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## Novatel Wireless Announces Preliminary First Quarter Guidance

SAN DIEGO, Jan 27, 2005 (BUSINESS WIRE) -- Novatel Wireless, Inc. (Nasdaq:NVTL), a leading provider of wireless broadband access solutions, today commented on revenue guidance for its first quarter ended March 31, 2005.

"While the first quarter is normally a seasonally soft period for wireless companies, we are currently forecasting increasing shipments of our newly introduced EV-DO cards and quad-band UMTS cards," commented Peter Leparulo, Novatel Wireless' Chief Executive Officer. "Given these factors, we are currently expecting first quarter revenues to more than double from the prior year period and range between \$32 to \$34 million. This should offer clear evidence that we are winning market share in a seasonally softer period and best positioned to capitalize on the growth of 3G markets. We will provide further details on our strategic plans and update guidance on our fourth quarter conference call on February 10, 2005."

As the Company completes its analysis and pending substantiation of the Company's views on its historical net operating losses, Novatel Wireless also currently anticipates that it will start provisioning for taxes at a 35% tax rate in 2005. While provisioning for income taxes does not involve the actual payments of cash, it does have an impact on GAAP results. Given this, the Company expects to start providing pro forma income and EPS results in the first quarter.

Novatel Wireless will host a conference call for analysts and investors to discuss its quarterly results at 5:00 p.m. ET on February 10, 2005. A live Web cast of the conference call will also be accessible from the "Investor Relations" section of the Novatel Wireless Web site ([www.novatelwireless.com](http://www.novatelwireless.com)). Following the live Web cast, an archived version will be available on the Novatel Wireless Web site.

### ABOUT NOVATEL WIRELESS, INC.

Novatel Wireless, Inc. is a leading provider of wireless broadband access solutions. Novatel Wireless' Merlin(TM) PC Cards, Expedite(TM) Embedded Modems, Freedom Box(TM) Ruggedized Modems, MobiLink(TM) Communications Software Suite, Ovation(TM) 3G Multimedia Application Consoles and Conversa(TM) Software Suite enable high-speed wireless access to personal, corporate and public information. The Company delivers innovative 3G solutions to operators, distributors and vertical markets worldwide. Headquartered in San Diego, California, Novatel Wireless is listed on NASDAQ: NVTL. For more information on Novatel Wireless visit [www.novatelwireless.com](http://www.novatelwireless.com) (nvtlg)

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Some of the information presented in this release is forward-looking in nature within the meaning of the Private Securities Litigation Reform Act of 1995. Although Novatel Wireless believes that the expectations reflected in such forward-looking statements are reasonable, it cannot guarantee future results, performance or achievements. Certain factors that could cause actual results to differ materially from Novatel Wireless' expectations are set forth as risk factors in the Company's SEC reports and filings. Included among these factors are the future demand for wireless access to data, the future growth of wireless wide area networking, changes in wireless transmission standards and technologies, continued acceptance of and market demand for Novatel Wireless' products, dependence on intellectual property rights, dependence on a small number of customers, and the Company's general business and strategy, including plans and expectations relating to technology, product development, strategic relationships, customers, manufacturing, service activities, international expansion, sales initiatives and gross margin and cost containment initiatives. These factors, as well as other factors detailed from time to time in the Company's SEC reports and filings, could cause actual results to differ materially. Forward-looking statements are not guarantees of performance. Novatel Wireless assumes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE: Novatel Wireless, Inc.

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