

TELETOUCH®

Noble Financial Capital Markets



8th Annual Equity Conference

January 18, 2012

ALL STATEMENTS FROM TELETOUCH COMMUNICATIONS, INC. DURING THIS PRESENTATION AND IN ANY RELATED PRESENTATIONS THAT ARE NOT BASED ON HISTORICAL FACT ARE “FORWARD-LOOKING STATEMENTS” WITHIN THE MEANING OF THE PSLRA OF 1995 AND THE PROVISIONS OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED, AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. WHILE COMPANY’S MANAGEMENT HAS BASED ANY FORWARD-LOOKING STATEMENTS PRESENTED TODAY ON ITS CURRENT EXPECTATIONS, THE INFORMATION ON WHICH SUCH EXPECTATIONS WERE BASED MAY CHANGE. THESE FORWARD-LOOKING STATEMENTS RELY ON A NUMBER OF ASSUMPTIONS CONCERNING FUTURE EVENTS AND ARE SUBJECT TO A NUMBER OF RISKS, UNCERTAINTIES, AND OTHER FACTORS, MANY OF WHICH ARE OUTSIDE OF OUR CONTROL, THAT COULD CAUSE ACTUAL RESULTS TO MATERIALLY DIFFER FROM SUCH STATEMENTS. SUCH RISKS, UNCERTAINTIES, AND OTHER FACTORS INCLUDE, BUT ARE NOT NECESSARILY LIMITED TO, THOSE SET FORTH UNDER THE CAPTION “RISK FACTORS” IN THE COMPANY’S MOST RECENT FORM 10-K AND 10-Q FILINGS, AND AMENDMENTS THERETO, AS WELL AS OTHER PUBLIC FILINGS WITH THE SEC SINCE SUCH DATE. THE COMPANY OPERATES IN A RAPIDLY CHANGING AND COMPETITIVE ENVIRONMENT, AND NEW RISKS MAY ARISE. ACCORDINGLY, INVESTORS SHOULD NOT PLACE ANY RELIANCE ON FORWARD-LOOKING STATEMENTS AS A PREDICTION OF ACTUAL RESULTS. THE COMPANY DISCLAIMS ANY INTENTION TO, AND UNDERTAKES NO OBLIGATION, TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS.

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**Hawk
Electronics**
A TELETOUCH Company



**PROGRESSIVE
CONCEPTS, INC.**
A TELETOUCH Company

ABOUT TELETOUCH COMMUNICATIONS

- 47+ years as a wireless service company
- 27+ years as a cellular services provider
- 38+ years as a consumer electronics retailer and wholesaler
- 125+ full-time employees
- Publicly traded as Teletouch Communications since 1994

MAJOR BUSINESS UNITS

- **Hawk Electronics** – Retail, Direct and Online Sales
- **PCI Wholesale** – Cellular and Consumer Electronics
Distribution
- **Teletouch Two-Way** – Radio/SMR Products and
Services
 - Teletouch Public Safety Equipment



**Hawk
Electronics**
A TELETOUCH Company

ABOUT HAWK ELECTRONICS

THE ONLY "AUTHORIZED SERVICES PROVIDER" OF AT&T WIRELESS

- Direct billing, rating, servicing of end-user customers
- Unique co-branded billing services relationship with AT&T (formerly Cingular, Southwestern Bell Wireless)
- 20 Texas-based Retail & Authorized Agent stores
- Direct sales force for Corporate and Government accounts
- Proprietary billing and CRM platform
- In-house Technical Support and Call Center



ABOUT PCI WHOLESALE

SHIPPING BY THE SINGLE BOX, PALET OR TRUCKLOAD

- 30+ years expertise in wholesale distribution to retail, sub-distribution and large accounts
- 27+ years as a wireless products Distributor to carrier agents, rural carriers, resellers and other wholesale distributors
- National and International sales to markets including: Canada, Mexico, Brazil, UK, Singapore and China



ABOUT TELETOUCH TWO-WAY PRODUCTS AND RESOURCES

- Two-Way Radio LTR System across North and East Texas
- Motorola Manufacturers Representative, Platinum Dealer and an Elite Specialist Dealer
- System evaluation, engineering and design
- Factory-trained and licensed technicians across multiple product lines
- Extensive knowledge of network systems configurations and operations
- FCC Licensed Spectrum
- Motorola MSS since 1964



KENWOOD

ZETRON[®]
AUTHORIZED RESELLER


Vertex Standard


ICOM



TELETOUCH[®]

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ABOUT TELETOUCH PUBLIC SAFETY EQUIPMENT

END-TO-END SERVICE FOR GOVERNMENT, MILITARY & ENTERPRISE

- Teletouch PSE represents over 20 manufacturers
- Premier Whelen Master Distributor
- Complete install, turn-key solutions
- Award of multi-year GSA Contract



A BROAD SPECTRUM OF CUSTOMERS

CONSUMER, BUSINESS AND GOVERNMENT

- City of Longview
- City of Tyler
- City of Palestine
- City of Lufkin
- City of Fort Worth
- River Oaks Police Department
- Fort Worth Fire Department
- Weatherford Fire Department
- Weatherford Police Department
- Henderson County SO
- Houston County SO
- Smith County SO
- US Marshal Office
- East Texas Medical Center
- Careflite
- Flint Energy
- Lattimore Materials
- DFW Airport
- TXI Operations
- EOG Resources
- TXDoT



DALLAS/FORT WORTH
INTERNATIONAL AIRPORT



EOG Resources



MARKETING TO A BROAD SPECTRUM OF CUSTOMERS

CONSUMER, BUSINESS AND GOVERNMENT

“Local in nature. National in stature.”

- Outdoor Campaigns
 - Ongoing Billboards rotate throughout metro areas
 - “Teletouch-Hawk Electronics” brands highly visible & seemingly ubiquitous presence
- Sports/Affinity Group Marketing
 - Dallas Mavericks: Official Mobile Electronics Sponsor
 - Colonial PGA Tour: Official Cellular Sponsor
 - ESPN Armed Forces Bowl: Official Cellular Sponsor
- “What If 10%?” Customer Loyalty Programs
 - Businesses, organizations & individuals participating
 - Makes commodity service personally relevant
 - First of its kind in cellular industry (Launched 2Q FY2009)
- Add: Newspaper, Radio, CableTV, eMail, In-Store, Event, Web & Direct Marketing



Official Event



SEASONED MANAGEMENT TEAM

Robert M. McMurrey
Chairman & CEO

- Has been part of the wireless industry for more than 25 years, beginning as controlling shareholder of the predecessor to Teletouch in 1983
- Guided Teletouch's original external expansion with the completion of over 16 acquisitions in the paging, two-way radio and cellular industries, including PCI in 2001

Thomas A. "Kip" Hyde, Jr.
President & COO
CEO - PCI

- Extensive experience acquiring, financing and operating wireless & other companies
- Joined the PCCI family of companies in October 2002, restructured, operated and later divested the Hawk Security Home & Commercial Services unit of PCI for substantial ROI
- Fortune 500 senior management experience in the sales, marketing, distribution & operations of mid- to large enterprise level financial (transactional) and retail information systems
- Extensive experience in corporate mergers & acquisitions, targeting, diligence, integration & restructuring

Douglas E. Sloan
Chief Financial Officer

- Joined Teletouch as a Senior Financial Analyst in August 1998, becoming CFO in December 2005.
- Began his financial career in 1991 as a senior auditor with Ernst & Young, LLP in Dallas Texas, and is a Certified Public Accountant, licensed for public practice in Texas since 1992
- Extensive experience in mergers and acquisitions, due diligence, integration and restructuring operations

Michael A. Dickens
SVP Operations

- Joined PCI in 1995 from Tandy Corporation (now Radio Shack) as regional manager
- Experienced in large, national retail organizations, as well as retail and wholesale sales
- Brings significant functional experience in retail store sales, store operations, marketing and merchandising

Steven S. Carpenter
SVP Information Technology

- One of PCI's original employees, developed current billing, customer service & CRM systems
- Extensive experience in systems architecture, computer code writing, telephony systems, and managing a large information systems department.

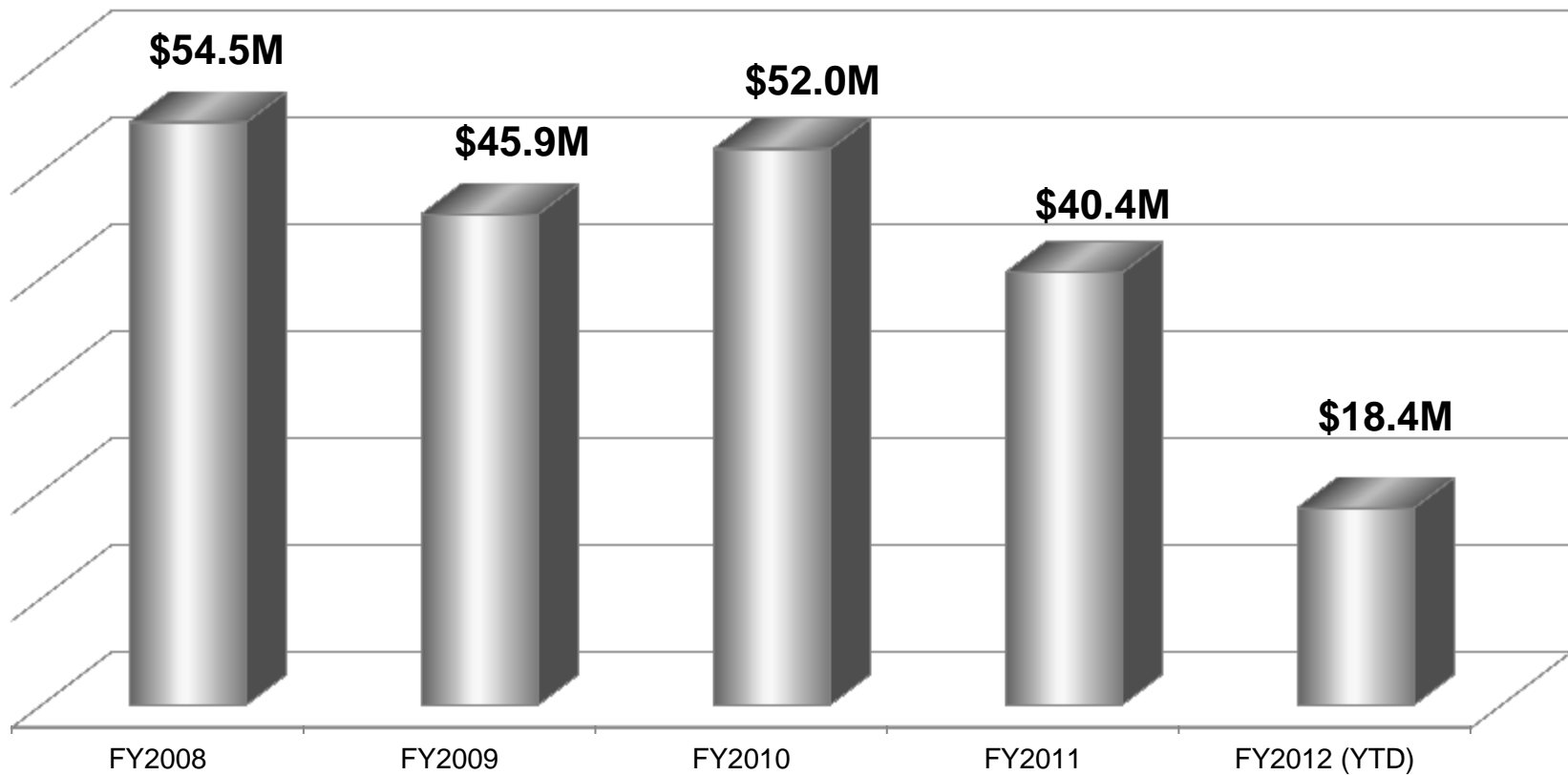
Debbie J. Schreier
VP Human Resources

- One of PCI's (now Teletouch's) longest term employees, manages all aspects of the Company's day-to-day HR operations, as well as 401K, healthcare and related investments
- Holds advanced degrees in accounting and business (CPA/MBA)

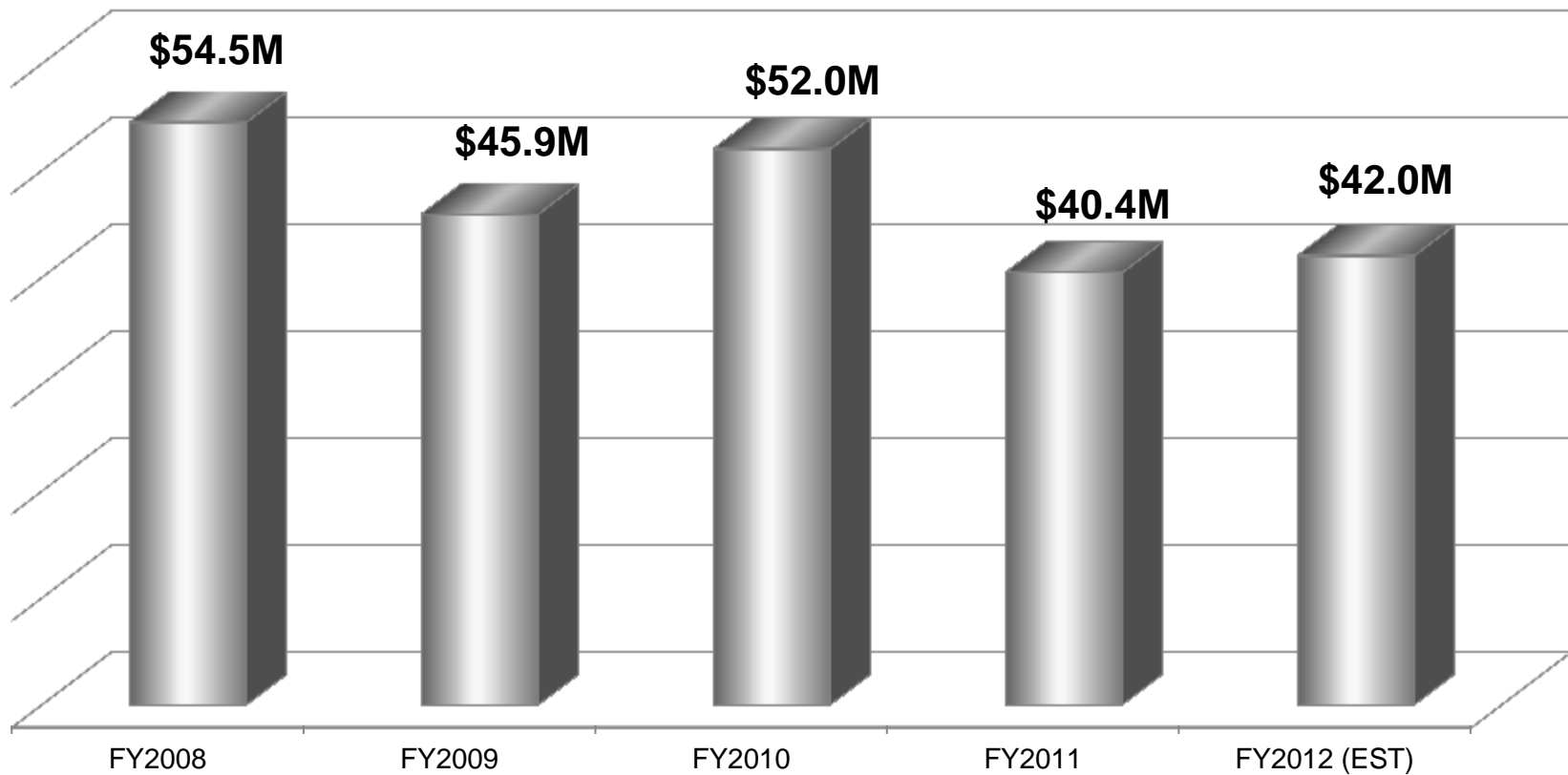
FINANCIAL AT-A-GLANCE (thru 2Q-FY2012)

FISCAL YEAR END:	May 31st
EXCHANGE SYMBOL:	OTCBB: TLLE
52 WEEK HIGH/LOW (as of NOV. 30 , 2011) :	\$0.11 / \$0.89
EPS 2Q FY 2012 (as of NOV. 30 , 2011):	\$0.14
MARKET CAP (as of NOV. 30, 2011) :	\$38.5 Million
AVERAGE VOLUME (3 mth):	39,743
SHARES OUTSTANDING (as of NOV. 30, 2011) :	48,742,335

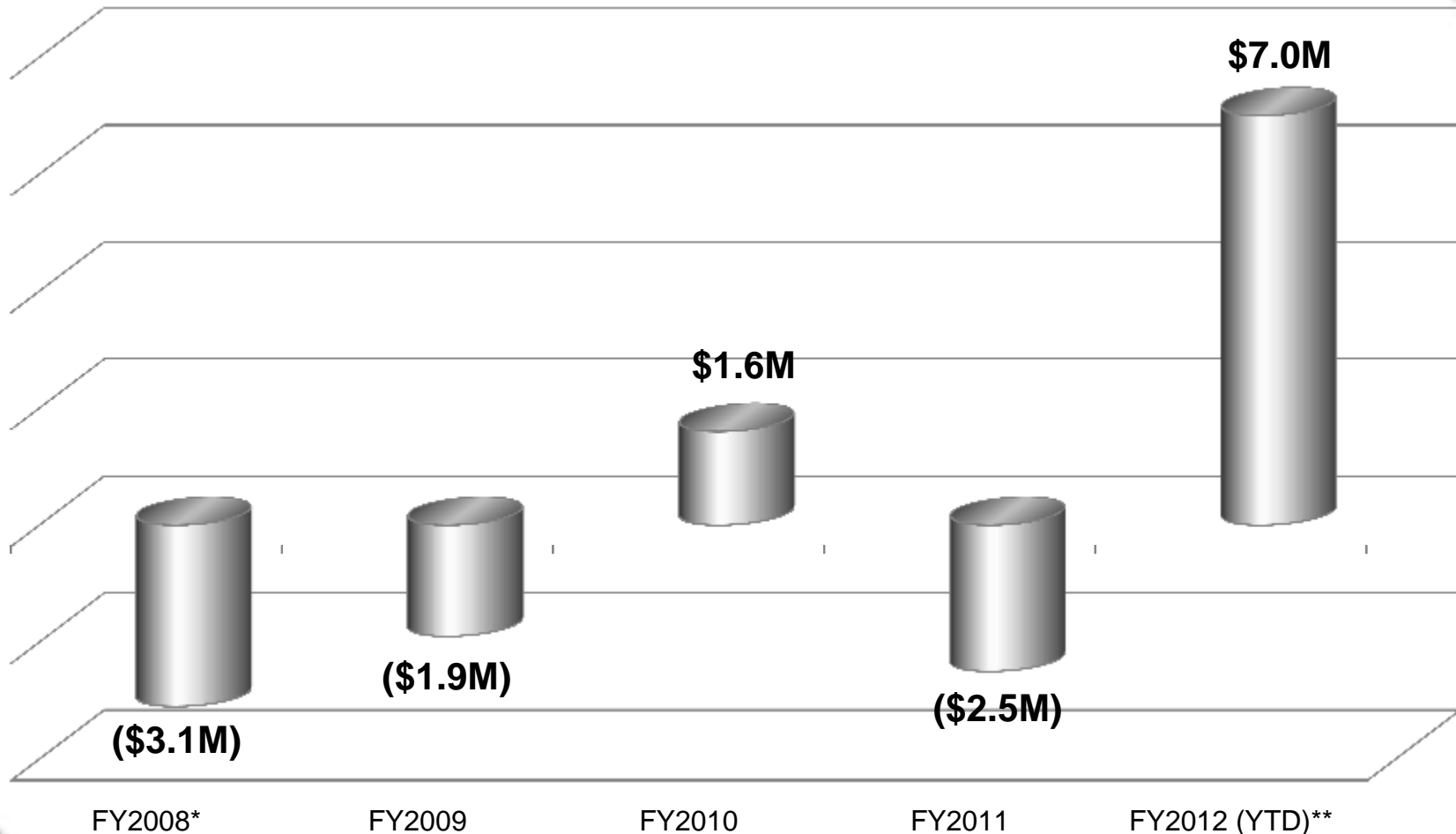
CONSOLIDATED REVENUES: FY2008-2011 / YTD 2012



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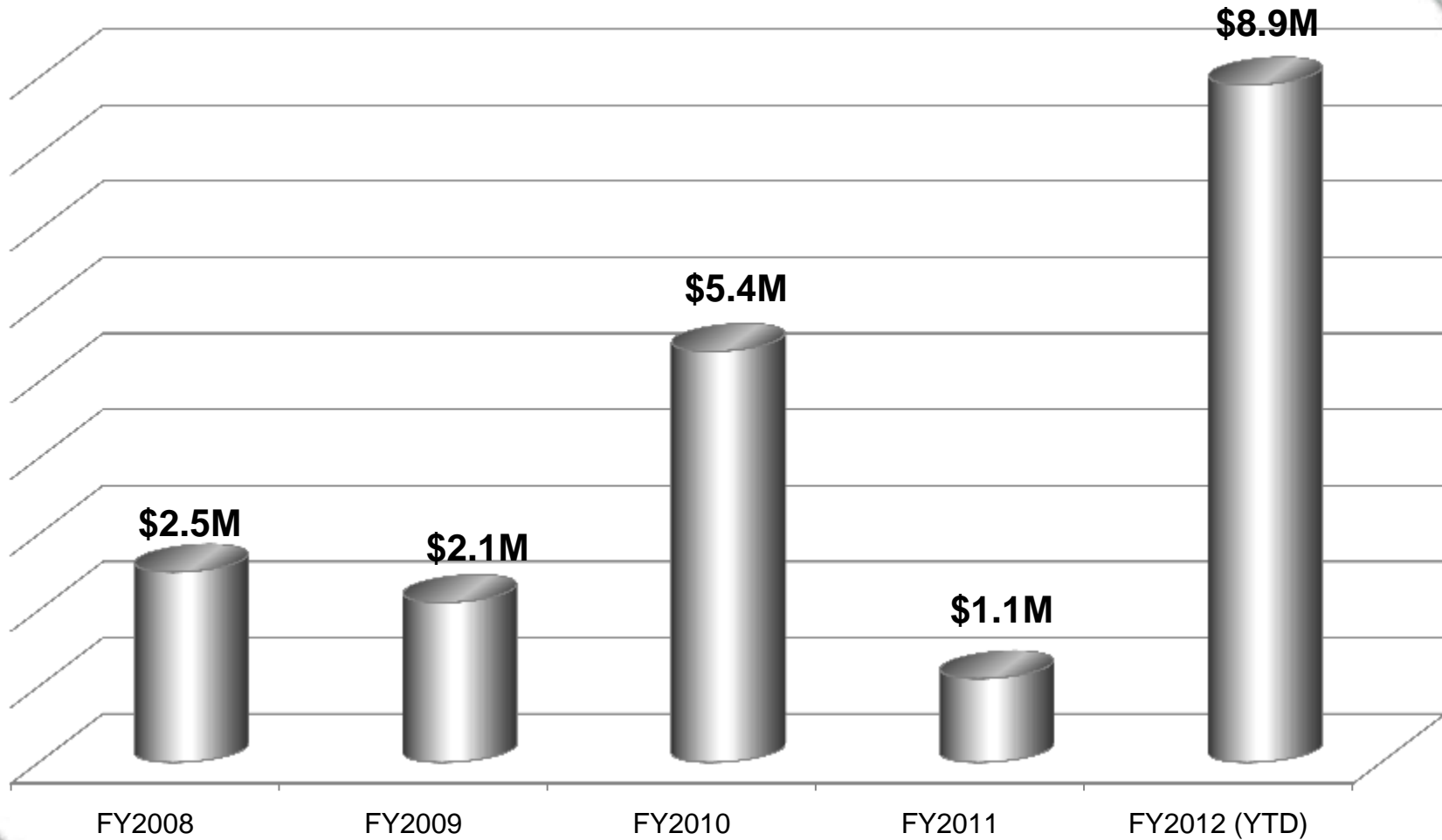
CONSOLIDATED NET INCOME (LOSS): FY 2008-2011 / YTD2012



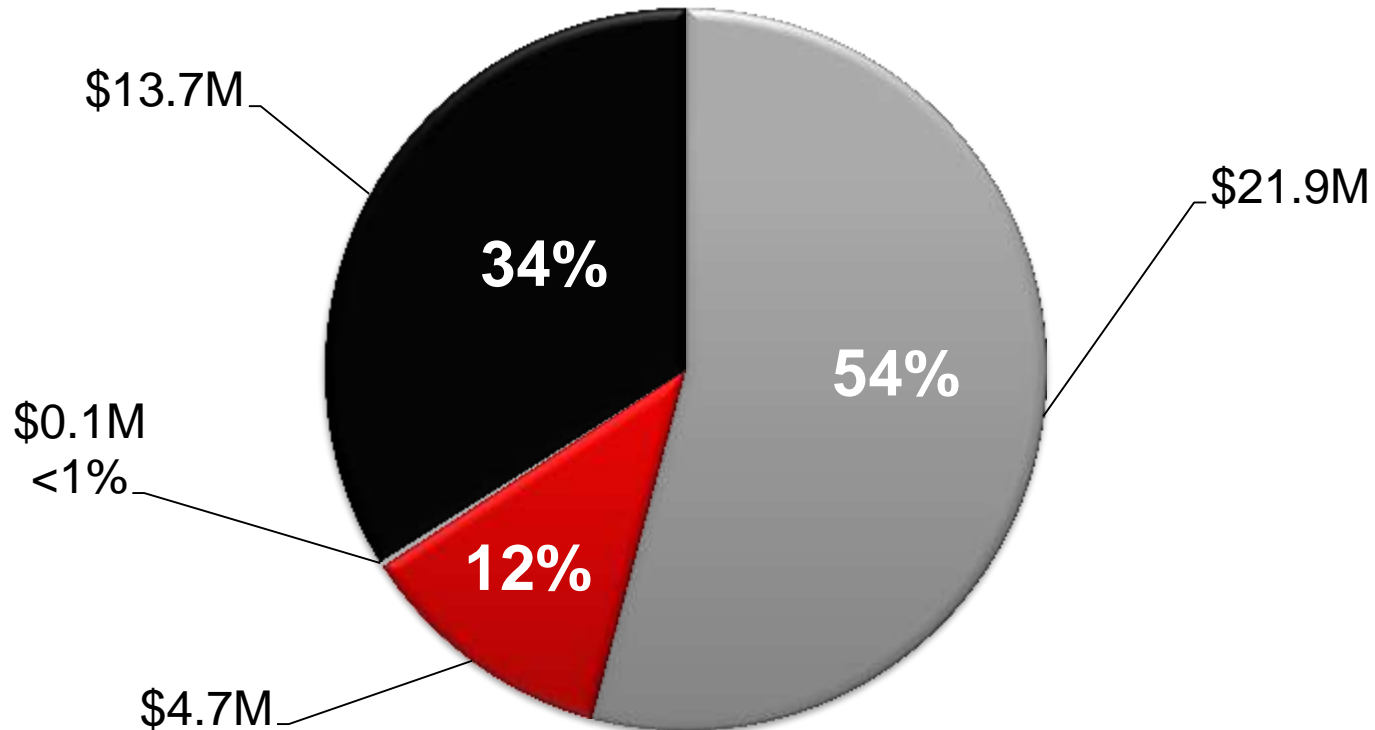
*Includes Non-Cash Gain of \$3.8 Million

**Includes Non-Cash Gain of \$5 Million

CONSOLIDATED EBITDA: FY 2008-2011 / YTD2012

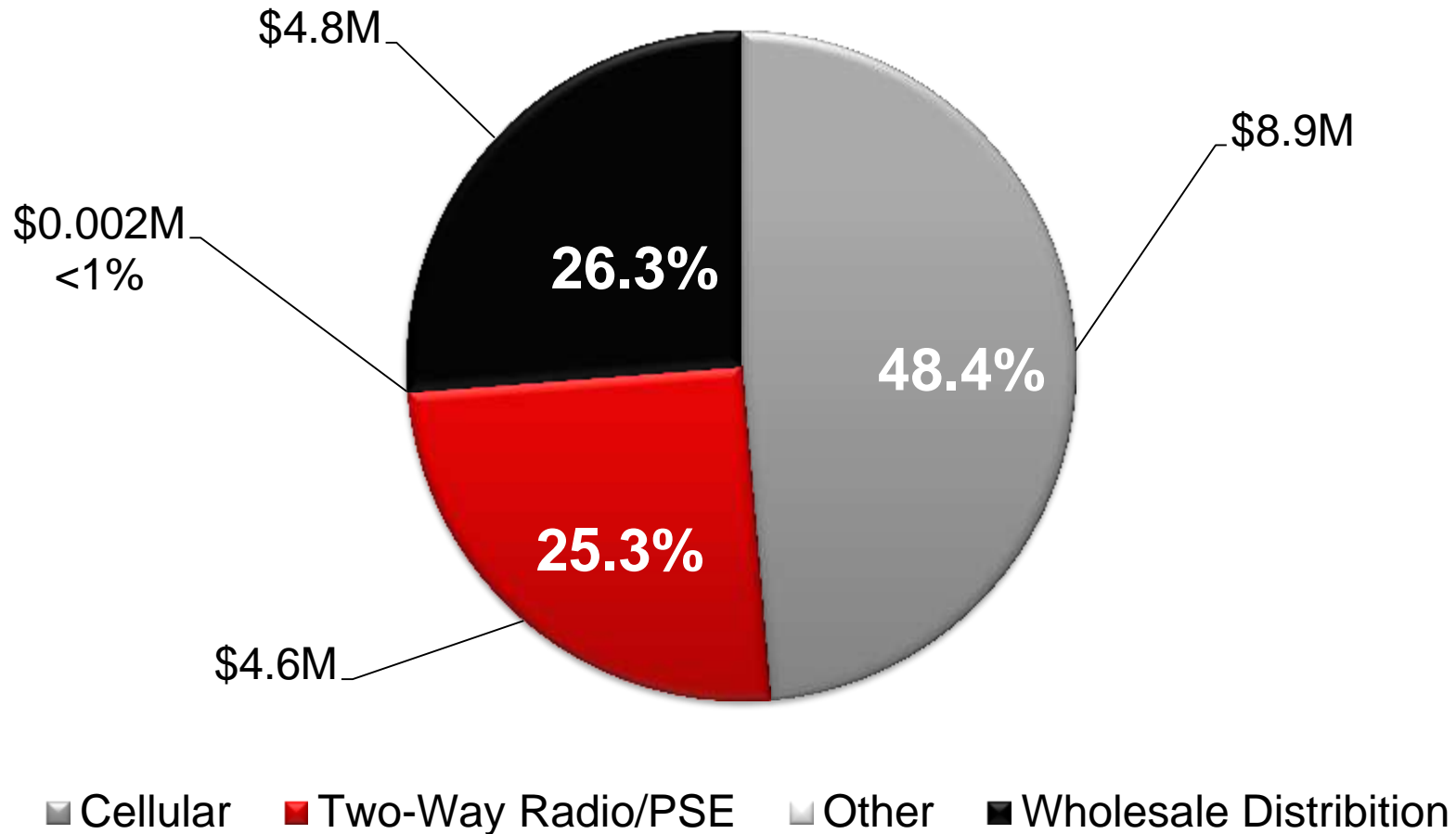


BUSINESS SEGMENTS FY 2011



■ Cellular ■ Two-Way Radio/PSE ■ Other ■ Wholesale Distribution

BUSINESS SEGMENTS FY 2012 (YTD)



FISCAL YEAR 2011

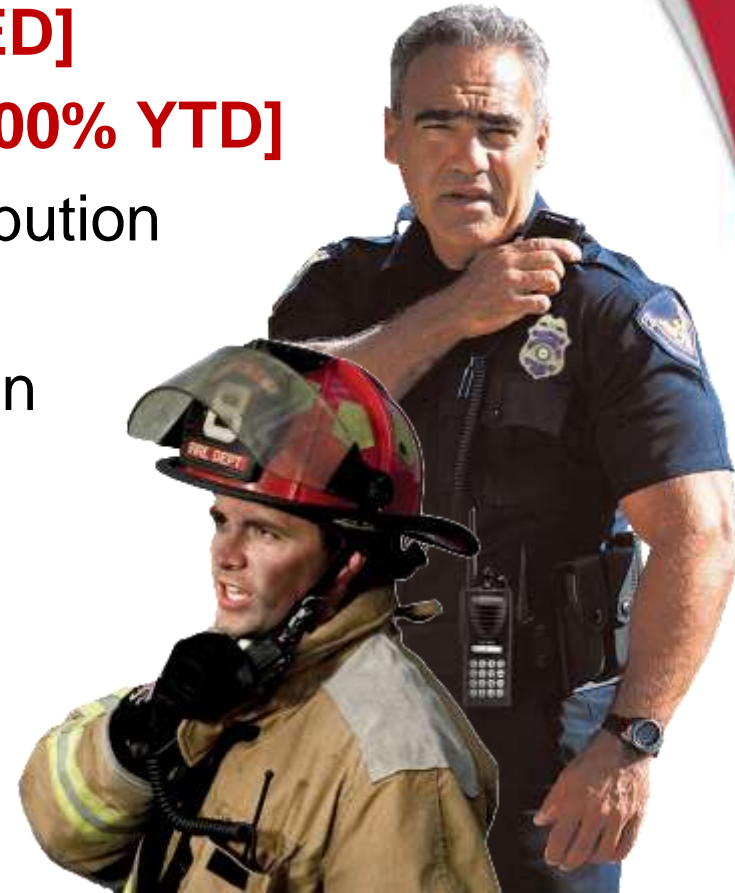
HIGHLIGHTS

- Listing moved to OTC Bulletin Board
- Completed restructuring and reduced overhead by ~\$200k per month
- Exited T-Mobile[®], CLEAR[®], Boostmobile[™] relationships
- Awarded multi-year Government Services Administration (GSA) Contract
- Awarded State of Texas Multiple Awards Schedule (TXMAS) contract
- Listed on Texas BuyBoard[®] state and local purchasing cooperative
- Awarded Exclusive Master Distributor Agreement with Trident Cases, Inc. for Central U.S.
- Filed expert damages report with arbitration Judge Willcutts (March)
- Negotiated initial Settlement Agreement framework with AT&T (May)

FISCAL YEAR 2012

BUSINESS PLAN

- Settle AT&T litigation **[COMPLETED]**
- Focus on PSE Division growth **[>100% YTD]**
- Enter into new OEM handset distribution relationship **[IN PROCESS]**
- Complete one significant acquisition
- Start relisting process on AMEX or NASDAQ
- Maintain earnings momentum



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IT'S ABOUT PEOPLE!



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FOR OVER 47 YEARS, TELETOUCH HAS OFFERED A COMPREHENSIVE SUITE OF WIRELESS TELECOMMUNICATIONS SOLUTIONS, INCLUDING CELLULAR, TWO-WAY RADIO, GPS-TELEMETRY AND WIRELESS MESSAGING. TELETOUCH IS A LEADING DIRECT AUTHORIZED SERVICE PROVIDER AND BILLING AGENT OF AT&T (NYSE: T) PRODUCTS AND SERVICES TO CONSUMERS, BUSINESSES AND GOVERNMENT AGENCIES, AS WELL AS AN OPERATOR OF ITS OWN TWO-WAY RADIO NETWORK AND LTR SYSTEMS IN TEXAS. TELETOUCH OPERATES A CHAIN OF 20 RETAIL AND AUTHORIZED AGENT STORES UNDER THE "TELETOUCH" AND "HAWK ELECTRONICS" BRANDS, IN CONJUNCTION WITH ITS DIRECT SALES FORCE, CALL CENTER OPERATIONS, AND VARIOUS RETAIL E-COMMERCE WEBSITES INCLUDING: WWW.HAWKELECTRONICS.COM, WWW.HAWKWIRELESS.COM AND WWW.HAWKEXPRESS.COM. THROUGH ITS WHOLLY OWNED SUBSIDIARY, PROGRESSIVE CONCEPTS, INC., TELETOUCH OPERATES A NATIONAL DISTRIBUTION BUSINESS, PCI WHOLESALE, PRIMARILY SERVING LARGE CELLULAR CARRIER AGENTS AND RURAL CARRIERS, AS WELL AS AUTO DEALERS AND SMALLER CONSUMER ELECTRONICS RETAILERS, WITH PRODUCT SALES AND SUPPORT AVAILABLE THROUGH WWW.PCIWHOLESALE.COM AND WWW.PCIDROPSHIP.COM, AMONG OTHER B2B ORIENTED WEBSITES.

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THANK YOU