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Novatel Wireless Announces Next Generation HSDPA Design Win at Leading OEM Partner

Shipments to Extend into 2008 on Embedded Solutions

SAN DIEGO, Oct 04, 2006 (BUSINESS WIRE) -- Novatel Wireless, Inc. (Nasdaq:NVTL), a leading provider of wireless broadband access solutions, today announced a next generation HSDPA design win at one of the Company's existing OEM customers -- one of the world's leading laptop manufacturers.

The HSDPA solution will be the most advanced available in the OEM market -- diversity and advanced receiver HSDPA upgradeable to 7.2 Mbps. The design win covers modules for North American frequencies and for EMEA frequencies. Engineering samples are available now, with commercial launch currently expected at the end of December for laptops shipping to both Europe and the United States in the first quarter of 2007. The new design win in HSDPA complements the recent next-generation EV-DO Rev A design win at the same laptop manufacturer. With the new design wins, Novatel Wireless' products are ensured of being embedded into an expanded list of laptop models at this leading customer into 2008. In addition, development work has already begun on next generation "beyond 3G" solutions, based on HSUPA (High Speed Uplink Packet Access) using QUALCOMM technology solutions for commercial launch with laptop cycles in 2008. HSUPA allows downlink speeds reaching 7.2 Mbps and uplink to 2.1 Mbps per second.

"We are pleased to announce a key next generation design win that demonstrates our continued leadership in the embedded OEM market," commented Peter Leparulo, chief executive officer of Novatel Wireless. "Our design wins further demonstrate the importance of our strategic decision to support both EV-DO and HSDPA standards. While EV-DO accounted for over 60% of our revenues in the second quarter, our support of both worldwide technologies is instrumental to our success, as the leading laptop manufacturers leverage efficiencies of using one supplier to support both technologies."

Novatel Wireless has announced four OEM partners with a combined market share of over 50% in the U.S. The compelling value proposition Novatel Wireless has architected has resulted in its leadership in the embedded market by design wins with tier-1 laptop manufacturers for several reasons:

- The Novatel Wireless global product portfolio supports the full array of EV-DO (Rev 0 and Rev A) and HSDPA standards, enabling it to launch product lines of embedded solutions that address the OEM's global marketplace.
- Novatel Wireless has developed application software based on carrier requirements for both EV-DO and HSDPA technologies. Its application software supports modules that can be customized for carrier networks worldwide. In addition, Novatel provides key features such as assisted-GPS, stand-alone GPS, multi-band diversity and wake-on-wireless modem/host technology specifically customized for OEM customers.
- Novatel Wireless has developed, both internally and in conjunction with its technology partners, significant intellectual property around key aspects of the embedded market, including OEM module design, OEM applications and feature sets allowing it to offer end-to-end solutions to its OEM customers.
- Novatel Wireless offers significant value to OEMs by providing expertise in the extensive integration and certification cycle, providing a competitive advantage to leading OEMs.

"Although most of our embedded revenue to date has been primarily generated by EV-DO, we are very pleased to add this next generation HSDPA design win to our portfolio, and we believe our competitive advantages and commitment to our customers will allow us to capitalize on the fast growth of the embedded market," stated Peter Leparulo, chief executive officer of Novatel Wireless. "In our experience, the vast majority of laptop manufacturers prefer to leverage efficiencies of using one supplier for both EV-DO and HSDPA, and they need their suppliers to customize and certify a solution across a wide range of carriers in Europe and the United States, each with unique product certification requirements. This provides both customer retention and barrier to entry as new entrants strive to enter this marketplace. We believe that anything less than a comprehensive approach leads to an ability to address only single device embedded customers launching products on less than a mass market basis. A generic approach offers none of the value-add that Novatel Wireless provides that empowers OEM customers to launch entire lines of embedded laptop solutions worldwide, simultaneously across multiple technologies, and simultaneously with multiple operators in both North America and Europe. Our strategic advantage is manifested in our next generation design wins with existing top-tier customers, which carry us through 2008 platform release cycles. This will continue to be the true barometer of our success in the embedded solutions market," continued Mr. Leparulo.

ABOUT NOVATEL WIRELESS

Novatel Wireless, Inc. is revolutionizing wireless communications. The company is a leader in the design and development of innovative wireless broadband access solutions based on 3G WCDMA (HSDPA & UMTS), CDMA and GSM technologies. Novatel Wireless' Merlin(TM) PC Cards and ExpressCards, Expedite(R) Embedded Modules, MobiLink(TM) Communications Software Suite, Ovation(TM) Fixed Mobile Convergence Products and Conversa(TM) Software Suite enable high-speed wireless access. The company delivers innovative 3G solutions to operators, distributors and vertical markets worldwide. Headquartered in San Diego, Calif., Novatel Wireless is listed on NASDAQ: NVTL. For more information, visit www.novatelwireless.com. (NVTLG)

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