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Novatel Wireless Collaborates With Discovery Insure for One of the World's Largest Usage-Based Insurance Deployments

Global sales of telematics-based policies are expected to see a compound annual growth rate of 80% through 2018 according to industry analysts Timetric

Automobile insurer leverages big data with innovative incentive program that fuels growth of usage-based insurance

JOHANNESBURG, South Africa and SAN DIEGO, Feb. 29, 2016 (GLOBE NEWSWIRE) -- Discovery Insure, a leading property and casualty insurance company in South Africa, uses telematics data with incentives, to encourage better, safer driving. Insurance savings generated by better drivers having fewer and less severe accidents fund meaningful client rewards which reduce the ultimate cost of insurance. As part of their rewards program they offer clients the Ctrack telematics solution for usage based insurance (UBI) from Novatel Wireless, Inc. (NASDAQ:MIFI). The program, Vitalitydrive, is one of the world's largest deployments of UBI.

"With over 100,000 cars fitted with the Ctrack solution, we have collected over 4 billion kilometers of driving behavior, making this one of the largest telematics data sets in the world," said Philippa Wild, Head of Discovery Insure Technical Marketing. "The Ctrack telematics solution allows us to accurately measure driver behavior. Our research shows that 90% of accidents are caused by a driver's actions behind a wheel. With telematics we provide valuable feedback to drivers on how they drive. We combine this with powerful incentives to change behavior and reduce the number of car accidents on roads."

With Vitalitydrive, Discovery's driver incentive program, clients are rewarded with up to 50% of their fuel spend back each month for driving well. Their metrics show that better drivers, who are more conscious about their driving behavior, have fewer and less severe accidents. This creates insurance savings which Discovery passes back to their clients through rewards.

"Discovery Insure is transforming the insurance industry business model and we're pleased that the Ctrack solution is part of it," said Sue Swenson, CEO Novatel Wireless. "We are happy to see that our four-year collaboration is helping Discovery realize their vision of creating a nation of great drivers in South Africa and we look forward to continued success."

UBI, also known as behavioral based insurance, is gaining traction in North America and in international markets like South Africa, Italy, and the UK. Telematics technology enables insurers to offer insurance policies that effectively rate driver performance based on safety and driving habits through mobile technology and informatics. According to SMA Research, approximately 36 percent of all auto insurance carriers in the U.S. alone are expected to use telematics UBI by 2020.

About Novatel Wireless, Inc.

Novatel Wireless, Inc. (Nasdaq:MIFI) is a leading global provider of solutions for the Internet of Things (IoT), including software-as-a-service (SaaS) solutions for the fleet telematics market. Our innovative products and solutions provide anywhere, anytime communications and analytics for consumers and businesses of all sizes, with approximately 158,000 subscribed fleet vehicles for Ctrack among the Company's 520,000 global subscribers. Novatel Wireless is headquartered in San Diego, California. <http://www.novatelwireless.com>. @MiFi (Twitter); [LinkedIn](#)

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to a variety of matters, including, without limitation, statements related to the ability of Novatel Wireless to expand its addressable markets and drive growth in service revenue and broaden its customer base as a result of the acquisition of DigiCore, and other statements that are not purely statements of historical fact. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of the management of Novatel Wireless and are subject to significant risks and uncertainty. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements speak only as of the date they are made, and Novatel Wireless undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. These forward-looking statements also involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. For a further discussion of risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of Novatel Wireless in

general, see the risk disclosures in the Annual Report on Form 10-K of Novatel Wireless for the year ended December 31, 2014, and in other filings made with the SEC by Novatel Wireless (available at www.sec.gov).

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