

# First Quarter Fiscal 2008 Financial Results

July 12, 2007

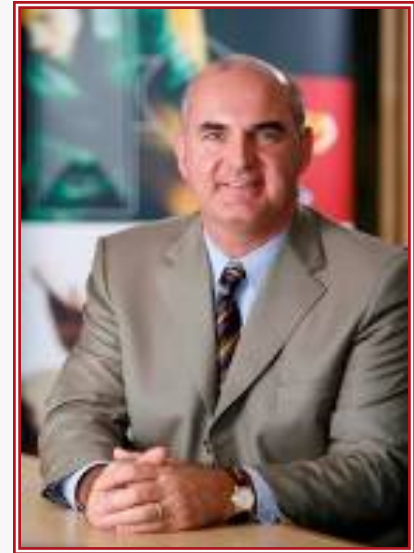


**DragonWave**

Wireless Broadband Ethernet

# Financial Highlights

**Russell Frederick – VP Finance & CFO**



Wireless Broadband Ethernet

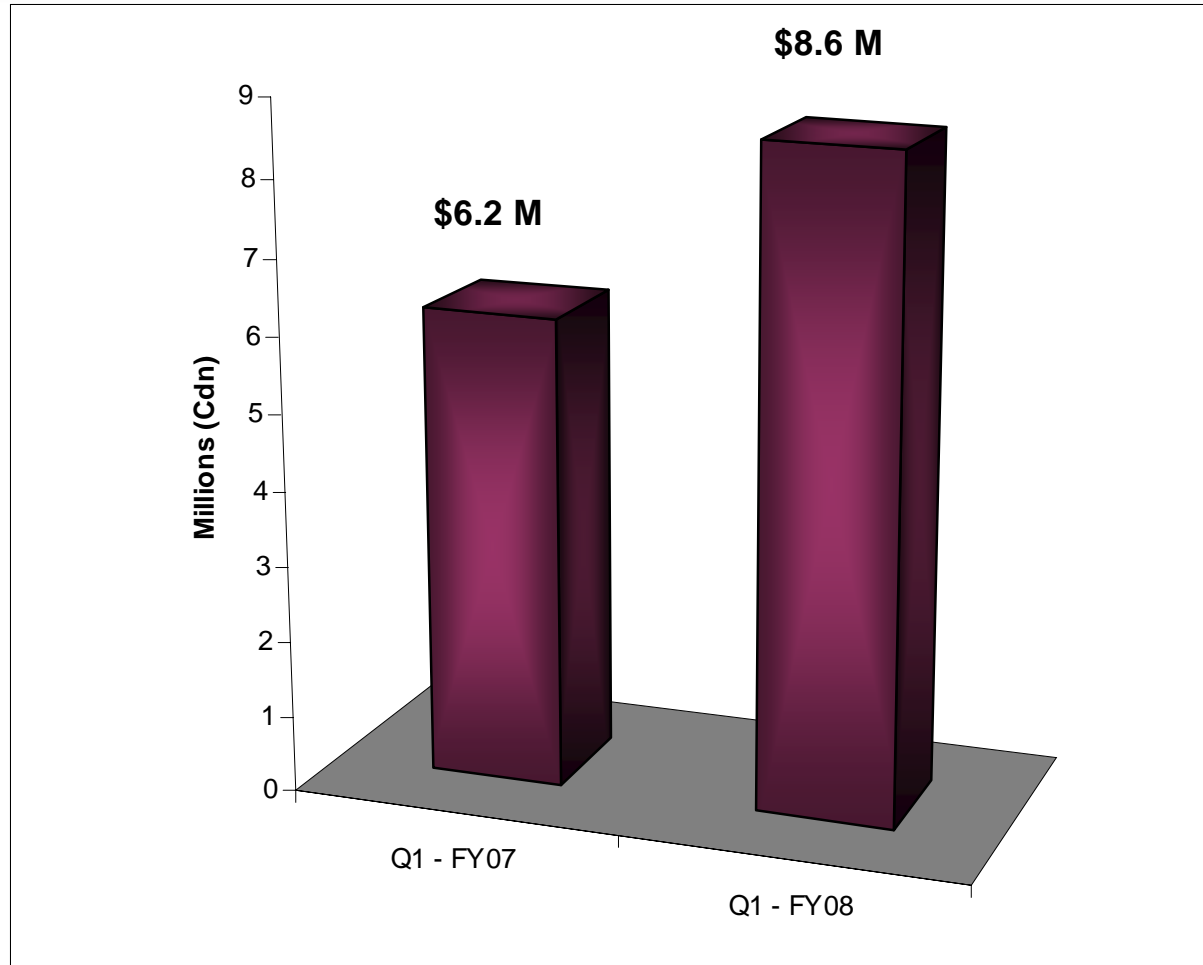


## Legal Disclaimer

- › This presentation contains certain forward-looking information, including expectations of future business. This information is based on the company's current expectations and assumptions that are subject to a variety of risks and uncertainties that are difficult to predict and that may be beyond DragonWave's control. Actual results could differ materially from those expressed in any forward-looking statements due to factors such as customer demand and timing of purchasing decisions, increased levels of competition, technological changes and the successful development of new products, dependence on third-party manufacturers and suppliers, risks relating to intellectual property infringement claims, and other risks and factors identified in DragonWave's public filings with regulatory authorities. DragonWave assumes no obligation to update these forward-looking statements as a result of new information or future events.**



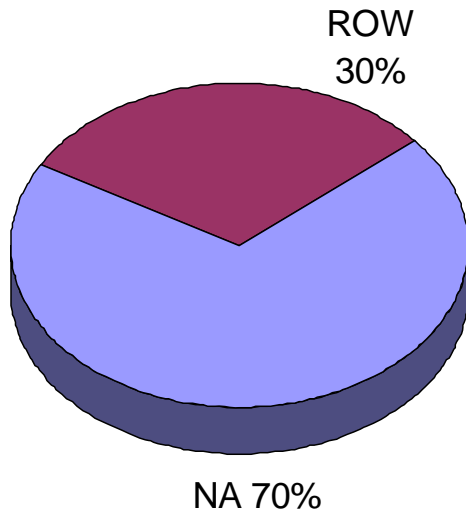
# First Quarter Revenue Comparison



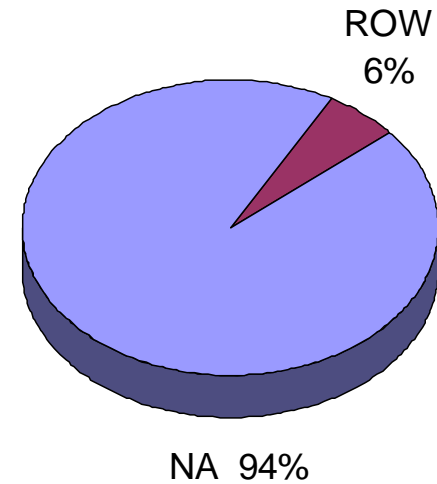


# Revenue by Geography

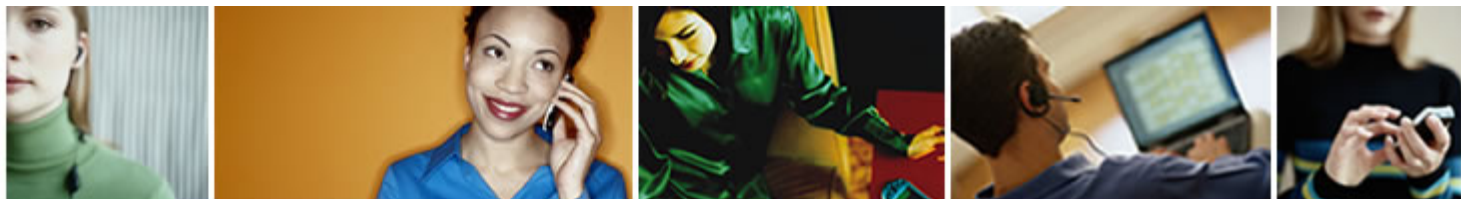
Q1 FY08



Q1 FY07

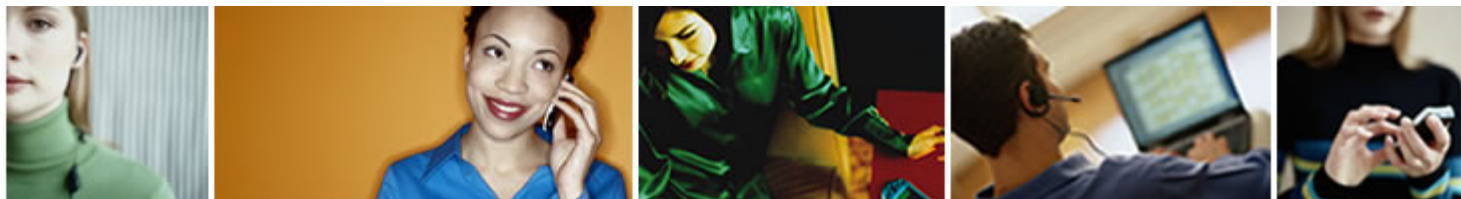


(Cdn \$ Millions)	<u>Q1 FY08</u>		<u>Q1 FY07</u>	
Region	\$	%	\$	%
North America	6.0	70%	5.8	94%
ROW	<u>2.6</u>	<u>30%</u>	<u>0.4</u>	<u>6%</u>
Total	<u>8.6</u>	<u>100%</u>	<u>6.2</u>	<u>100%</u>



# Comparative Statement of Operations

<i>(Cdn \$ Millions)</i>	<b>Q1 FY08</b>	<b>Q1 FY07</b>
Revenue	8.6	6.2
Cost of Sales	5.6	4.5
Gross Margin	3.0	1.7
%	35%	28%
Expenses		
Research and Development	2.4	1.6
Sales and Marketing	1.8	1.5
G & A	1.0	0.6
Investment Tax Credits	(0.3)	(0.2)
	4.9	3.5
Loss from Operations	(1.9)	(1.8)
Interest Income/(Expense)	(0.5)	(0.9)
Foreign Exchange loss	(0.3)	(0.3)
Net Loss	(2.7)	(3.0)
Shares Issued & Outstanding as of May 31, 2007	24,640,598	



## Balance Sheet Highlights

<i>(Cdn \$ Thousands)</i>	<b>Q1 FY08</b>	<b>Q4 FY07</b>
Cash	28,098	1,334
Current Assets (excl. Cash)	14,125	15,893
Current Liabilities (excl. convertible debt)	11,299	13,720
Day Sales Outstanding	39 days	77 days
Inventory Turnover	3.7 times	3.2 times

# Business Highlights & Market Update

**Peter Allen – President & CEO**



**DragonWave**

Wireless Broadband Ethernet

Slide 8

# Q & A



**DragonWave**

Wireless Broadband Ethernet