



NetComm Wireless upgrades earnings guidance and establishes a new finance facility to support further growth

16 June 2015: NetComm Wireless (ASX: NTC) is pleased to announce an increase to its previous FY15 guidance following a more rapid deployment under its Ericsson-NBN Rural Broadband Fixed Wireless contract. The company now expects the following results for the 12 months ending 30 June 2015:

- Revenue of approx. \$73 million
- EBITDA of approx. \$7 million, compared to the prior forecast of in excess of FY14 EBITDA of \$5.2 million.

FY15 forecasts increased due to more rapid deployment of NBN

Commenting on the increased FY15 forecasts, NetComm Wireless Managing Director and CEO David Stewart said: "Our focused M2M and Rural Broadband growth strategy is delivering results. We have continued to drive the business forward over the past three months and this is reflected in our increased financial forecasts. The EBITDA guidance is particularly pleasing as it will be achieved despite investing an additional \$1.8M above forecast OPEX into growth capabilities."

"M2M revenues are continuing to grow as a proportion of total revenues. Pleasingly, volumes in the Ericsson-NBN Rural Broadband contract have been increasing rapidly over the last few months, driving strong revenue and earnings growth and underpinning the increased guidance we provided to the market today.

"In addition to the strong operating performance in Australia, we continue to pursue very attractive global M2M and Rural Broadband opportunities. The agreement with Singtel announced in March furthers NetComm Wireless' strategy to partner with top international carriers. We were also honoured to be selected by Hitachi to deliver the ICT component of their smart energy project as announced in May. These agreements further reflect the ongoing evolution of NetComm Wireless into a global M2M business at the forefront of the specific M2M markets in which we choose to operate.

New finance facility with HSBC to better provide for strong business growth

NetComm Wireless has put in place a new \$14 million finance facility with HSBC, a top tier global bank. The new finance facility will better cater for the company's ongoing working capital financing needs as the business continues to grow and will reduce the cost of debt to the company.

"Reflecting the company's stronger financial position and growing global growth opportunities, a new financing agreement has been put in place with HSBC for our banking needs. The new funding facility will better equip us to pursue international growth opportunities," added Mr Stewart.

Positioned well for continued growth

Commenting on the outlook for NetComm Wireless, Mr Stewart said:

“Our focused strategy to evolve NetComm Wireless into a global M2M and Rural Broadband company is delivering results. The rollout of the NBN in Australia is gathering pace providing us with increased volumes in the Ericsson-NBN Rural Broadband contract and we expect those volumes to ramp again significantly in the coming year. Combined with a strong Australian and NZ broadband business, we expect to generate improved revenues and earnings in FY16.

“We will continue to progress discussions and trials with our international M2M partners and in addition have several exciting Rural Broadband growth opportunities in the pipeline. Should any one of these translate into orders, they will be very significant for NetComm Wireless.”

Notes:

1. The FY15 forecasts are contingent on no major unforeseen delays by customers in the roll out of contracts. Due to the small number of material contracts, the timing of customer rollouts makes forecasting difficult in an annual cycle and can impact the timing of revenue generation.
2. EBITDA is as reported and after capitalisation of development costs.

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About NetComm Wireless

NetComm Wireless Limited (ASX: NTC) is a leading developer of innovative broadband products sold globally to major telecommunications carriers, core network providers and system integrators. For 33 years NetComm has developed a portfolio of world first data communication products and is a respected global provider of 3G and 4G wireless devices servicing the major telecommunications carrier, Machine-to-Machine (M2M) and Rural Broadband markets. NetComm's products are designed to meet the growing needs of today's data-intensive home, business and industrial broadband applications and customised to optimise performance in line with global network advancements. Headquartered in Sydney, Australia, NetComm has offices in New Zealand, North America, Japan, Europe and the Middle East. For more information about NetComm visit: www.netcommwireless.com