



**FOR RELEASE MARCH 16, 2010, 8 AM EST**

## **Wireless Matrix Announces Third Quarter Fiscal 2010 Results**

*Completion of major deployments leads to record subscriber growth*

HERNDON, VA (March 16, 2010) – Wireless Matrix Corporation (TSX: WRX), the leading provider of service chain performance management solutions targeting field service organizations, today announced financial and operating results for the three and nine months ended January 31, 2010.

*All currency is expressed in U.S. dollars.*

### **Third Quarter 2010 Highlights**

- Largest ever quarterly gain in subscribers, adding 10,845 new subscribers to its network, of which a record 9,976 or 92% are application subscribers.
- 86,864 subscribers at quarter-end, up 30% from 66,933 one year earlier.
- Total revenues of \$10.3 million in the third quarter, an increase of 4% over Q3 2009.
- Recurring subscriber service revenues of \$7.2 million, up 5% over last year's third quarter.
- Application service revenue of \$2.7 million, up 50% from Q3 2009.
- Adjusted EBITDA\* of \$1.1 million, compared to \$1.3 million a year earlier.
- Net loss of \$392,000 or \$0.00 per share, compared to net income of \$338,000 or \$0.00 per share in Q3 2009.
- Subsequent to quarter-end, completed the third of three major deployments which will have added over 19,000 subscribers by the end of fiscal 2010.
- Cash collected subsequent to January 31, 2010 against accounts receivable was \$4,300.

"Our strategy of transforming to a fleet management application company from a wireless data communication provider was realized this quarter by transitioning Sears onto our application platform. We added a record 10,845 new subscribers from Sears and other customers driving over 90% of the gross additions this quarter onto our application," said J. Richard Carlson, president and chief executive officer of Wireless Matrix. "Our focus in recent quarters on executing on customer deliverables and investing in infrastructure improvements has continued to yield results. We have now completed all three of the major deployments we initiated this year. Based on successful initial results, we received a follow-on order from one of them during the third quarter that will expand their deployment by an additional 10%. We have also made significant improvements to the scalability and reliability of our FleetOutlook solution that we expect to drive additional revenue while decreasing our operating expenses."

## Financial Highlights

<i>All currency in thousands except per share and ARPU data.</i>	<b>Three months ended January 31</b>		<b>Nine months ended January 31</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Recurring service revenue	7,228	6,862	21,591	20,235
Hardware and license revenue	3,078	3,068	9,692	8,610
Total revenue	10,306	9,930	31,283	28,845
Gross margins*	5,596	5,607	17,284	16,442
Adjusted EBITDA*	1,050	1,310	3,214	3,372
Net (loss) income	\$(392)	\$338	\$(499)	\$1,192
Number of shares outstanding	82,590,426	82,447,331	82,361,416	82,569,095
Basic and diluted income (loss) per share:	\$0.00	\$0.00	\$(0.01)	\$0.01
Cash balance	14,219	17,933	14,219	17,933
Working Capital	11,237	13,908	11,237	13,908
Total subscribers	86,864	66,933	86,864	66,933
Average Revenue Per Unit (ARPU)*	\$28.61	\$33.15	\$30.26	\$33.19

\* See Non-GAAP Measures below

## Financial and Operating Review

Wireless Matrix's total revenues in the third quarter of 2010 were \$10.3 million, an increase of 4% from Q3 2009. For the first nine months of fiscal 2010, revenues of \$31.3 million represented an 8% increase over the comparable period in fiscal 2009. Revenue growth in the quarter was driven by application services revenue, which increased 50% to \$2.7 million as a result of an increase in subscribers. Management believes application services revenue will continue to experience strong organic growth for the remainder of fiscal 2010 due to ongoing subscriber additions.

The Company added 10,845 new subscribers in the third quarter of 2010, of which 92% were application subscribers who purchase the Company's FleetOutlook application on a Software-as-a-Service (SaaS), recurring revenue basis. The increase is due both to new customers, primarily the two large deployments which began in the first quarter of fiscal 2010, and existing customers expanding their subscriptions across their fleets. Wireless Matrix ended the quarter with 86,864 subscribers, a 30% increase over the 66,933 subscribers at January 31, 2009.

Total gross margin percentage was 54% in Q3 2010, compared to 57% a year earlier. Overall margins benefited from higher-margin service revenues comprising a greater percentage of total revenues compared to the previous year's third quarter; however, service gross margins decreased to 70% from 73% due to a contractual requirement to purchase additional satellite capacity for a multi-mode

communications customer until it completes its transition to primarily cellular communications.

Wireless Matrix had a cash balance of \$14.2 million at January 31, 2010, compared to \$12.9 million at October 31, 2009. The Corporation has no debt, and its \$4 million line of credit remains unused.

## Outlook

"Having completed new customer deployments totaling nearly 20,000 new subscribers in fiscal 2010," said Ms. Maria Izurieta, chief financial officer, "and moving product enhancements into general availability we have improved our competitive position. We are now able to focus more of our resources on winning new business. Infrastructure investments, while suppressing our short term results this year, have resulted in improved reliability and scalability and a more attractive business model going forward. We believe we are well positioned for continued growth into fiscal 2011."

## Conference Call

Wireless Matrix has scheduled a conference call to begin at 10:00 a.m. ET on Tuesday, March 16, 2010, to discuss these results. The conference call dial-in number is 1-800-897-4035. A replay of the conference call will be available on the Company's website at [www.wirelessmatrix.com](http://www.wirelessmatrix.com) or by dialing 1-800-558-5253, (code #21462111), shortly after the completion of the conference call until 11:59 p.m. ET on March 17, 2010.

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## About Wireless Matrix

Wireless Matrix Corporation (TSX: WRX) is a leader in mobile resource management providing service chain execution solutions to enterprises with service fleets. Our solutions provide location intelligence for managing, measuring and monitoring service execution, while at the same time increasing productivity and reducing operating expenses within service fleet operations. The Wireless Matrix solution suite includes FleetOutlook®, a web-based platform that provides management and fleet operators complete visibility into their operations, enabled by real-time wireless data communication services over a variety of proprietary modems and hardware devices. Wireless Matrix is headquartered in Herndon, Va., and has offices in San Francisco and Burnaby, British Columbia.

## Investor Relations

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## Non-GAAP measures

In addition to providing measures in accordance with Canadian GAAP, Wireless Matrix presents certain supplemental measures that are used by Management to manage and measure operations. These are gross margin, operating expenses, adjusted EBITDA, current liabilities before deferred product revenue, ARPU, and churn rates. These measures do not have any standardized meaning prescribed by Canadian GAAP and are therefore unlikely to be comparable to similar measures presented by other companies. Investors are urged to refer to the “Supplemental Non-GAAP measures” section in our Management Discussion and Analysis for more details.

## Forward Looking Statements

*General information regarding the Corporation set forth in this document, including management's assessment of the Corporation's future plans and operations, contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Corporation's and management's control, including but not limited to, the impact of general economic conditions, industry conditions, market demand, dependence on key customers, financial conditions and wherewithal of customers, non-infringement on third-party technology, ability to grow through acquisition, technological aptitude of products and intellectual property rights, inventory management, fluctuation of commodity prices, fluctuation of foreign exchange rates, imperfection of estimates, effective integration of acquisitions, industry competition, availability of qualified personnel and management, stock market volatility, timely and cost-effective access to sufficient capital from internal and external sources, ability to integrate and realize anticipated benefits from acquisitions, ability to procure and resell third party network communications at favorable rates, and to effectively manage growth. The Corporation's actual results, performance or achievement could differ materially from those expressed in or implied by, these forward-looking statements and accordingly, no assurance can be given that any of the events anticipated to occur or transpire from the forward-looking statements will provide what, if any, benefits to the Corporation. All data presented herein should be read in conjunction with the Corporation's regulatory filings, with the appropriate Securities Commission and SEDAR. These filings, including the Corporation's AIF, are located at [www.sedar.com](http://www.sedar.com).*