Sierra Wireless is building the Internet of Things.
Cautionary Note Regarding Forward-Looking Statements

Certain statements and information in this presentation are not based on historical facts and constitute forward-looking statements within the meaning of applicable securities laws (“forward-looking statements”) including statements and information relating to our Q1’17 business outlook and beyond. Forward-looking statements are provided to help you understand our views of our short and longer term plans, expectations, and prospects. We caution you that forward-looking statements may not be appropriate for other purposes. We do not intend to update or revise our forward-looking statements unless we are required to do so by securities laws.

Forward-looking statements:

• typically include words and phrases about the future, such as: “outlook”, “will”, “may”, “estimates”, “intends”, “believes”, “plans”, “anticipates” and “expects”;
• are not promises or guarantees of future performance. They represent our current views and may change significantly;
• are based on a number of material assumptions, including those listed below, which could prove to be significantly incorrect:
  o our ability to develop, manufacture and sell new products and services that meet the needs of our customers and gain commercial acceptance;
  o our ability to continue to sell our products and services in the expected quantities at the expected prices and expected times;
  o expected cost of goods sold;
  o expected component supply constraints;
  o our ability to “win” new business;
  o expected deployment of next generation networks by wireless network operators;
  o our operations not be adversely disrupted by component shortages or other development, operating or regulatory risks; and
  o expected tax rates and foreign exchange rates.
• are based on a number of material assumptions, including those listed below, which could prove to be significantly are subject to substantial known and unknown material risks and uncertainties. Many factors could cause our actual results, achievements and developments in our business to differ significantly from those expressed or implied by our forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail. These risk factors and others are discussed in our Annual Information Form and Management’s Discussion and Analysis of Financial Condition and Results of Operations, which may be found on SEDAR at www.sedar.com and on EDGAR at www.sec.gov and in our other regulatory filings with the Securities and Exchange Commission in the United States and the Provincial Securities Commissions in Canada:
  o competition from new or established service providers or from those with greater resources;
  o disruption of, and demands on, our ongoing business and diversion of management’s time and attention in connection with acquisitions or divestitures;
  o the loss of any of our significant customers;
  o cyber-attacks or other breaches of our information technology security;
  o difficult or uncertain global economic conditions;
  o our financial results being subject to fluctuation;
  o our ability to attract or retain key personnel;
  o risks related to infringement on intellectual property rights of others;
  o our ability to obtain necessary rights to use software or components supplied by third parties;
  o our ability to enforce our intellectual property rights;
  o our ability to respond to changing technology, industry standards and customer requirements;
  o our reliance on single source suppliers for certain components used in our products;
  o failures of our products or services due to design flaws and errors, component quality issues, manufacturing defects or other quality issues;
  o our dependence on a limited number of third party manufacturers;
  o unanticipated costs associated with litigation or settlements;
  o our dependence on wireless network carriers to promote and offer acceptable wireless data services;
  o risks related to contractual disputes with counterparties;
  o risks related to governmental regulation;
  o risks related to the transmission, use and disclosure of user data and personal information; and
  o risks inherent in foreign jurisdictions.

Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results.

USE OF NON-GAAP FINANCIAL MEASURES

• this presentation contains references to certain non-GAAP financial measures and should be viewed in conjunction with our press release, which contains further information regarding our use of non-GAAP financial measures, including a reconciliation of such information to our GAAP results.
SIERRA WIRELESS: Building the Internet of Things

- 2016 revenue: US$615 million
- #1 in IoT cellular modules
- Customers in 130+ countries
- Nasdaq (SWIR), TSX (SW)
- Founded in 1993
- 1,150 employees
IoT Growth Opportunity is Significant

Market data: ABI Research, GSMA, Ericsson, Sierra Wireless
Leader in Device-to-Cloud Solutions for IoT

Fully integrated End-to-End Solution for IoT Applications
Well positioned in key IoT market segments

<table>
<thead>
<tr>
<th>Automotive &amp; Transport</th>
<th>Energy &amp; Industrial</th>
<th>Enterprise</th>
<th>Residential &amp; Healthcare</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Automotive</td>
<td>• Smart Meters</td>
<td>• Payment</td>
<td>• Home Security</td>
</tr>
<tr>
<td>• Fleets &amp; Transit</td>
<td>• Smart Grid</td>
<td>• Mobile Computing</td>
<td>• Residential Automation</td>
</tr>
<tr>
<td>• User-based Insurance</td>
<td>• Industrial</td>
<td>• Retail</td>
<td>• Patient Monitoring</td>
</tr>
<tr>
<td>• Public Safety</td>
<td>• Public Infrastructure</td>
<td>• Surveillance</td>
<td></td>
</tr>
</tbody>
</table>

Strong global base of blue-chip customers & partners:

- FCA
- Trimble
- ARVAL BNP PARIBAS
- Peugeot
- Volkswagen
- BNSF
- NISSAN
- Itron
- Schneider Electric
- EDMI
- Philips
- Veolia
- Duke Energy
- ResMed
- Siemens
- Lenovo
- Cisco
- O'Reilly
- ResMed
- Securitas
- Honeywell
- Cardiocom
- Sierra Wireless
Sierra Wireless: Three Business Segments

**OEM Solutions**  
Q4’16 Rev: $135M  
Non-GAAP GM: 31.2%  
AirPrime® modules provide 2G, 3G, 4G, LPWA, Wi-Fi, Bluetooth, and GNSS connectivity

**Enterprise Solutions**  
Q4’16 Rev: $21M  
Non-GAAP GM: 52.1%  
AirLink® intelligent gateways, routers and management services for secure connectivity

**Cloud & Connectivity Services**  
Q4’16 Rev: $7M  
Non-GAAP GM: 39.3%  
AirVantage® IoT Platform, Smart SIM and Managed Connectivity Services

Strong Business Unit collaboration and cross-selling of Solutions and Services
OEM Solutions: Market Leader

Industry’s smallest, most scalable modules for 2G, 3G, and 4G LTE

Acquired BlueCreation in Q4’16 for Bluetooth and WiFi capability

Smart application processing with Legato embedded application platform to simplify overall system design

Open source Linux-based development platform for secure application development

Open hardware to enable rapid prototyping and faster time-to-market of new IoT applications
OEM Solutions

Q4’16 Revenue: $135.2M

- Fourth Quarter revenue of $135.2 million, up 11.2% compared to Q4’15
- As expected, normalized demand from large OEM customers and contribution from new programs
- Integration of Blue Creation proceeding on-track
  - Adds BT and WiFi capabilities; BT protocol stack
  - Introducing products to customers and channels
- Strong design win activity in Q4’16
  - Solid activity in Networking, Security & Energy
  - Secured second large design win with VW for 4G AR Series modules & Legato platform
Volkswagen: Two Global Design Wins

Volkswagen Starts with Sierra to connect their next-generation vehicles

• AirPrime AR Series with Legato® delivers high-speed cellular connectivity with application processing capability for the Volkswagen Car-Net platform to expand its value-add connected services:
  – In-vehicle internet-based services
  – Remote vehicle access
  – Roadside assistance
  – Diagnostics and maintenance
  – Ability to set speed and boundary alerts.
• Production expected to start in 2H 2018
Leadership in Embedded Module Solutions

Device-to-Cloud solution simplifying IoT deployments

- Pre-integrated IoT cloud platform for Data and Device Management and FOTA
- Pre-certified firmware for carrier networks and security
- Common Flexible Form Factor (CF3)™ design
- Snap-in Socket Option
- Managed Connectivity Services and flexible Smart SIM technology
- Pre-integrated with Legato (Open source Linux-based development platform)
Enterprise Solutions: Expanding Product Portfolio

Always-on connectivity for mission-critical mobile workforces; includes new MG90 and MP70 routers

Rugged, secure connectivity for critical assets & infrastructure; RV50 is the industry’s lowest power gateway

Connectivity for distributed enterprise applications and Point of Sale systems

AirLink Management Services for FOTA upgrades and device management
Enterprise Solutions

Q4’16 Revenue: $21.0M (GAAP GM: 57.2%; Non-GAAP GM: 52.1%)

- Fourth Quarter revenue of $21.0 million, up 27.1% compared to Q4’15
  - Includes full quarter contribution from GenX
  - Bolstering position in Fleet MGT segment
- Launched three new gateways in Q4:
  - MG90: high power vehicle platform for First Responders & Transit
  - FX30: programmable gateway with embedded Legato for industrial IoT applications
  - RV50X: LTE-A industrial gateway with low power
- Launched new services in Q4:
  - AirLink Support, AirLink Professional Services
- New wins in Enterprise, Public Safety, Security
Cloud & Connectivity Solutions

Smart Connectivity for superior QoS and global coverage

Unified platform for comprehensive operations management and application enablement
Cloud and Connectivity Services

Q4’16 Revenue: $6.8M (GAAP GM: 39.3%; Non-GAAP GM: 39.3%)

- Fourth Quarter revenue of $6.8 million
  - Revenue up modestly in constant currency
- Ramping design wins in Q4’16:
  - Strongest quarter of the year for new wins
  - Health, Security, Metering, Medical, others
  - 50% of wins referred from OEM and Enterprise
- Growing adoption of Smart SIM services and full device to cloud solutions
- Expanding service footprint with additional wholesale agreements
## Q4 2016 – Non GAAP Operating Results

### Quarterly Revenue ($USD millions)

<table>
<thead>
<tr>
<th></th>
<th>Q4'15</th>
<th>Q3'16</th>
<th>Q4'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM</td>
<td>$121.5</td>
<td>$127.8</td>
<td>$135.2</td>
</tr>
<tr>
<td>Enterprise</td>
<td>$16.5</td>
<td>$18.9</td>
<td>$21.0</td>
</tr>
<tr>
<td>C&amp;C</td>
<td>$6.8</td>
<td>$6.9</td>
<td>$6.8</td>
</tr>
</tbody>
</table>

### Adjusted EBITDA\(^{(2)}\) ($USD millions)

<table>
<thead>
<tr>
<th></th>
<th>Q4'15</th>
<th>Q3'16</th>
<th>Q4'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM</td>
<td>$6.3</td>
<td>$9.7</td>
<td>$15.5</td>
</tr>
<tr>
<td>Enterprise</td>
<td></td>
<td></td>
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<tr>
<td>C&amp;C</td>
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</table>

### Earnings per share \(^{(1)}\) ($USD)

<table>
<thead>
<tr>
<th></th>
<th>Q4'15</th>
<th>Q3'16</th>
<th>Q4'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM</td>
<td>$0.08</td>
<td>$0.13</td>
<td>$0.27</td>
</tr>
<tr>
<td>Enterprise</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>C&amp;C</td>
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\(^{(1)}\) Non-GAAP financial measures exclude the impact of: stock-based compensation expense and related social taxes, acquisition-related expense, acquisition amortization, impairment, integration expense, restructuring expense, certain other non-recurring expenses or recoveries, foreign exchange gains or losses on translation of balance sheet accounts and certain tax adjustments.

\(^{(2)}\) Adjusted EBITDA as defined equates to net earnings (loss) plus stock-based compensation expense and related social taxes, acquisition-related expense, restructuring expense, integration expense, impairment, certain other non-recurring expenses or recoveries, amortization, foreign exchange gains or losses on translation of balance sheet accounts, interest and income tax.
Q4 2016 - Solid Cash Position and Debt Free

Balance sheet remains strong with $102.8 million in cash and no debt

<table>
<thead>
<tr>
<th>US$ millions</th>
<th>Q4 2016</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operations</td>
<td>(1.4)</td>
<td>47.4</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(4.3)</td>
<td>(17.9)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>(5.7)</td>
<td>29.5</td>
</tr>
<tr>
<td>Acquisition</td>
<td>(2.9)</td>
<td>(8.8)</td>
</tr>
<tr>
<td>Repurchase of shares (NCIB)</td>
<td>(4.0)</td>
<td>(10.2)</td>
</tr>
<tr>
<td>Purchase of shares (RSU trust)</td>
<td>-</td>
<td>(4.2)</td>
</tr>
<tr>
<td>Other</td>
<td>3.4</td>
<td>2.6</td>
</tr>
<tr>
<td>Change in cash balance</td>
<td>(9.2)</td>
<td>8.9</td>
</tr>
</tbody>
</table>

Cash & Cash Equivalents ($USD millions)

- Q4'15: $93.9
- Q3'16: $112.0
- Q4'16: $102.8
Sierra Wireless: Trusted Partner of Choice

Our Solutions

Device-to-Cloud
Providing fully integrated D2C solution that is simple, scalable, and secure

Leading Portfolio
#1 in cellular embedded modules* and leading-edge gateway portfolio

Connectivity
Disruptive Smart SIM connectivity service with integrated cloud platform

Our Expertise

Innovation
Leadership in 4G LTE, Open Source application platform, LPWA standards

Experience
20+ years in industry, 120M devices shipped, deep vertical expertise

Partnerships
Long term relationships with key suppliers, integrators & ecosystem

Our Team

Global Presence
Operating on five continents with eight development centers

Sales & Support
Trusted partner to blue-chip customers for end-to-end IoT solutions

Track Record
Superior program execution in auto, energy and other demanding markets

(* Source: ABI Research – July 2016)
Summary

- **Global leader in wireless solutions for IoT**
  - positioned for LT growth and value creation

- **Continued Product & Solution momentum**
  - key new launches and solid Device-to-Cloud wins

- **New customer acquisition success**
  - Second global 4G design win with VW
  - Cross-BU collaboration on Device-to-Cloud wins

- **Focused on long-term shareholder value**
  - Operational execution & business model leverage
  - Continued M&A activity to accelerate growth