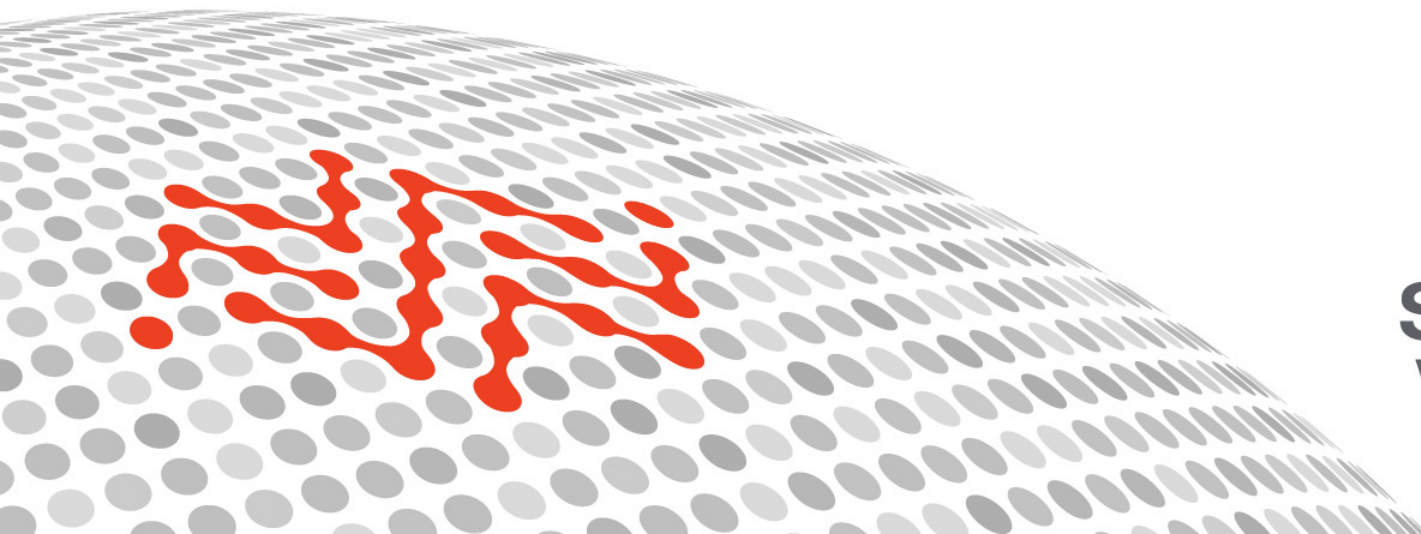


Reconciliation of Q3 GAAP to Non-GAAP Results

November 7, 2013



Reconciliation of GAAP to Non-GAAP Results

With reference to our press release of November 7, 2013, we are providing additional non-material information regarding our reconciliation of Q3 2013 GAAP to non-GAAP results additional non-material information.

Our consolidated financial statements are prepared in accordance with U.S. GAAP on a basis consistent for all periods presented. In addition to results reported in accordance with U.S. GAAP, we use non-GAAP financial measures as supplemental indicators of our operating performance. The term “non-GAAP financial measure” is used to refer to a numerical measure of a company’s historical or future financial performance, financial position or cash flows that: (i) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with U.S. GAAP in a company’s statement of earnings, balance sheet or statement of cash flows; or (ii) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. We refer to gross margin, operating expenses, earnings (loss) from operations, net earnings (loss) and earnings (loss) per share adjusted for specific items that affect comparability as non-GAAP gross margin, non-GAAP operating expenses, non-GAAP earnings (loss) from operations, earnings before interest, taxes, depreciation and amortization (adjusted EBITDA), non-GAAP net earnings (loss) and non-GAAP diluted earnings (loss) per share, respectively. We disclose non-GAAP amounts as we believe that these measures provide better information on actual operating results and assist in comparisons from one period to another.

Readers are cautioned that non-GAAP financial measures do not have any standardized meaning prescribed by U.S. GAAP and therefore may not be comparable to similar measures presented by other companies.

Q3 2013 Reconciliation of GAAP to Non-GAAP Results

In thousands of US\$, Except earnings per share	GAAP Results Q3 2013	Purchase Price Amortization		Restructuring, Acquisiton, & Disposition	Stock Compensation	Foreign Exchange Gain	Tax Adjustments	Non GAAP Q3 2013
		Sagemcom	Wavecom					
Revenue	112,262							112,262
Cost of goods sold	74,916				117			74,799
Gross margin	37,346	0	0	0	(117)	0	0	37,463
GM %	33.3%							33.4%
Sales and marketing	10,452				552			9,900
Research and development	17,806		1,372		373			16,061
Administration	9,297				1,103			8,194
Restructuring	14			14				0
Acquisition	139			139				0
Amortization	2,939	1,069	964					906
Total Operating Expenses	40,647	1,069	2,336	153	2,028	0	0	35,061
Earnings (loss) from operations	(3,301)	(1,069)	(2,336)	(153)	(2,145)	0	0	2,402
Foreign exchange gain	2,563					2,563		0
Other income (expense)	(26)							(26)
Total other income (expense)	2,537	0	0	0	0	2,563	0	(26)
Earnings (loss) before income taxes	(764)	(1,069)	(2,336)	(153)	(2,145)	2,563	0	2,376
Income tax expense (recovery)	(1,839)			57		106	(895)	(1,107)
Net earnings (loss) from continuing operations	1,075	(1,069)	(2,336)	(210)	(2,145)	2,457	895	3,483
Net earnings (loss) from discontinued operations	(505)			(1,017)	(336)			848
	570	(1,069)	(2,336)	(1,227)	(2,481)	2,457	895	4,331
Diluted earnings (loss) per share:								
Continuing operations	0.03							0.11
Discontinued operations	(0.01)							0.03
	0.02							0.14
Weighted average diluted shares	31,176							31,176