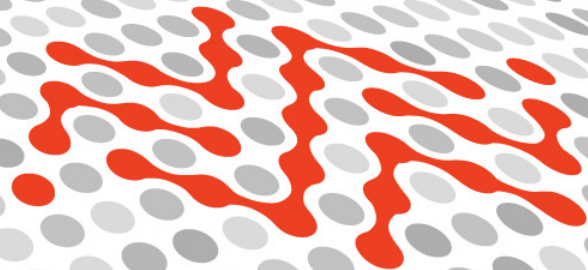


Reconciliation of Q2 2014 GAAP to Non-GAAP Results

July 31, 2014



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Reconciliation of GAAP to Non-GAAP Results

With reference to our press release of July 31, 2014, we are providing additional non-material information regarding our reconciliation of Q2 2014 GAAP to non-GAAP results.

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, adjusted 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.

Q2 2014 Reconciliation of GAAP to Non-GAAP Results

In thousands of US\$, Except earnings per share	GAAP Q2 2014	Purchase Price Amortization						Non GAAP Q2 2014
		Sagemcom, Anydata, & In Motion	Wavecom	Acquisition, Integration, Restructuring & Impairment	Stock Compensation & related Social Taxes	Foreign Exchange Loss	Tax Adjustments	
Revenue	135,012							135,012
Cost of goods sold	91,691					130		91,561
Gross margin	43,321	0	0	0	(130)	0	0	43,451
GM %	32.1%							32.2%
Sales and marketing	12,795					462		12,333
Research and development	20,021	47	1,420			447		18,107
Administration	9,680					1,287		8,393
Acquisition and Integration	71			71				0
Restructuring	987			987				0
Impairment	3,756			3,756				0
Amortization	2,275	1,317						958
Total Operating Expenses	49,585	1,364	1,420	4,814	2,196	0	0	39,791
Earnings (loss) from operations	(6,264)	(1,364)	(1,420)	(4,814)	(2,326)	0	0	3,660
Foreign exchange loss	(891)					(891)		0
Other income	265							265
Total other income (expense)	(626)	0	0	0	0	(891)	0	265
Earnings (loss) before income taxes	(6,890)	(1,364)	(1,420)	(4,814)	(2,326)	(891)	0	3,925
Income tax expense (recovery)	1,353			(8)		25	1	1,335
Net earnings (loss)	(8,243)	(1,364)	(1,420)	(4,806)	(2,326)	(916)	(1)	2,590
Diluted earnings (loss) per share	(0.26)							0.08
Weighted average diluted shares	31,466							31,466