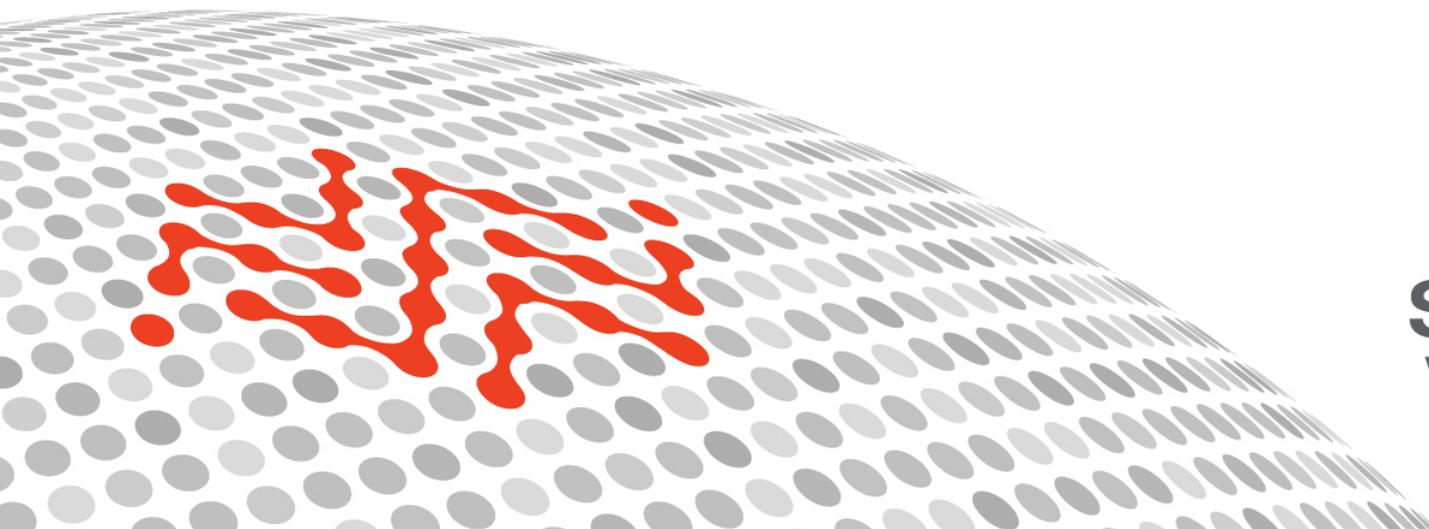


Q2 2013 Financial Results

August 1, 2013



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 Q3 2013 and fiscal year 2013, our guidance drivers for 2013 and our business outlook for 2013 and beyond. 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:

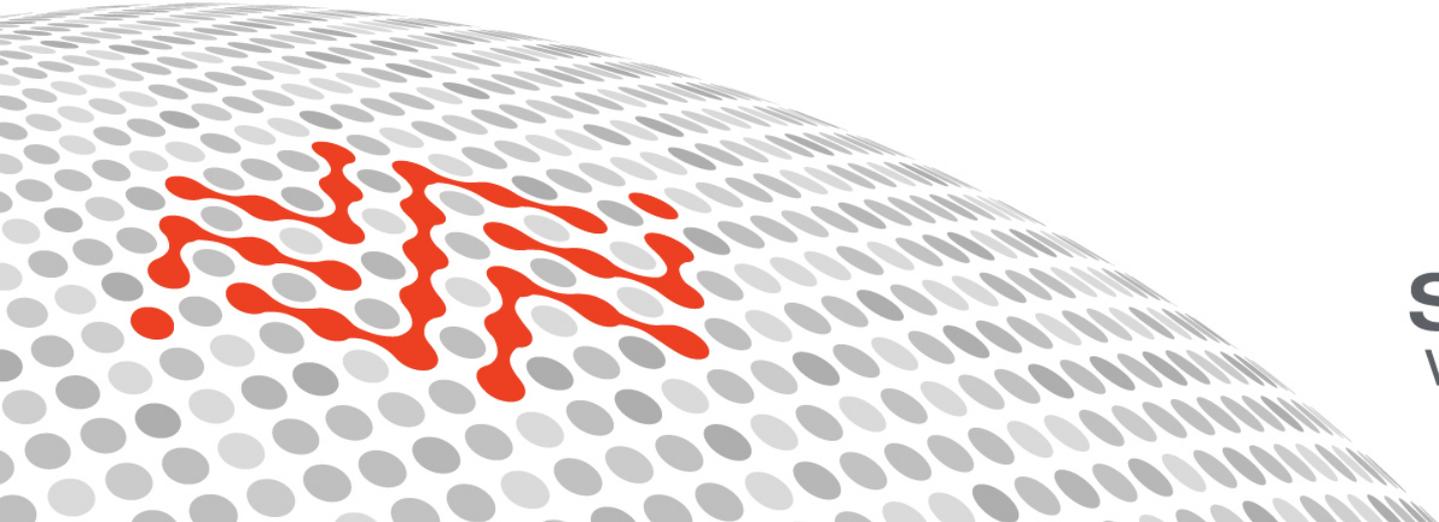
- typically include words about the future, such as: “look forward to”, “outlook”, “may”, “intend”, “believe”, “plan”, “anticipate”, “expect”, “goals”, “targets”, “forecasts”, “well positioned for”, “trending” and “will continue to”.
- are not promises or guarantees of future performance. They represent 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 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.
 - We may experience higher than anticipated costs; disruption of, and demands on, our ongoing business; diversion of management’s time and attention; adverse effects on existing business relationships with suppliers and customers and employee issues in connection with the divestiture of the AirCard assets and operations;
 - 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



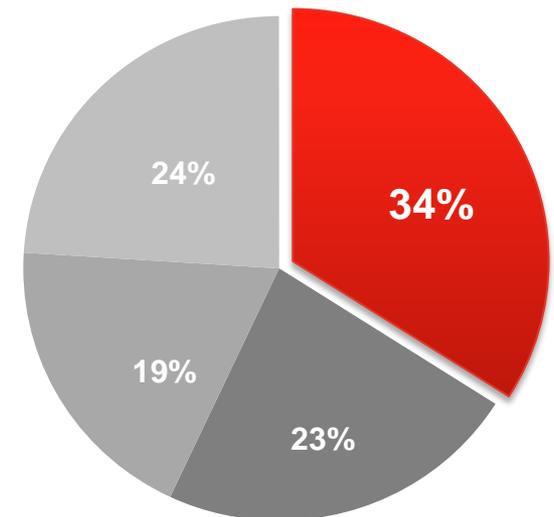
Q2 Highlights

- Record quarterly revenue for continuing business
 - Revenue up 15% year-over-year to \$109.6 million
- Solid non-GAAP gross margin of 33.4%
- Non-GAAP earnings from operations of \$1.5 million
 - Sequential improvement demonstrates operating model leverage
- Closed AirCard transaction, transition nearly complete

#1

**in machine-to-machine
market share globally**

Cellular M2M Embedded Module
Market Share in 2012⁽¹⁾



Solutions spanning the M2M value chain

OEM Solutions

AirPrime™ Embedded Wireless Modules



Enterprise Solutions

AirLink™ Intelligent Gateways & Modems



AirVantage™ M2M Cloud



Leading-edge
intelligent devices



M2M cloud
services platform



Value creation
& competitive barriers

OEM Solutions

Q2 Revenue of \$95.1 Million
up 14% year-over-year

- Design win momentum in Automotive, Sales and Payment, Energy
- Extending LTE leadership
 - First 4G LTE embedded module for automotive
 - First 4G LTE module for Sprint
 - Toshiba Portégé Z10t Ultrabook
- Driving innovation in multicore modules

>2M LTE devices shipped



TOSHIBA
Leading Innovation >>>

Enterprise Solutions

Q2 Revenue of \$14.5 Million
up 20% year-over-year

- Solid demand for 4G/LTE products
- Commercial launch of new AirLink LS300 compact gateway
- Increased adoption of AirVantage M2M Cloud services
 - Device management, monitoring and configuration services
- Commercial launch of device-to-cloud solution with Veolia Water



Sierra Wireless
AirLink® LS Series

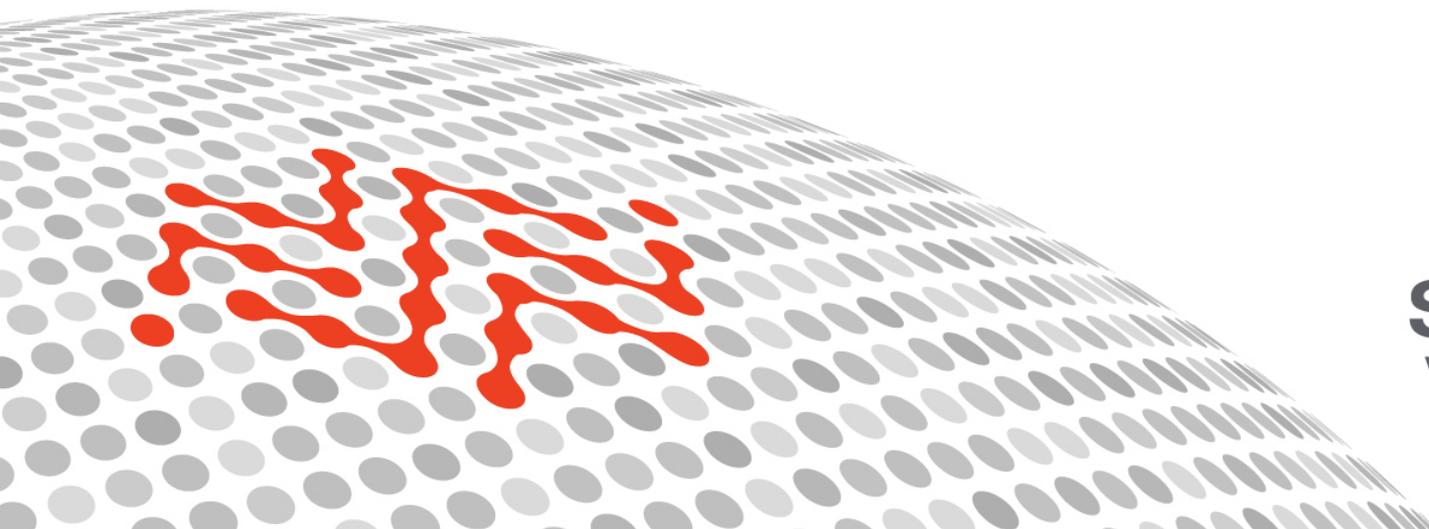


ultrapure water purification
systems for laboratories



Financial Overview

David McLennan, Chief Financial Officer



Summary of key financial metrics

Q2 2013 Financial Metrics for Continuing Operations (\$USD millions, except EPS and Margin %)

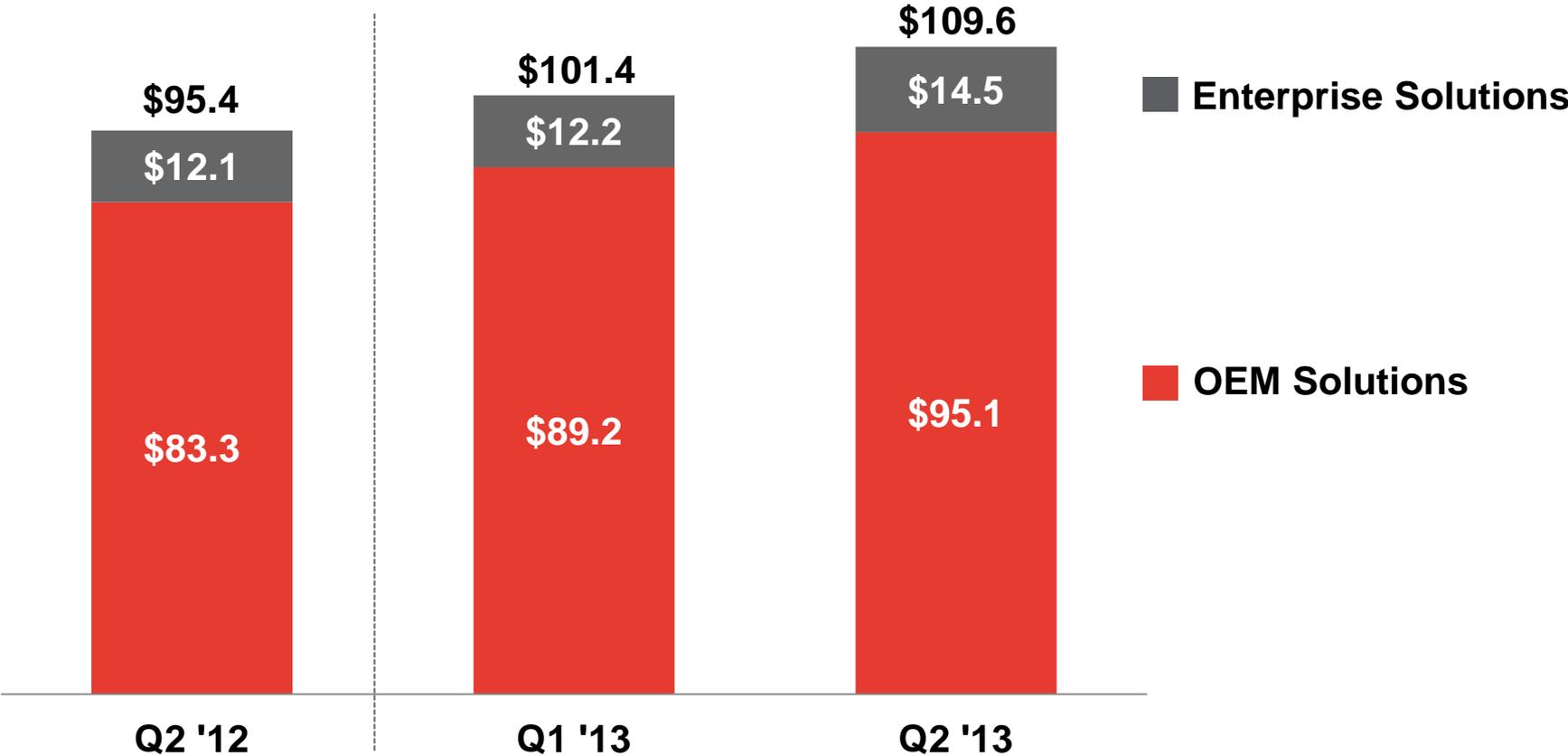
	GAAP Actual	Non-GAAP* Actual	Non-GAAP* Guidance
Revenue	\$109.6	\$109.6	\$107-111
Gross Margin (%)	33.3%	33.4%	
Operating Expenses	\$40.4	\$35.1	
Adjusted EBITDA**	n/a	\$4.9	
Earnings (Loss) from operations	(\$3.9)	\$1.5	\$0.5 – \$1.8
Net Earnings (Loss)	(\$6.7)	\$1.0	\$0.4 – \$1.2
Earnings (Loss) per Share	(\$0.22)	\$0.03	\$0.01– \$0.04

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

** Adjusted EBITDA as defined equates to earnings (loss) from operations plus stock-based compensation expense, acquisition costs, restructuring costs, integration costs, impairment, disposition costs, and amortization.

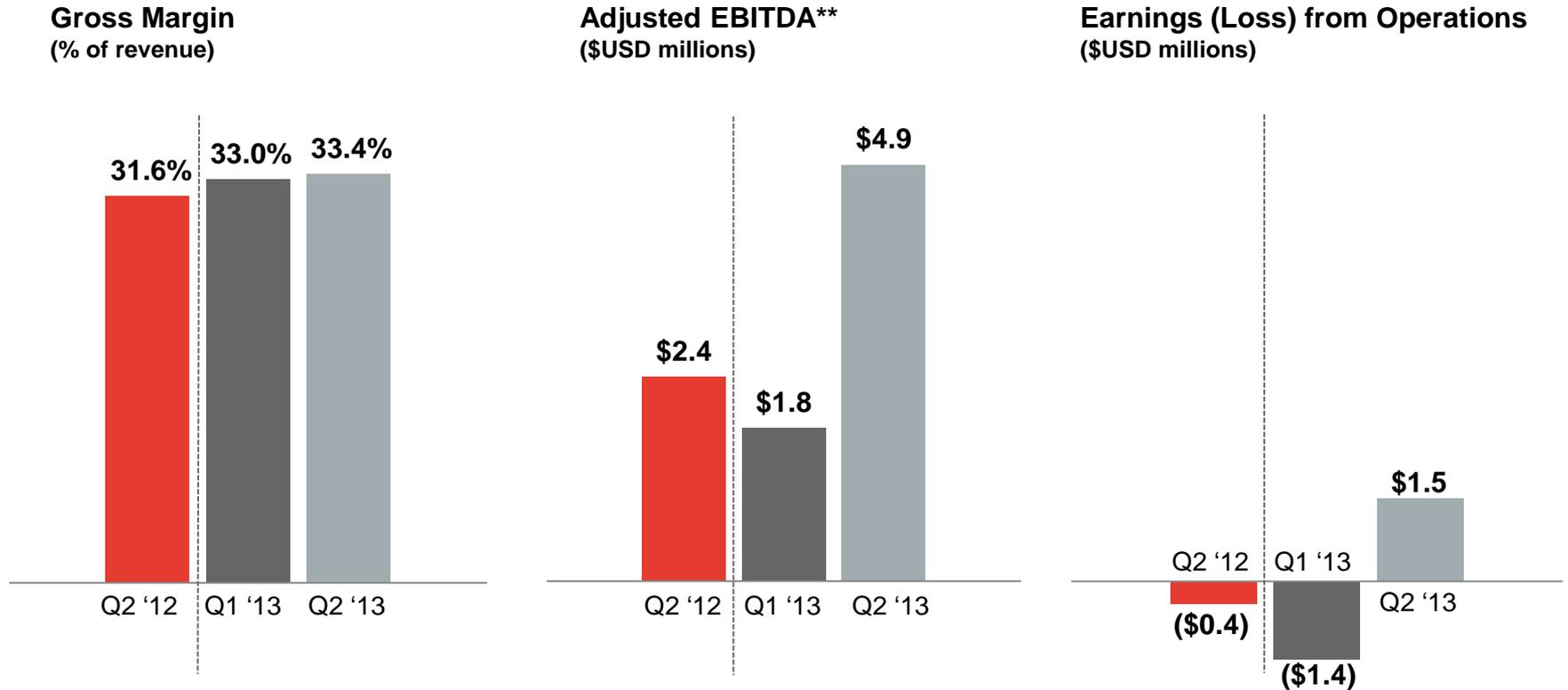
Record quarterly revenue

Revenue for Continuing Operations
(\$USD millions)



Operating model improvements

Non-GAAP* Operating Results for Continuing Operations

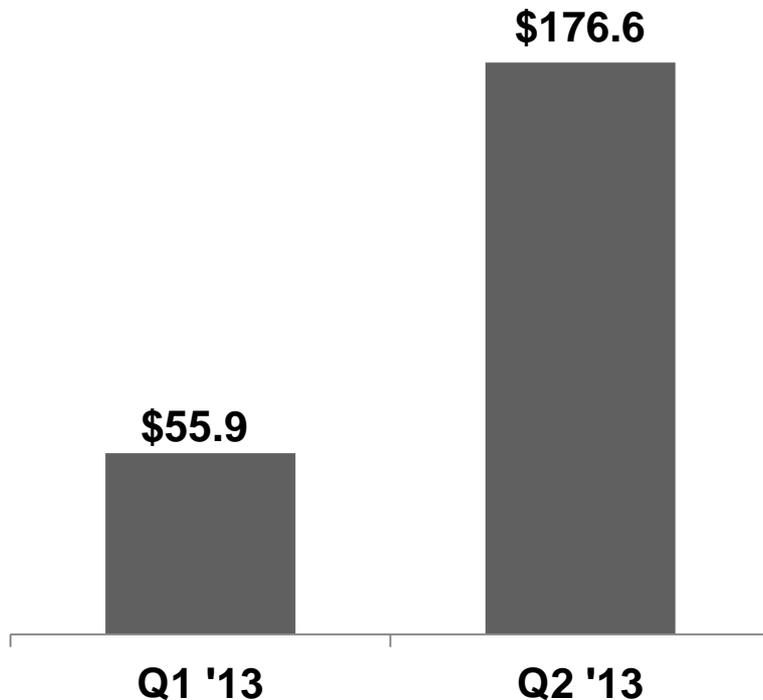


* Non-GAAP results exclude the impact of: stock-based compensation expense, acquisition and disposition costs, acquisition amortization, impairment, integration costs, restructuring costs, foreign exchange gains or losses on translation of balance sheet accounts, and certain tax adjustments.

** Adjusted EBITDA as defined equates to earnings (loss) from operations plus stock-based compensation expense, acquisition costs, restructuring costs, integration costs, impairment, disposition costs, and amortization.

Strong cash position and debt free

Cash, Cash Equivalents & Short-Term Investments (\$USD millions, as of June 30, 2013)



- Cash generated in Q2: \$120.7 million
 - Cash from operations: \$8.1 million
 - Capital expenditures: \$4.2 million
 - Cash from other investing activities, including proceeds from AirCard divestiture: \$120 million
- Purchased 386,139 shares under NCIB during Q2 for a total of \$4.4 million

Financial guidance summary

Non-GAAP* Financial Guidance for Continuing Operations

(\$USD millions, except EPS)

	Q3 2013 Guidance
Revenue	\$111.0 to \$115.0 million
Earnings from operations	\$2.2 to \$3.3 million
Net earnings from continuing operations	\$1.5 to \$2.3 million
Earnings per share	\$0.05 to \$0.07 per share

* Non-GAAP results exclude the impact of: stock-based compensation expense, acquisition and disposition costs, acquisition amortization, impairment, 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

Driving shareholder value

- Profitable organic growth
 - Leverage leadership position
 - New products & segments
 - Geographical expansion
 - Stable cost structure
- Growth through acquisition
 - Value chain expansion
 - Proven track record of value creation through M&A

Strong revenue growth in the continuing business...



...including successful acquisitions



wavecom[®]

SAGEMCOM

Q2 2013 summary

- Record quarterly revenue
- Operating model leverage emerging
- Financial strength: \$177 million cash and short-term investments, no debt
- World's leading M2M company
 - #1 market share
 - Solutions across the value chain
- Accelerating growth through targeted acquisition strategy

Trusted M2M partner to leading global customers



Q&A Session

