
NOVATEL WIRELESSTM

AUGUST
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Safe Harbor Statement - The following presentation contains statements about expected future events that are forward-looking and subject to risks and uncertainties. For these statements, we claim the safe harbor for “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. For a discussion of factors that could cause actual results to differ materially from expectations, please refer to the risk factors described in our filings with the SEC.

Non-GAAP Financial Measures- Non-GAAP gross margins, operating expenses, and earnings per share exclude restructuring charges, share-based compensation expenses, amortization of the debt discount and debt issuance costs associated with our convertible notes, charges related to acquisition and divestiture activities and acquisition-related intangible-asset amortization. This presentation contains references to certain non-GAAP financial measures and should be viewed in conjunction with our press releases and supplementary information on our website (www.novatelwireless.com), which present a complete reconciliation of GAAP and Non-GAAP results.

iot

An innovative global solutions provider.

Simply connecting people with information.

Novatel Wireless. A Global IoT Solutions Provider.

Connectivity Solutions



Telematics



Internet Devices



Tier One Customers. Trusted Partners.



verizon

T-Mobile



Sprint



Bell

usbank



Deloitte.



anglianwater



557,000 Subscribers

Crack Fleet	174,000
Crack Non-Fleet	215,000
FW	168,000



Discovery Insure



UBER SOUTH AFRICA



ERICSSON



Telematics



Global Telematics. High Growth Verticals.



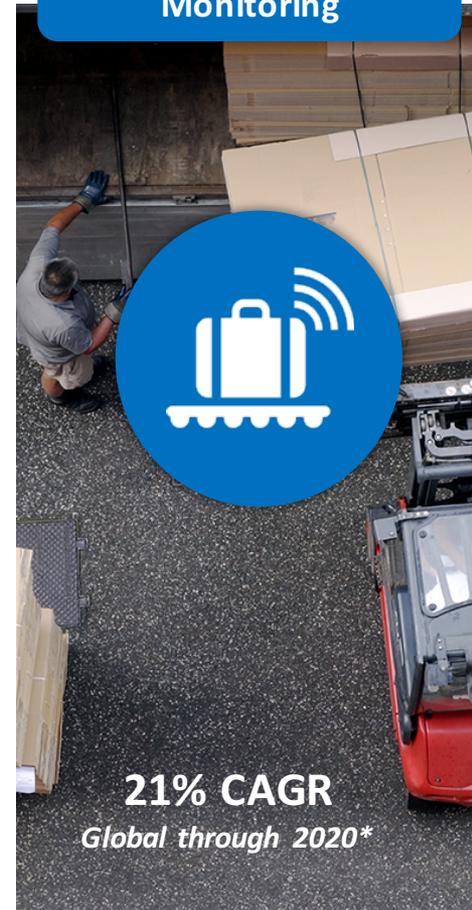
Fleet Management
Enterprise/SMB/Consumer


 A vertical graphic for Fleet Management. The background shows a yellow semi-truck parked on a road with orange lane markings. A large blue circular icon in the center contains a white location pin with a car and a truck inside. At the bottom, white text reads "22% CAGR Global through 2020*".

Insurance Telematics

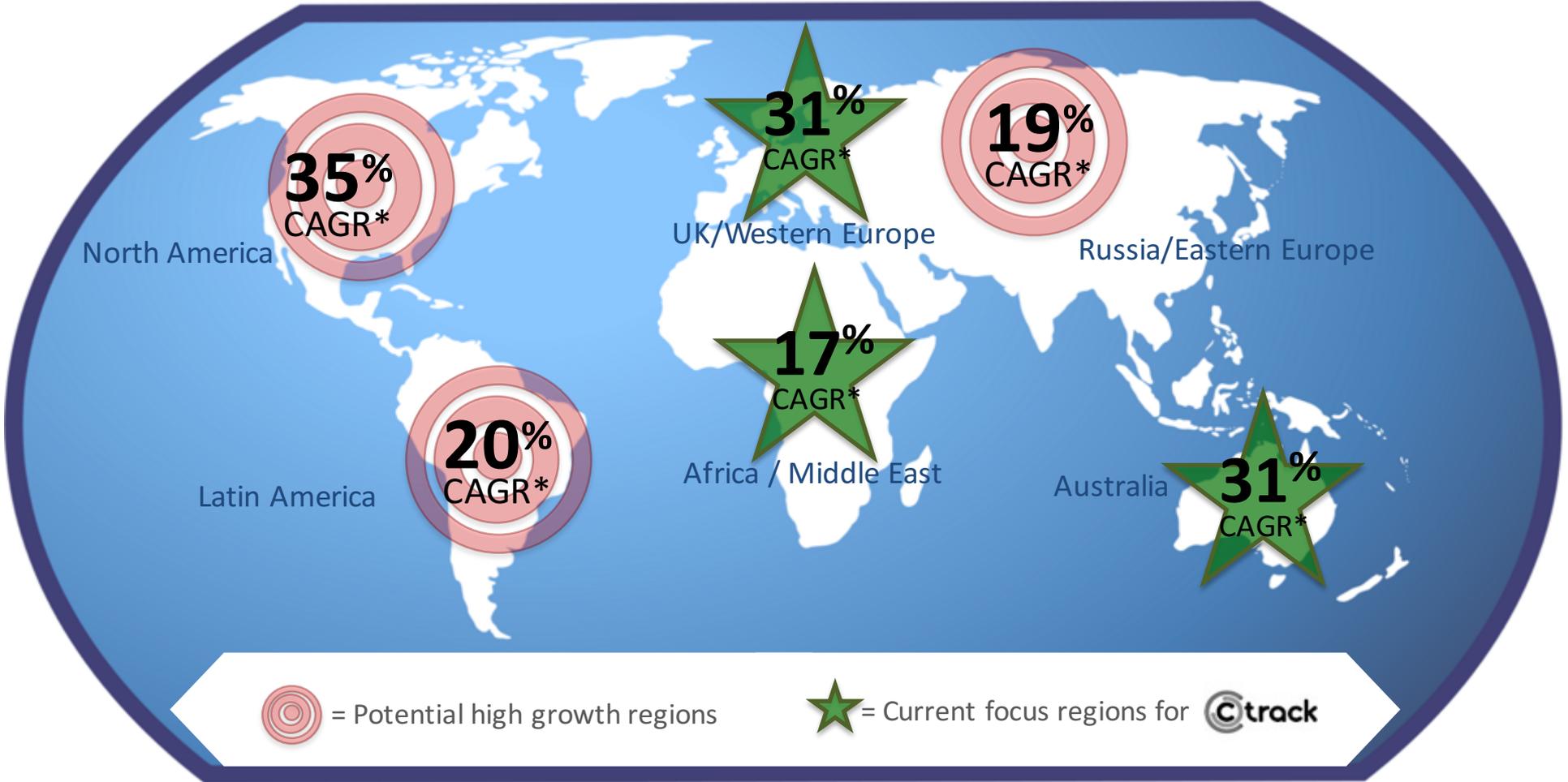

 A vertical graphic for Insurance Telematics. The background shows a car on a road with a large gear icon overlaid. A large blue circular icon in the center contains a white car crash icon. At the bottom, white text reads "21% CAGR Global through 2020*".

Asset Tracking / Monitoring


 A vertical graphic for Asset Tracking / Monitoring. The background shows a worker in a warehouse or loading dock area. A large blue circular icon in the center contains a white icon of a suitcase on a pallet with signal waves. At the bottom, white text reads "21% CAGR Global through 2020*".

*SOURCES: Market and Markets; Timetric; Berg Insight; Interpol

Telematics Growth 27% CAGR*. Target Regions.



*SOURCES: ABI Research, Frost & Sullivan, Berg Insight; Markets and Markets, TechNavio; P&S; Average CAGR Commercial and Consumer Telematics

Multiple Segments. Low Market Penetration.



FLEET SOLUTIONS

ARPU

MARKET PENETRATION



*Heavy Trucks
Enterprise*

Medium

45%



*SMB
Local Fleet*

High

31%



*Consumer
Rental Fleets*

Low

13%

Business Connectivity





Healthy Growth in Connected Retail.



Connected Retail
22% CAGR
*GLOBAL through 2022**



Vending Machine



Kiosk



Digital Signage



Point of Sale



Business Continuity

iot

Enabling Connectivity for Connected Retail.



cradlepoint

accenture

IIS technology

at&t

gemalto

Axeda

Jasper

verizon

MultiTech Systems

IBM

ThingWorx

Sprint

SIERRA WIRELESS

Aeris

Digi

Numerex

ORBCOMM

NOVATEL WIRELESS

**Deliver a Simple Solution.
No CAPEX.**



Mobile Broadband Devices



IoT MiFi Portfolio. Healthy Cash Flow.



Mobile Hotspots



Business/Enterprise
.....
Consumer

USB Modems



Business/Enterprise
.....
IoT/M2M

Home Router & Voice



Business/Enterprise
.....
Consumer

+1,000,000 Units Annually

Financial Highlights

Improving Margins. Return to Profitability.

Company guidance provided on August 3, 2016

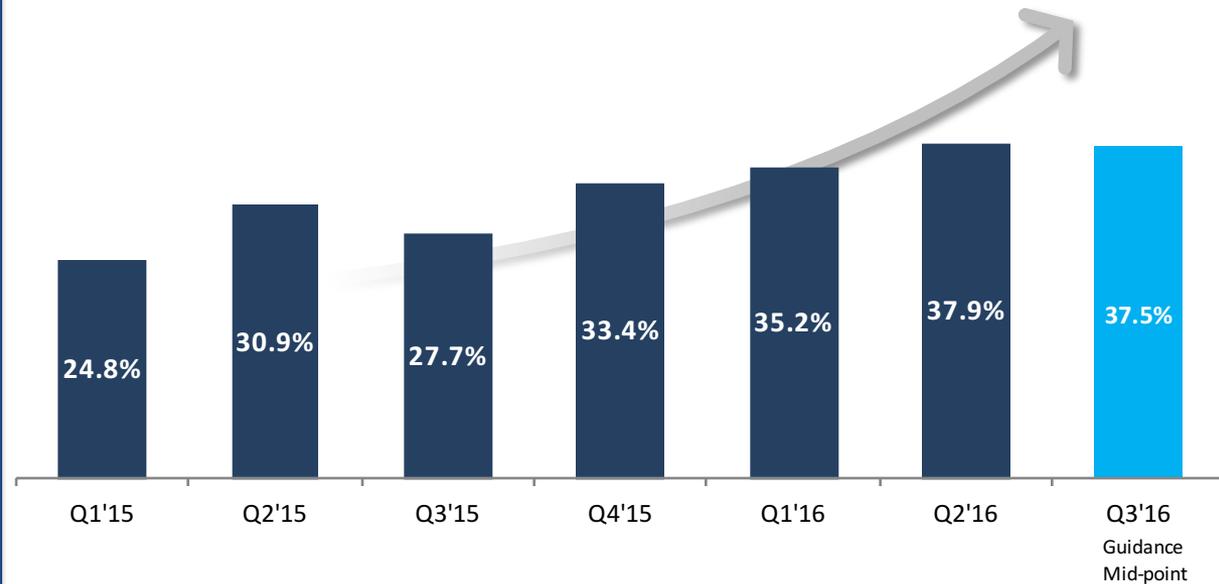
Drivers

63%-68% non-GAAP gross margins for Ctrack's telematics business.

Highly profitable SaaS and service offerings improve mix of overall revenues.

Low BoM for hardware offerings due to scale.

Quarterly Non-GAAP Gross Margins



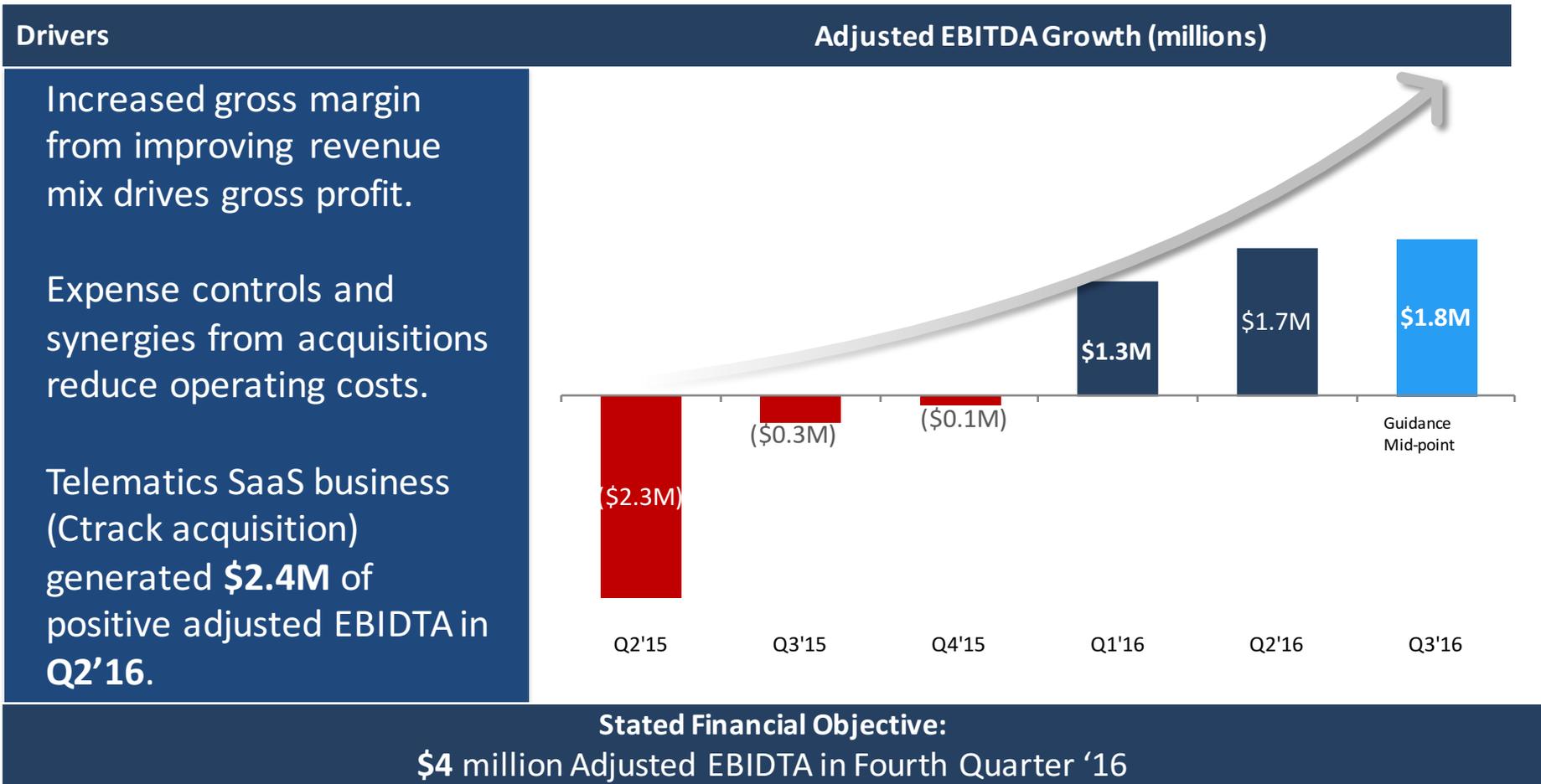
Stated Financial Objectives:

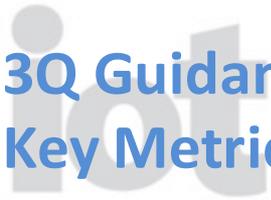
35%+ corporate non-GAAP gross margin; 70%+ non-GAAP gross margin for SaaS and Services

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Increasing EBITDA. Return to Profitability.

Company guidance provided on August 3, 2016





3Q Guidance Key Metrics.

Company guidance provided on August 3, 2016

	Q1-16 Financial Results	Q2-16 Financial Results	Q3-16 Financial Guidance*
Total Revenue	\$66.9M	\$62.8M	\$60.0M - \$66.0M
SaaS, Software, & Services Revenue	\$12.8M	\$13.7M	n/a
Non-GAAP Gross Margin	35.2%	37.9%	36.5% - 38.5%
Non-GAAP Operating Expenses	\$24.4M	\$24.3M	\$23.0M - \$25.0M
Adjusted EBITDA	\$1.3M	\$1.7M	\$1.3M - \$2.3M
Non-GAAP EPS	(\$0.08)	(\$0.06)	(\$0.07) – (\$0.04)
Subscribers	534,000	557,000	n/a

*Ctrack guidance is included within financial guidance.

Q3-16 Guidance for Ctrack: Revenue \$15.0M - \$17.0M; Non-GAAP Gross Margin 63% - 68%; Adjusted EBITDA \$2.0M - \$3.0M