

NETCOMM MARKET UPDATE: Earnings Guidance for the Half Year to 31 December 2011 and Full Year to 30 June 2012

30 September 2011 (Sydney): The Board of NetComm Limited (ASX: NTC) has today provided guidance in respect of the Company's projected earnings for the half year to 31 December 2011 and the Full Year to 30 June 2012.

The Company's Revenue for the half year ended 31 December 2011 is expected to be in the range of \$23-24 million with Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) projected to be a loss in the range of (\$400,000) to (\$600,000). Revenues and EBITDA for the corresponding prior period were \$31.4 million and \$2.6 million respectively.

The Full year results for the year ended 30 June 2012 are expected to be broadly in line with those of last year (excluding the impact of last year's one off significant item relating to inventory write-downs), being Revenue of \$67.7 million and EBITDA of \$5.1 million.

The projected half year result is being impacted by a substantial slowdown in orders from Telstra. Orders from international Carriers and contracts from Commercial and Industrial customers for Machine to Machine (M2M) products are biased to the second half of the financial year.

The 2011/12 year continues the company's transition from a consumer products connectivity organisation to a supplier of highly valued wireless broadband products to major Telecommunication carriers and major commercial and industrial users of M2M technologies. This transition requires that we:

- grow our international presence and the number of Telecommunication carriers with which we have supply relationships,
- lay the foundations for further major contracts for M2M technology in the commercial and industrial markets,
- prepare for the wave of LTE deployment and adoption and
- continue to invest in development of the products we are contracted to deliver to NBN Co under our contract to supply Wireless Network Termination Devices (WNTD) to Ericsson. This project begins to generate revenue in 2012/13.

Netcomm's outlook for forward orders is now at the highest level in its history. Most of these orders commence delivery in 2012/13.

Enquiries to: Ken Sheridan, NetComm Finance Director

Phone: +61 (0)409 157 588 or email: ken.sheridan@netcomm.com.au

About NetComm Limited

NetComm Limited (ASX: NTC) is a leading developer of innovative broadband products for telecommunications carriers and ISPs worldwide. Specialising in fixed and wireless broadband technologies, NetComm designs and produces products that are customized for world-leading carrier networks to successfully deliver the performance requirements of home, business and industrial applications. For 29 years NetComm has developed a solid portfolio of data communication products, including world first broadband HSPA+ and LTE routers and is today a respected global provider of HSPA+, LTE, machine-to-machine (M2M) wireless and fibre access devices. Headquartered in Sydney, Australia, NetComm has offices in New Zealand, North America and the Middle East. For more information about NetComm visit: www.netcomm.com.au