Ascom achieves thanks to a strong second half-year for the full-year some revenue growth and a Group profit in line with the previous year – EBITDA guidance for 2013 increased to 15-16%

- Revenue growth of 2.8% on Group level
- Group profit of CHF 20.9 million in line with the previous year
- EBITDA margin of 10.2% (12.8% before restructuring expenses)

- Wireless Solutions:
  - Revenue growth of 7.6%
  - EBITDA margin increased to 16.2%

- Network Testing:
  - Turnaround realized in the second half-year
  - EBITDA margin of 5.4% (before restructuring expenses)
  - Cost base reduced by CHF 20 million as per year-end

- Increased dividend of CHF 0.35 per share proposed

- Guidance (on Group level):
  - 2013: EBITDA margin of 15-16%
  - 2015: EBITDA margin of 17-18%

- Board of Directors:
  - Cornelia Gehrig proposed as a new member
Strong second half-year 2012
In 2012, the economic environment as well as market conditions were challenging. Ascom has responded rapidly to the significant changes in the business environment in the telecommunication market and has taken necessary restructuring measures in the Network Testing Division. Ascom experienced a strong improvement in results during the second half of 2012.

Ascom recorded an increase in revenue of about 11% in the second half of 2012 compared to the first six months. For the full-year 2012, Ascom generated revenue of CHF 449.8 million (2011: CHF 437.5 million), representing a growth rate of 2.8%. Ascom closed the second half-year 2012 with an EBITDA margin of around 15%. For the full-year 2012, the EBITDA margin was at 10.2%, taking into account a weak first half-year (EBITDA margin of 5.0%). However, profitability was burdened with restructuring expenses of CHF 11.6 million in 2012. Excluding these expenses, Group EBITDA margin would have been at 12.8%.

The expenses for R&D amounted to CHF 49.9 million corresponding to a portion of revenue of 11.1%, which is clearly above market level. Only an amount of CHF 0.7 million out of the R&D costs has been capitalized.

Ascom Wireless Solutions achieves an EBITDA margin of 16.2%
Wireless Solutions contributed about two thirds to total Group revenue and recorded an increase in sales of 7.6% year-on-year, including positive effects of about five percentage points through the GE Nurse Call business and Miratel acquisitions. For the full-year 2012, Wireless Solutions generated revenue of CHF 297.7 million (2011: CHF 276.6 million).

In terms of profitability, Wireless Solutions improved its margins for the third time in a row. The division achieved excellent results, and for fiscal year 2012 recorded an EBITDA of CHF 48.1 million (2011: CHF 41.5 million) and a higher EBITDA margin of 16.2% compared to the previous year (2011: 15.0%). This result includes one-time acquisition and integration costs of CHF 1.4 million. For the second half-year, the division even posted an EBITDA margin of around 17%.

Ascom Network Testing shows good second half-year 2012
Network Testing achieved a successful turnaround during the second half-year due to quickly implemented restructuring measures and the first signs of improved market conditions. For the second half-year, the division recorded a substantial increase in both, revenue and incoming orders compared to the first six months of 2012. Revenue
grew by about 15% compared to the first six months 2012, totaling CHF 130.4 million for the full-year (2011: CHF 138.9 million).

Due to the successful restructuring, Network Testing showed a significant improvement in profitability in the second half-year with an EBITDA margin before restructuring expenses of 14.4% (10.3% including restructuring expenses). For the full-year, the division achieved an EBITDA of CHF 7.0 million before restructuring expenses, representing an EBITDA margin of 5.4% (2011: 2.4%). Including these expenses, a loss of CHF 4.6 million was reported at EBITDA level. Restructuring measures implemented and executed during fiscal year 2012 reduced the overall divisional cost base by around CHF 20 million. The full benefit of the cost savings will materialize in 2013.

**Group profit in line with previous year**
Group profit in the second half of 2012 amounted to CHF 18.3 million and came to CHF 20.9 million for the full-year 2012, which is in line with the previous year (H1/2012: CHF 2.6 million; full-year 2011: CHF 23.1 million).

As of 31 December 2012, the Ascom Group recorded cash and cash equivalents of CHF 63.1 million (2011: CHF 73.3 million) and a strong equity ratio of 43.1% (2011: 40.2%). Net debt amounted to CHF 41.3 million.

**Board of Directors will propose higher dividend payment**
The Board of Directors is confident about the future development of the Ascom Group and thus will propose to the 2013 Annual General Meeting a dividend payment (in form of a tax-free distribution from capital contribution reserves) of CHF 0.35 per share, corresponding to an increase of 40% year-on-year and to a payout ratio of 60.3% (2011: 39.0%).

**EBITDA margin target for 2013 increased to 15-16%**
The economic environment will remain challenging in 2013, although there are some promising sights of a market recovery. With the successful turnaround of the Network Testing Division during the second half of 2012, and taking into account, that Wireless Solutions has achieved an EBITDA margin of over 16% already in 2012, Ascom is convinced that the company may even exceed its communicated targets for 2013. Therefore, Ascom plans to reach an EBITDA margin of 15-16% at Group level in 2013 while achieving growth of 5%. In addition, Ascom has set the goal of achieving growth of 5-10% in 2014 and 2015. At a Group level, Ascom is aiming for an EBITDA margin of 17-18% in 2015.
Cornelia Gehrig proposed for election as a new Board member

The Board of Directors will propose to the Annual General Meeting to elect Cornelia Gehrig as a new member of the Board of Directors. As CFO of the Bystronic Group, Cornelia Gehrig is a recognized specialist in finance with broad experience in various companies as a CFO as well as in audit.

It will also be proposed to the Annual General Meeting that the five current members of the Board, Juhani Anttila, Paul E. Otth, Dr J.T. Bergqvist, Kenth-Ake Jönsson and Andreas V. Umbach be re-elected for a further one-year term of office.

Key figures Ascom Group

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<tr>
<th></th>
<th>CHFm 2012</th>
<th>CHFm 2011</th>
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<tbody>
<tr>
<td>Incoming orders</td>
<td>436.4</td>
<td>451.4</td>
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<tr>
<td>Revenue</td>
<td>449.8</td>
<td>437.5</td>
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<tr>
<td>EBITDA</td>
<td>45.9</td>
<td>59.8</td>
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<tr>
<td>Group profit</td>
<td>20.9</td>
<td>23.1</td>
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<tr>
<td>Number of employees (FTE)</td>
<td>1 771</td>
<td>1 801</td>
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Key figures Wireless Solutions

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<th>CHFm 2012</th>
<th>CHFm 2011</th>
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<tr>
<td>Incoming orders</td>
<td>296.1</td>
<td>284.1</td>
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<tr>
<td>Revenue</td>
<td>297.7</td>
<td>276.6</td>
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<td>EBITDA</td>
<td>48.1</td>
<td>41.5</td>
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<td>Number of employees (FTE)</td>
<td>1 247</td>
<td>1 198</td>
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Key figures Network Testing

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<tr>
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<th>CHFm 2012</th>
<th>CHFm 2011</th>
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</thead>
<tbody>
<tr>
<td>Incoming orders</td>
<td>118.6</td>
<td>145.3</td>
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<tr>
<td>Revenue</td>
<td>130.4</td>
<td>138.9</td>
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<tr>
<td>EBITDA</td>
<td>(4.6)*</td>
<td>3.4</td>
</tr>
<tr>
<td>Number of employees (FTE)</td>
<td>507</td>
<td>571</td>
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* Including restructuring expenses of CHF 11.6 million.
The complete 2012 Annual Report of the Ascom Group is available in English only and can be viewed online at [www.ascom.com/report-en](http://www.ascom.com/report-en).

The full 2012 Annual Results presentation (in English) can be viewed after the media and analyst conference at [www.ascom.com/en/index/investor-relations/ir-reports-presentations/ir-media-presentations.htm](http://www.ascom.com/en/index/investor-relations/ir-reports-presentations/ir-media-presentations.htm).

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### ABOUT ASCOM

Ascom is an international solution provider with comprehensive technological know-how in Mission-Critical Communication. The company focuses on the areas of **Wireless Solutions** (high-value, customer-specific on-site communications solutions) and **Network Testing** (a global market leader in testing and optimization solutions for mobile networks). The company is headquartered in Switzerland, has subsidiaries in 17 countries and a workforce of some 1,800 employees worldwide. Ascom registered shares (symbol ASCN) are listed on the SIX Swiss Exchange in Zurich (Switzerland).

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