sales of its wireless devices, enables ATCH to obtain purchase orders from Chinese carriers, including China Mobile, China Telecom and China Unicom. ATCH will be able to provide its revolutionary hardware like the HomeConneX X2000 to Chinese consumers and the millions of rural Chinese with limited or no access to voice, Internet, or IPTV for entertainment and other advanced communication service, a vast market opportunity!

ATCH successfully raised \$12 mil., with its stock quietly trading in the 2-2.50 area, which could easily surge to the 9-10 area as ATCH continues to position itself as a home/office-centered wireless service provider, offering its proprietary unique hardware through its visionary distribution plan. Of the 29,350,000 shares outstanding, about 30% are held by insiders. Also, the World Health Organization estimates over 2 bil. people in the BRIC nations (Brazil, Russia, India and China) and N-11, or Next-11 countries that are expected to develop leading economies, will move into the income bracket over the next 5-yrs. and will be demanding wireless voice, Internet and entertainment services, but has scarce landline-based infrastructure...an enormous market opportunity! Ultimate target low to mid-teens.