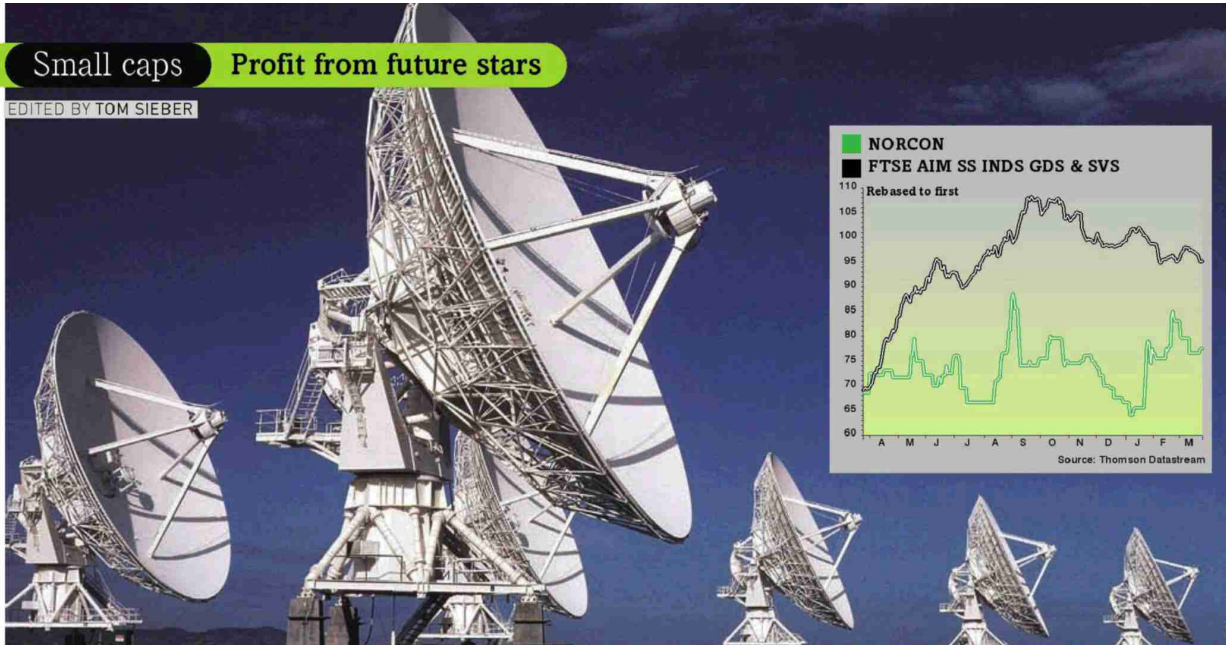


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Telecoms service group well placed to aid next phase of wireless communications

Norcon poised for 4G deployment

Dan Coatsworth

The roll out of fourth-generation (4G) wireless networks is good news for telecoms service group **Norcon** (NCON:AIM), whose expertise should see it heavily-involved in the implementation process. Buy the shares in anticipation of contract wins this year and Norcon expanding its position in key global territories.

Chief financial officer **Marne Martin** confirmed to *Shares* Norcon is in talks with telecom providers over contracts to deploy 4G networks.

Saudi Telecom (STC), an existing Norcon customer, last week announced plans to trial a 4G network in the Middle East during the second half of 2010.

Many of Norcon's contracts are similar to outsourced deals where it provides a broad range of telecom services. While Alcatel-Lucent has been appointed to run STC's 4G trial, there may also be scope for Norcon to be involved under the terms of its existing deal with STC, though Martin refused to comment further on

4G contract negotiations.

Norcon last week (23 Mar) reported a 13% rise in pre-tax profit in 2009 to \$10.7 million. It pays out 50% of net income each year as dividends. The payment to be made in July to shareholders of 8.5c for 2009 equates to an attractive dividend yield of 7.4% on the current 77.5p share price. Investors must have already bought shares to qualify as the stock went ex-dividend yesterday (31 Mar).

Shares says: Expect growth to accelerate with any 4G wins. + Buy.