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## Novatel Wireless Provides Sales Outlook For Second Quarter

**SAN DIEGO, CA.- July 2, 2002**--Novatel Wireless, Inc. (Nasdaq: NVTL), a leading provider of wireless data communications access solutions, announced today that it anticipates that sales for the second quarter will be approximately \$7.5 million. This represents a sequential increase over the \$7.3 million reported last quarter and compares to the \$12.5 million reported in the second quarter of last year. The Company expects to report a pro forma loss excluding non-cash charges for the second quarter of between \$0.08 to \$0.09 per share, in the range of analyst estimates, versus a pro forma net loss of \$0.17 per share in the second quarter of last year. "We enter the third quarter with shippable orders of over \$2.5 million, which the Company was not able to fulfill in the second quarter," said John Major, chief executive officer at Novatel Wireless. "Additionally, sell through at a number of large accounts increased in Q2 over Q1, and we are actively pursuing a number of initiatives that could yield greater sell through in Q3. Based on this, we are cautiously optimistic that we could see an uptick in demand for GPRS in the second half of the year and remain comfortable that we are a clear leader in both the GPRS and 1x space. Looking forward, we continue to see new interest from carriers and distributors worldwide in our technology solution."

For the second quarter, Novatel Wireless will report a restructuring charge of approximately \$400,000, primarily related to severance costs as the Company continues to reduce operating expenses. The Company ended the second quarter with approximately \$8 million in cash. Over the next two quarters, Novatel Wireless expects to reduce its negative operating cash flow to below \$3 million per quarter.

Novatel Wireless will host a conference call for analysts and investors to discuss its quarterly results at 5:00 p.m. EDT on July 24th, 2002. Open to the public, a live Web cast of the conference call will be accessible from the "Investor Relations" section of 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 Following the live Web cast, an archived version will be available on the Novatel Wireless Web site for 5 days.

### ABOUT NOVATEL WIRELESS, INC.

Novatel Wireless, Inc. is a leading provider of wireless data modems and software for use with handheld computing devices and portable personal computers. The company delivers innovative and comprehensive solutions that enable businesses and consumers to access personal, corporate and public information through email, enterprise networks and the Internet. Novatel Wireless also offers wireless data modems and custom engineering services for hardware integration projects in a wide range of vertical applications. The Novatel Wireless product portfolio includes the Minstrel<sup>®</sup> Family of Wireless Handheld Modems, Merlin<sup>™</sup> Family of Wireless PC Card Modems, Sage<sup>®</sup> Wireless Serial Modems, Lancer 3W<sup>™</sup> Family of Ruggedized Modems and Expedite<sup>™</sup> Family of Wireless Embedded Modems. Headquartered in San Diego, California, Novatel Wireless is listed on the Nasdaq Stock Market (Nasdaq: NVTL). For more information, please visit the Novatel Wireless web site: [www.novatelwireless.com](http://www.novatelwireless.com) or call 888-888-9231.

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This release may contain forward-looking statements, which are made pursuant to the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include risks relating to technological changes, continued acceptance of Novatel Wireless' products and dependence on intellectual property rights. These factors, as well as other factors that could cause actual results to differ materially, are discussed in more detail in Novatel Wireless' filings with the United States Securities and Exchange Commission and other regulatory agencies.