

Company Overview

NovAtel Inc. designs, markets, and supports a broad range of products that determine precise geographic locations using the Global Positioning System (GPS). The system is comprised of 24 earth orbiting satellites that transmit radio signals 24 hours a day worldwide. GPS receivers calculate the distance from the satellites to the receiver and then use a triangulation technique to determine exact geographical locations. GPS is used for a variety of purposes, including navigating, tracking, mapping, and conducting geographical surveys.

NovAtel focuses on high-end GPS applications such as surveying, geographic information systems (GIS), aviation, marine, mining and machine control and agriculture with technologically innovative products that provide high levels of accuracy, real-time positioning and reliability. According to industry sources, these market segments represent an estimated US\$900M in 1996 and are expected to grow to approximately US\$3 billion in 2000. NovAtel is not active in low-end GPS applications like vehicle navigation and the consumer/cellular market.

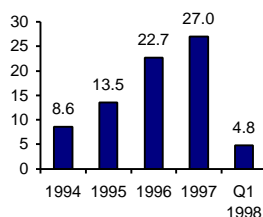
Investor Information (at 05/21/98)

Nasdaq: NGPSF
Price: US\$6.625
Market capitalization: US\$50.8 million
Price range since IPO: US\$4.50 - US\$12.125
Shares outstanding: 7,674,040

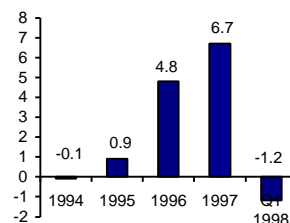
CAGR 1993-97
Sales: 53%
Income from continuing operations: 136%
Analyst Coverage
Montgomery Securities
Prudential Securities

Financial Highlights

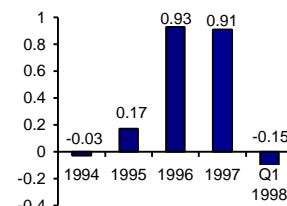
Revenue
CDN\$ Millions



Income (Loss) From Continuing Operations
CDN\$ Millions



Income (Loss) From Continuing Operations - Per Share (basic)
CDN\$



Statement of Operations
(CDN\$ in thousands, except per share data)

	Three months ended	
	04/04/98	03/29/97
Revenue	\$ 4,765	\$ 5,406
Income (loss) from continuing operations	\$ (1,174)	\$ 700
Income (loss) per share from continuing operations (basic)	\$ (0.15)	\$ 0.11
Income (loss) per share from continuing operations (fully diluted)	\$ (0.15)	\$ 0.10

Balance Sheet
(CDN\$ in thousands)

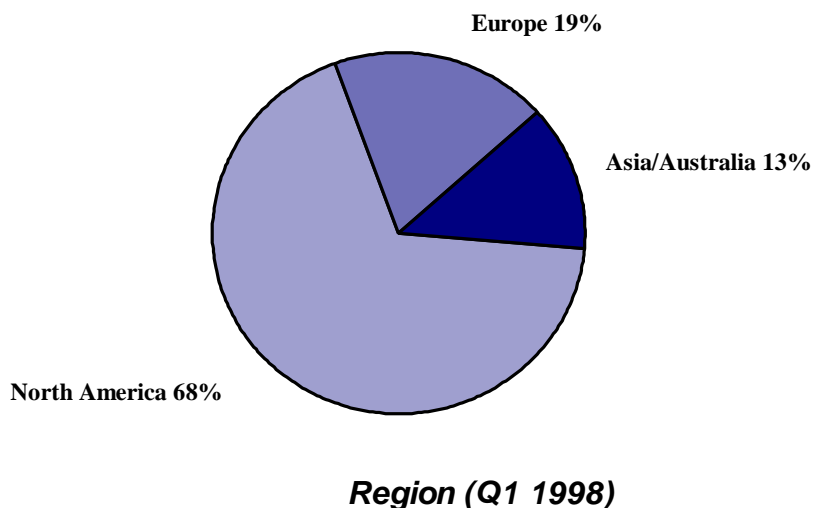
	at 04/04/98	at 12/31/97
Cash and short term investments	\$ 8,898	\$ 10,732
Debt-current	\$ 0	\$ 0
Debt-long term	\$ 0	\$ 0
Total shareholders' equity	\$ 25,162	\$ 25,073

Recent Developments

- On April 17, 1998 Canadian Marconi Company acquired approximately 58% of the total shares outstanding through private transactions with the two principal shareholders of NovAtel Inc. The total purchase price was US\$48.9 million or US \$10.91 per share.
- As a result of the Canadian Marconi Company acquisition, the Board of Directors of NovAtel Inc. was reconstituted. The number of Directors was reduced from nine to seven, with Horst J. Pudwill, Richard D. Orman, Joel A. Schleicher and Pascal E. Spothelfer remaining on the Board and Alexander von Witzleben, Rodger D. Conner, Douglas R. Reid, Werner Gartner and William B. Patton Jr. resigning from the Board. William I. M. Turner, Jr., Howard L. Beck and Gregory A. Yeldon were appointed new Directors effective May 15, 1998.

Distribution

NovAtel sells its products through multiple channels – direct, dealers and value-added resellers – and in over 35 countries worldwide.



Key Strategies

- Grow OEM business by expanding the product family
- Broaden revenue base by entering selected end-user markets
- Expand international business by a targeted marketing strategy with optimized sales channel mix
- Maintain technological leadership
- Lead industry in customer support and service

Investor Contact

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