

Third Quarter 2012 Results

November 1, 2012



SIERRA
WIRELESS™

Safe Harbor Statement

Certain statements and information in this presentation are not based on historical facts and constitute forward-looking statements within the meaning applicable securities laws ("forward-looking statements") including statements and information relating to our financial guidance summary for Q4 2012 and fiscal year 2012, our guidance drivers for 2012 and our business outlook for 2012. Forward-looking statements are provided to help you understand our views of our short and longer term prospects. We caution you that forward-looking statements may not be appropriate for other purposes. We will not update or revise our forward-looking statements unless we are required to do so by securities laws.

Forward-looking statements:

typically include words about the future, such as: "look forward to", "outlook", "may", "intend", "believe", "plan", "anticipate", "expect", "goals", "targets", "forecasts", "well positioned for", "trending" and "will continue to".

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:

- Our ability to develop, manufacture and sell new products and services that meet the needs of our customers and gain commercial acceptance;
- Our ability to continue to sell our products and services in the expected quantities at the expected prices and expected times;
- Expected transition period to our 4G products;
- Expected cost of goods sold;
- Expected component supply constraints;
- Our ability to "win" new business;
- Expected deployment of next generation networks by wireless network operators;
- Our operations are not adversely disrupted by component shortages or other development, operating or regulatory risks; and
- Expected tax rates and foreign exchange rates.

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.

- Actual sales volumes or prices for our products and services may be lower than we expect for any reason including, without limitation, the continuing uncertain economic conditions, price and product competition, different product mix, the loss of any of our significant customers, competition from new or established wireless communication companies;
- The cost of products sold may be higher than planned or necessary component supplies may not be available, are delayed or are not available on commercially reasonable terms;
- We may be unable to enforce our intellectual property rights or may be subject to litigation that has an adverse outcome;
- The development and timing of the introduction of our new products may be later than we expect or may be indefinitely delayed.
- Transition periods associated with the migration to new technologies may be longer than we expect.

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 and supplementary information on our website (www.sierrawireless.com), which present a complete reconciliation of GAAP and Non-GAAP results.

Business Overview

Jason Cohenour
Chief Executive Officer



Third Quarter Highlights

Solid revenue growth and strong profitability

- Revenue up 11% year-over-year to \$162.6 million
- Non-GAAP earnings from operations of \$8.3 million
- Non-GAAP net earnings per share of \$0.28

Record quarter in Machine-to-Machine: \$86.1 million

- Exceptional performance, 14% year-over-year growth
- Growth in Americas and Asia; Europe stable, but soft
- Building on leadership position with Sagemcom M2M acquisition

Solid contribution from Mobile Computing: \$76.5 million

- 7% year-over-year growth
- 4G leadership, momentum with PC OEMs

Global Leader in Wireless Solutions for M2M and Mobile Computing

Machine-to-Machine

Build on #1 share position

- Broadest product portfolio
- Innovation leader
- Global support

Expand in the value chain



Mobile Computing

Focus on key accounts

- Technology leadership, best products
- Lowest TCO, best support

Maximize PC OEM opportunity



Core Capabilities

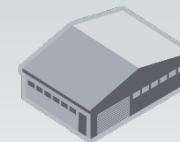


LTE WiMAX
HSPA+ EVDO

Core wireless technology



Global footprint



FLEXTRONICS



Manufacturing
and supply chain

Machine-to-Machine

Leadership, Value Chain Expansion

Growth in key segments

- Networking
- Automotive
- Field Services / Industrial Handhelds
- Payment

Continued product innovation

- Next generation AirVantage™ M2M Cloud
- Collaboration with Amazon Web Services
- Peugeot Connect USB device for enabling in-vehicle services & applications
- AirPrime SL9090 Multimode Module

Solid execution against operating objectives

- Seamless integration of Sagemcom M2M
- Site consolidation driving efficiency

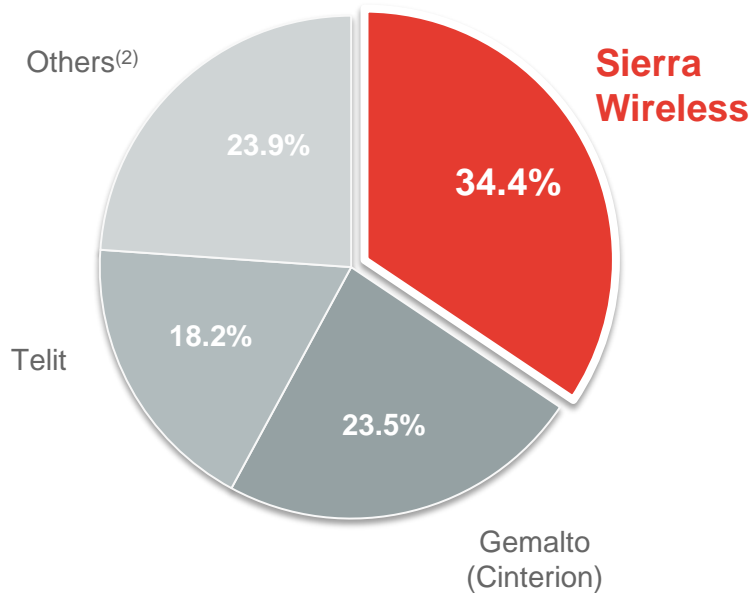


Clear Global Leader in M2M

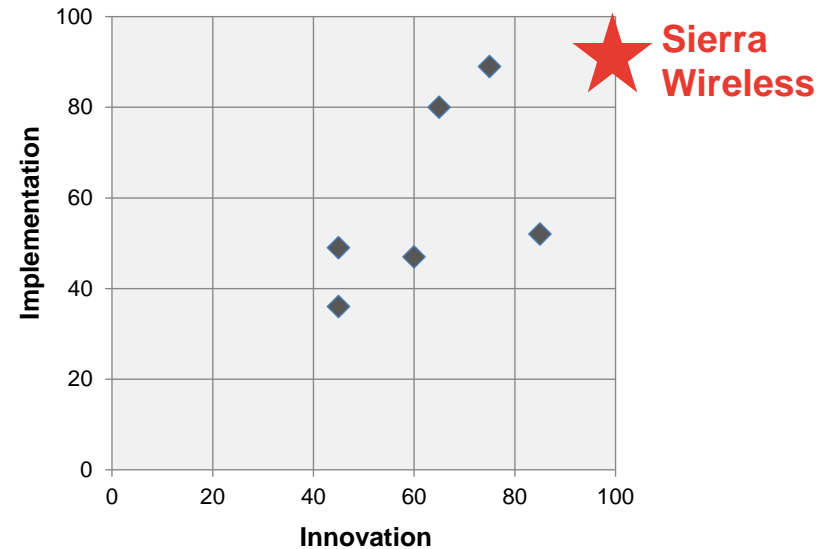
Market Share Leader

Strongest Competitive Position

M2M Module Market Share in 2011⁽¹⁾



Competitive Assessment Vendor Matrix for M2M Modules



Notes: (1) 2011 market share based on revenue, Sierra Wireless includes Sagemcom share (2) Huawei, Novatel/Enfora, Option, Simcom, u-blox and others
Source: ABI Research

Mobile Computing *Technology Leader*

Solid revenue contribution

- PC OEM up 44% year-over-year

Strong product/channel positions with key operators

- AT&T Mobile Hotspot Elevate 4G
- Sprint 4G LTE Tri-Fi Hotspot
- Telstra BigPond Mobile Wi-Fi 4G
- Channel slots awarded for next gen AirCards

Strong market recognition for new AirCard products

- PC Magazine Editor's Choice

Launched first ever LTE enabled Windows 8 devices

- Samsung and Lenovo tablets
- Ultra thin form factor EM7700 embedded module
- Clear Windows 8 innovation leader
- Additional design wins secured



AT&T Mobile Hotspot Elevate 4G



Lenovo ThinkPad Tablet 2



Samsung ATIV Smart PC

Financial Overview

David McLennan
Chief Financial Officer



Summary of Key Financial Metrics

Q3 2012 Financial Metrics

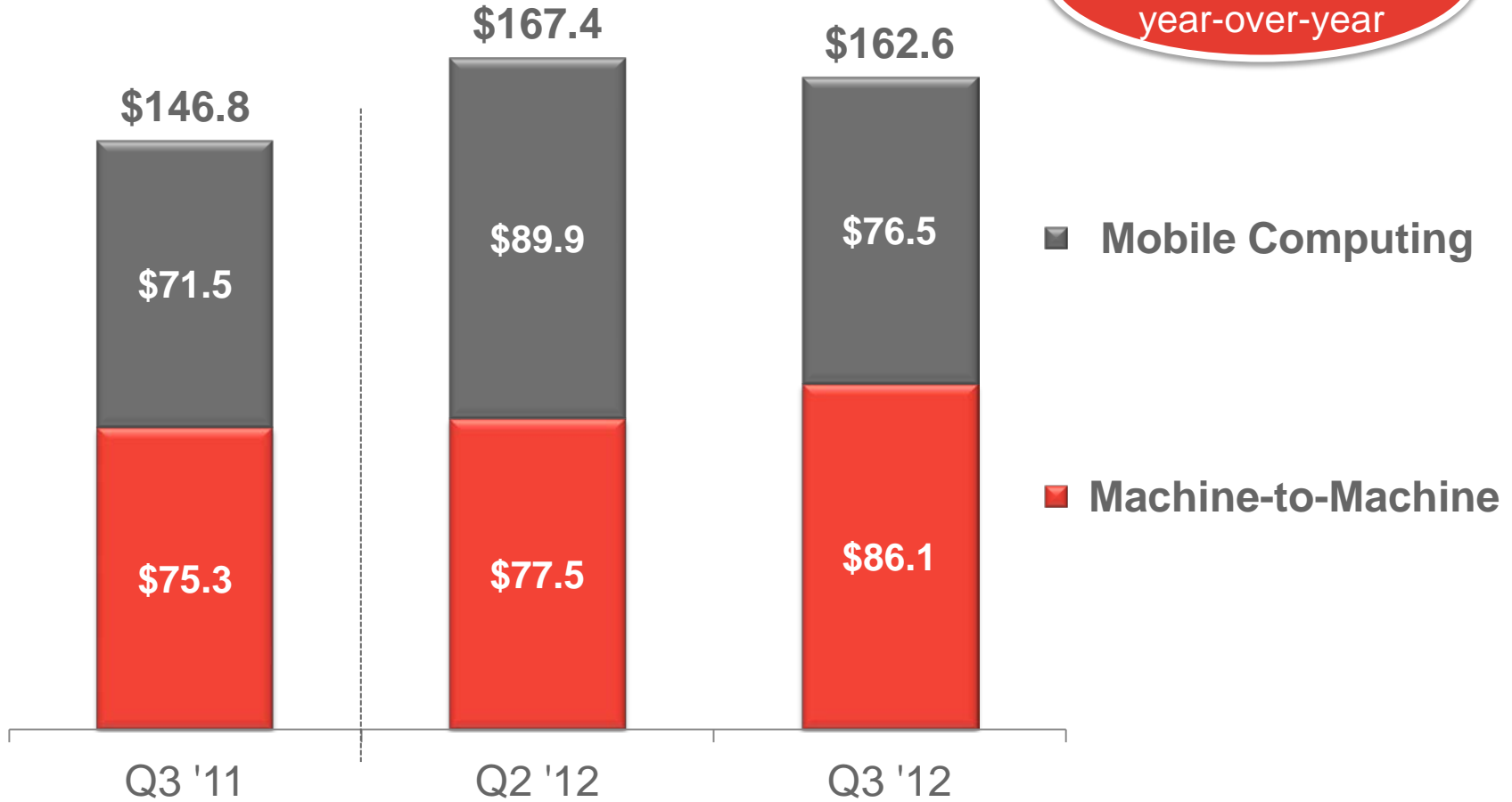
(USD millions, except EPS and Margin %)

	GAAP Actual	Non-GAAP* Actual	Non-GAAP* Actual (ex Sagemcom)	Non-GAAP* Guidance (ex Sagemcom)
Consolidated Revenue	\$162.6	\$162.6	\$158.0	\$157 – \$162
Gross Margin (%)	29.4%	29.5%	29.3%	
Operating Expenses	\$46.8	\$39.6	\$38.0	
Earnings from Operations	\$1.1	\$8.3	\$8.3	\$6 – \$8
Operating Margin (%)	0.6%	5.1%	5.3%	
Net Earnings	\$3.7	\$8.8	\$8.8	\$4.3 – \$5.7
Diluted Earnings Per Share	\$0.12	\$0.28	\$0.28	\$0.14 – \$0.19

* Non-GAAP results exclude the impact of: stock-based compensation expense, acquisition amortization, impairment, acquisition costs, integration costs, restructuring costs, foreign exchange gains or losses on foreign currency contracts as well as translation of balance sheet accounts, and certain tax adjustments

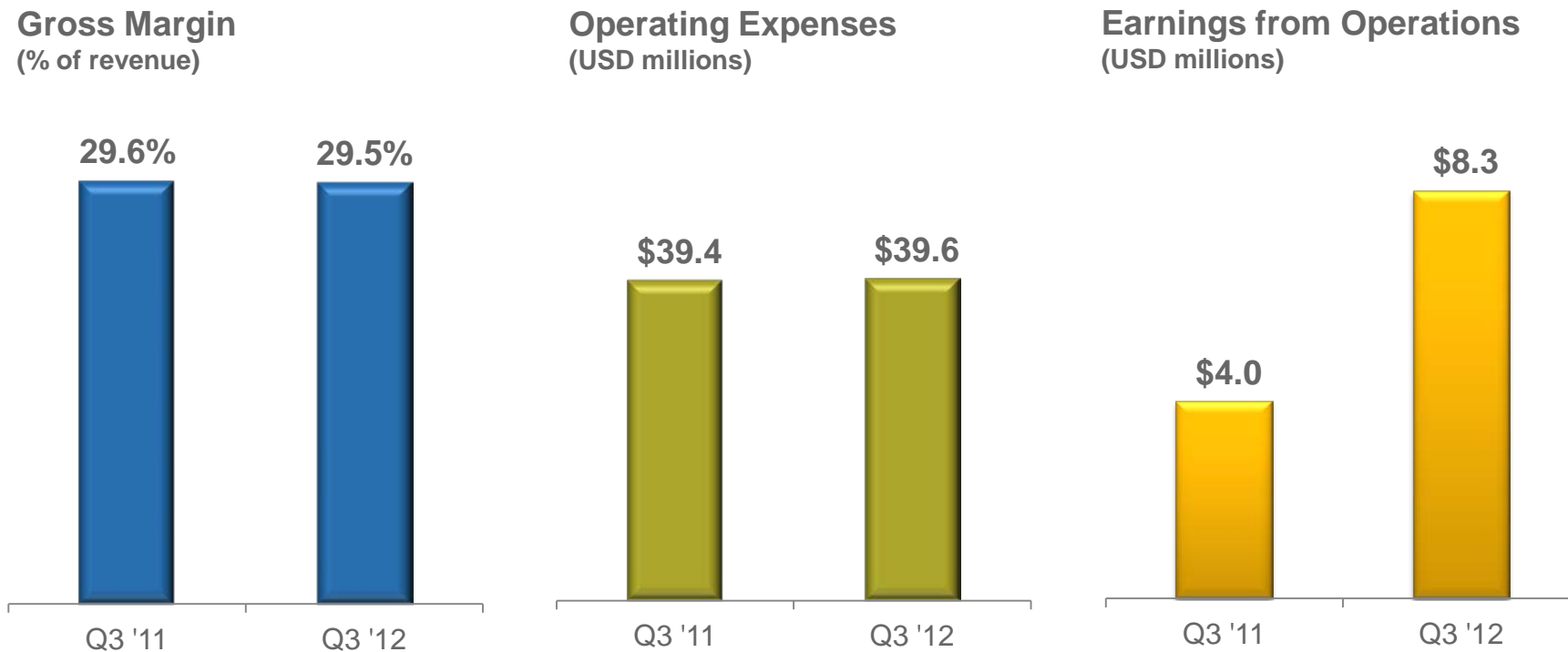
Revenue Growth

Quarterly Revenue (USD millions)



Profitability Improvement

Non-GAAP* Consolidated Operating Metrics



* Non-GAAP results exclude the impact of: stock-based compensation expense, acquisition amortization, impairment, acquisition costs, integration costs, restructuring costs, foreign exchange gains or losses on foreign currency contracts as well as translation of balance sheet accounts, and certain tax adjustments

Strong Cash Position and Debt Free

Cash, Cash Equivalents & Short Term Investments (USD millions, as of September 30, 2012)



Cash used in Q3: \$65.8 million

- Cash used in operations: \$3.6 million
- Capital expenditures: \$3.9 million
- Sagemcom M2M acquisition: \$55.2 million

Extended credit facility to \$50 million to support working capital requirements

- Currently no borrowings under this facility

Financial Guidance Summary

Non-GAAP* Financial Guidance (USD millions, except EPS)

	Q4 2012 Non-GAAP*
Revenue	\$160 to \$165 million
Earnings from Operations	\$7.5 to \$9.0 million
Net Earnings	\$5.6 to \$6.8 million
Earnings per Share	\$0.18 to \$0.22 / share

* Non-GAAP results exclude the impact of: stock-based compensation expense, acquisition amortization, impairment, acquisition costs, integration costs, restructuring costs, foreign exchange gains or losses on foreign currency contracts as well as translation of balance sheet accounts, and certain tax adjustments

Summary Comments

Stronger than expected profitability in the quarter

- Revenue growth & lower costs

Exceptional quarter in Machine-to-Machine (M2M)

- Growth in key segments and Sagemcom contribution
- Strength in North America and Asia; Europe stable, but soft
- Clear market leader, expanding in the value chain

Solid contribution in Mobile Computing

- 4G leader, strong product/channel positions
- Clear Win8 and technology leader in PC OEM

Expect flat results in the fourth quarter of 2012

- Normalized M2M, product transitions with key customers

Well positioned to capture the growth opportunity

Thank You

Q&A Session

