

EGE INSTITUTIONAL RESEARCH REPORT

RESEARCH UPDATE

DECEMBER 24, 2007

PARKERVISION, INC.

NASDAQ: PRKR - \$15.75

*Semiconductors – Integrated Circuits***PRKR Signs First Mobile Handset Deal; Upgrading To STRONG BUY From BUY, Maintaining \$27 Price Target**

We Expect More Deals To Follow. PRKR announced on Friday that it has entered into a royalty-bearing intellectual property license agreement with a worldwide provider of chipsets to mobile handset manufacturers. The license agreement covers both PRKR's d2p RF transmit and d2d RF receive technologies. The Company anticipates that royalties in the first year of shipments will be approximately \$5.0 million to \$10.0 million with significant growth potential in following years. This customer is targeting its initial product launch for late 2008. PRKR's technology enables handset OEMs to increase battery life by 2x to 3x, decrease bill of materials by 50% and decrease board space by 50%. We think this is just the beginning and expect new design wins with both new and existing customers throughout 2008 to drive revenue growth in 2009. In fact, we believe that PRKR's technology will eventually encompass a considerable portion of the 3G market.

Further Validation Of PRKR's Technology, In Our View. Despite PRKR landing a significant first deal with ITT Corporation (NYSE: ITT) earlier this year (to utilize its technology in communications products), some skepticism about the Company's technology has persisted in the marketplace. Now that a worldwide chipset manufacturer, as well as the handset OEM that instigated that contract have also validated the technology, we think the issue of whether or not this technology works and provides substantial benefits to warrant its adoption, should finally be put to rest.

Upgrading To STRONG BUY. PRKR confirmed that it expects royalty revenue from this new customer to begin in late 2008, in addition to revenue it will receive from ITT. We expect a considerable ramp in 2009 that should become more evident as new design wins are achieved and new deals are signed throughout 2008. We also think that the substantial amount of short interest in the stock (35% of the float sold short) could contribute to share price appreciation in the coming months. Our valuation implies a multiple of about 18x our 2009 EPS estimate of \$1.91, discounted back to 2008 at 30%, resulting in a price target of about \$27. However, we view this valuation as conservative since comparable companies are trading at an average of 22x C2009 EPS estimates (without any discount). A similar valuation for PRKR would imply a price target better than \$40. This leaves plenty of room for upside as new deals are signed, confidence is increased and risks are lessened as 2008 unfolds, in our opinion. At the current valuation, we think PRKR presents an exciting buying opportunity for investors. (See discussion of Investment Risks on page 2.)

Rating: STRONG BUY**Target: \$27**

52-Week Range:	\$17.20 - \$7.00
Market Cap.:	\$392.2m
Shares Out:	24.9m
Estimated Float:	19.2m
Short Interest:	6.8m
Avg. Daily Vol.:	281.5k
Insider Ownership:	23%
Inst. Ownership:	33%
FY Ends:	Dec.



Source: BigCharts.com

Revenues (M)

	07E	08E	09E	10E
Mar.	\$0.0	\$0.75	\$23.0	\$43.0
June	0.09	1.0	27.0	47.3
Sept.	0.19A	1.5	32.0	52.0
Dec.	0.50E	17.0	38.0	59.8
Yr.	\$0.78	\$20.3	\$120.0	\$202.2
P/S	NA	23.5x	4.3x	2.6x

Earnings per Share

	07E	08E	09E	10E
Mar.	\$(0.19)	\$(0.18)	\$0.32	\$0.66
June	(0.18)	(0.18)	0.41	0.73
Sept.	(0.19)A	(0.17)	0.52	0.81
Dec.	(0.19)E	0.24	0.65	0.94
Yr.	\$(0.74)	\$(0.30)	\$1.91	\$3.13
P/E	NA	NA	8.3x	5.0x

Balance Sheet (9/07)

Cash:	\$17.6m (\$0.71/sh.)
Debt:	\$0.00

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Note: Please refer to the last two pages of this report for rating definitions, possible conflicts of interest and other important disclosures concerning these recommendations.

CORPORATE OVERVIEW

PRKR is a fabless semiconductor Company that is focusing on the commercialization of its patented proprietary RF (radio frequency) communication technologies. The Company has developed its ESP (energy signal processing) technology into its two primary solutions, Direct2RFPower (d2p) and Direct2Data (d2d). These two offerings will target the mobile handset market addressing the needs for extended battery life, reduced handset cost, and better performance as the cellular industry migrates to 3G networks. PRKR has obtained 72 patents and 98 pending. The Company's business strategy includes forming relationships with OEMs (original equipment manufacturers) and ODMs (original design manufacturers) for incorporation of the Company's integrated circuits into products manufactured by others or to license its technology for use by others. PRKR has approximately 55 employees at its headquarters in Jacksonville, Florida with additional facilities in Orlando, Florida.

INVESTMENT RISKS

Disruptive Technology: The technology PRKR has developed can be classified as a disruptive technology since it is a complete and radical shift from traditional RF technology utilized today. There is no assurance this technology will gain market acceptance. A particular challenge is that OEM/ODMs may not be willing to take on the risk associated with bringing a new unproven technology to market or they may find incorporating the technology into existing products is too cumbersome.

Business Model Execution: PRKR success rests solely on its ability to penetrate the mobile handset market by licensing and selling its d2p and d2d technology to OEM/ODMs. Failure to execute this plan could have an adverse effect on future revenues as well as the long term viability of the Company.

Customer Conversion and Base: Currently PRKR has no customers and no sources of revenue. The Company is in the process of attracting OEM/ODMs to either purchase or license its technology. There is no guarantee that its marketing efforts will attract customers. Additionally, if and when the Company signs its first customers, revenue is likely to be concentrated around a few large customers.

Competitive Products: The microelectronics industry is highly competitive ranging from established players to smaller start-ups. To succeed, substantial capital must continually be invested in R&D to ensure new and more innovative products are developed. Although PRKR has developed a new RF technology there are current products on the market that address similar needs without assuming the risks of implementing a completely new technology.

Intellectual Property: PRKR sustainable competitive advantage hinges on its patent portfolio of new technologies. There is no guarantee that the Company's existing patents are broad enough to fully protect its newly developed technology.

Revenue Recognition: It is still unclear whether the Company will sell its technology via licensing, direct sales, or a combination of both models. This translates into many unknowns as to how and when revenue will be booked. An OEM contract signing under a sales model may not produce revenue for one year after the signing date, while a license sale could result in immediate upfront revenue.

ParkerVision, Inc. Income Statement (thousands)

	2006	2007E				2007E	2008E				2008E	2009E				2009E	2010E
		Mar-07	Jun-07	Sep-07A	Dec-07		Mar-08	Jun-08	Sep-08	Dec-08		Mar-09	Jun-09	Sep-09	Dec-09		
Net sales	-	-	90	194	500	784	750	1,000	1,500	17,000	20,250	23,000	27,000	32,000	38,000	120,000	202,165
Product revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
License revenue	-	-	90	194	500	784	750	1,000	1,500	-	3,250	-	-	-	-	-	-
Royalty revenue	-	-	-	-	-	-	-	-	-	17,000	17,000	23,000	27,000	32,000	38,000	120,000	202,165
% change in net sales	-	-	-	-	-	-	-	-	-	-	-	2966.7%	2600.0%	2033.3%	123.5%	492.6%	68.5%
Cost of sales	-	-	77	175	425	677	638	850	1,275	3,400	6,163	3,680	3,780	3,840	3,785	15,085	20,193
Inventory write down	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross profit	-	-	13	20	75	108	113	150	225	13,600	14,088	19,320	23,220	28,160	34,215	104,915	181,972
Gross margin	-	-	14.4%	10.0%	15.0%	13.7%	15.0%	15.0%	15.0%	80.0%	69.6%	84.0%	86.0%	88.0%	90.0%	87.4%	90.0%
Research and development	9,521	2,732	2,557	2,783	3,000	11,072	3,200	3,400	3,600	3,800	14,000	4,000	4,200	4,400	4,600	17,200	20,400
% of sales	-	-	2841.1%	1433.7%	600.0%	1412.1%	426.7%	340.0%	240.0%	22.4%	69.1%	17.4%	15.6%	13.8%	12.1%	14.3%	10.1%
Marketing and selling	2,117	667	681	630	650	2,628	700	750	800	850	3,100	900	950	1,000	1,050	3,900	4,700
% of sales	-	-	756.7%	324.7%	130.0%	335.2%	93.3%	75.0%	53.3%	5.0%	15.3%	3.9%	3.5%	3.1%	2.8%	3.3%	2.3%
General and administrative	5,233	1,274	1,427	1,485	1,450	5,636	1,500	1,550	1,600	1,650	6,300	1,700	1,750	1,800	1,850	7,100	8,050
% of sales	-	-	1585.6%	765.0%	290.0%	718.8%	200.0%	155.0%	106.7%	9.7%	31.1%	7.4%	6.5%	5.6%	4.9%	5.9%	4.0%
Other	(5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating expenses	16,866	4,673	4,665	4,898	5,100	19,336	5,400	5,700	6,000	6,300	23,400	6,600	6,900	7,200	7,500	28,200	33,150
Operating income	(16,866)	(4,673)	(4,652)	(4,879)	(5,025)	(19,229)	(5,288)	(5,550)	(5,775)	7,300	(9,313)	12,720	16,320	20,960	26,715	76,715	148,822
Operating margin	-	-	-5168.9%	-2513.4%	-1005.0%	-2452.3%	-705.0%	-555.0%	-385.0%	42.9%	-46.0%	55.3%	60.4%	65.5%	70.3%	63.9%	73.6%
Interest & other, net	1,051	205	236	223	250	914	300	320	340	360	1,320	380	400	420	440	1,640	1,960
Pretax income	(15,815)	(4,468)	(4,416)	(4,656)	(4,775)	(18,315)	(4,988)	(5,230)	(5,435)	7,660	(7,993)	13,100	16,720	21,380	27,155	78,355	150,782
Pretax margin	-	0.0%	-4906.7%	-2398.7%	-955.0%	-2335.8%	-665.0%	-523.0%	-362.3%	45.1%	-39.5%	57.0%	61.9%	66.8%	71.5%	65.3%	74.6%
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income before tax	(15,815)	(4,468)	(4,416)	(4,656)	(4,775)	(18,315)	(4,988)	(5,230)	(5,435)	7,660	(7,993)	13,100	16,720	21,380	27,155	78,355	150,782
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	2,620	3,344	4,276	5,431	15,671	45,235
% of pretax income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.0%	20.0%	20.0%	20.0%	20.0%	30.0%
Other	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income	(15,814)	(4,468)	(4,416)	(4,656)	(4,775)	(18,315)	(4,988)	(5,230)	(5,435)	7,660	(7,993)	10,480	13,376	17,104	21,724	62,684	105,548
EPS	(0.68)	(0.19)	(0.18)	(0.19)	(0.19)	(0.74)	(0.18)	(0.18)	(0.17)	0.24	(0.30)	0.32	0.41	0.52	0.65	1.91	3.13
Diluted shares	23,257	23,815	24,569	24,900	25,700	24,746	27,200	28,700	32,200	32,400	30,125	32,600	32,800	33,000	33,200	32,900	33,700

ANALYST CERTIFICATION

I, Michael C. Donahue, certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. In addition, no part of my compensation was, is, or will be directly or indirectly related to this recommendation or views contained in this report.

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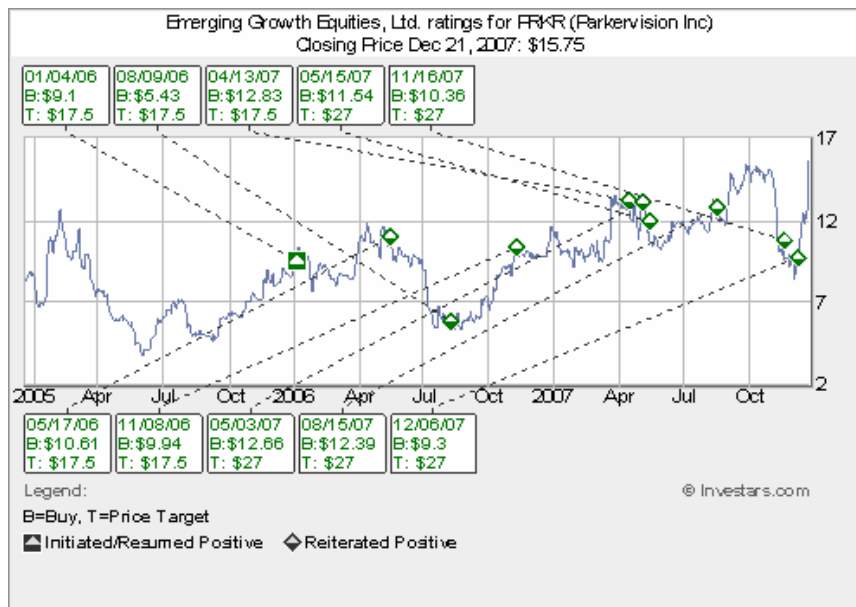
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No Rating	No formal rating has been issued, or rating has been suspended.
Monitor	No rating has been issued, or rating has been suspended, and we are following the company's progress.

EGE RECOMMENDATION HISTORY (PRKR)



EGE RESEARCH RATING DISTRIBUTION December 21, 2007.

Rating	Percent of Rated Stocks	% of Research Universe	Investment Banking Relationships*
Strong Buy or Buy	71%	53%	10%
Hold	29%	21%	0%
Sell	0%	0%	0%
Not Rated	N/A	0%	N/A
Monitor	N/A	26%	10%

* Companies within rating category to whom EGE has provided investment banking services within the past 12 months.

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