

Third Quarter Fiscal 2009 Financial Results

January 9, 2009

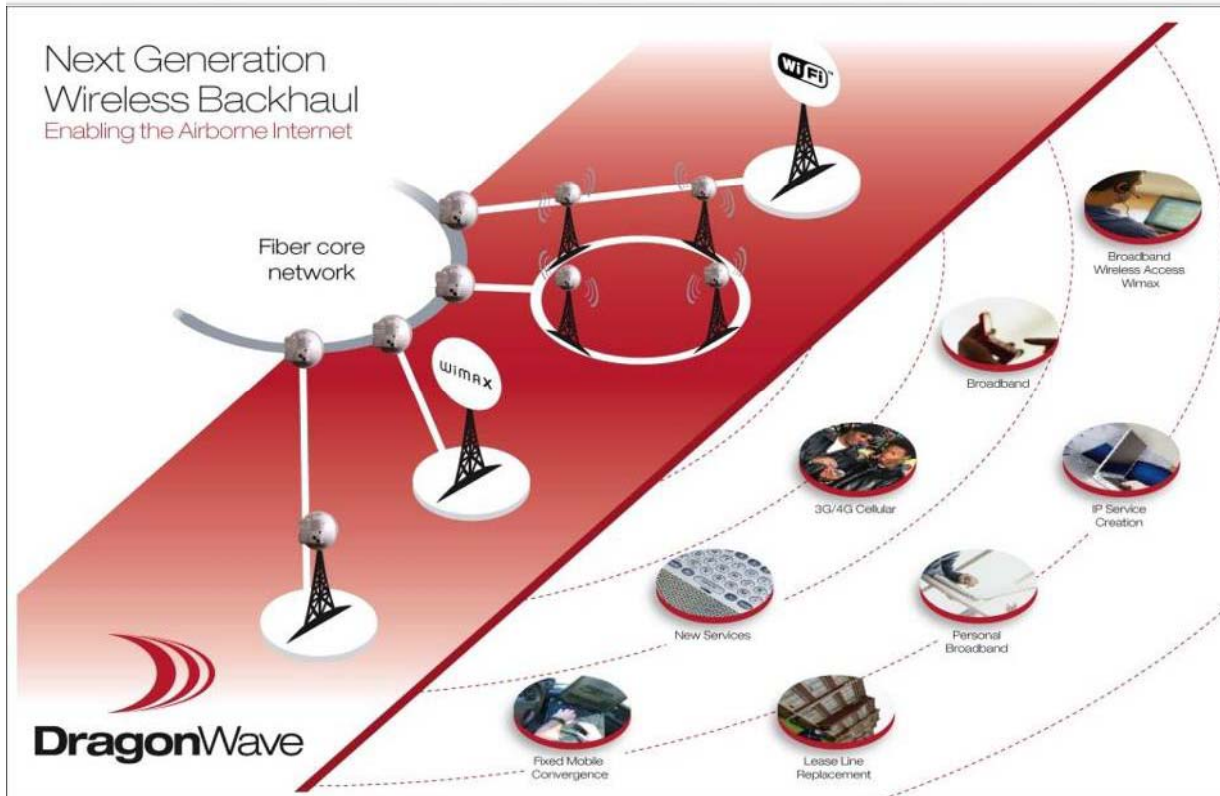
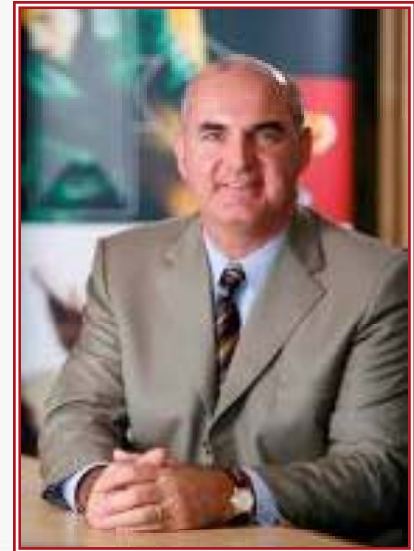


DragonWave

Wireless Broadband Ethernet

Financial Highlights

Russell Frederick – VP Finance & CFO




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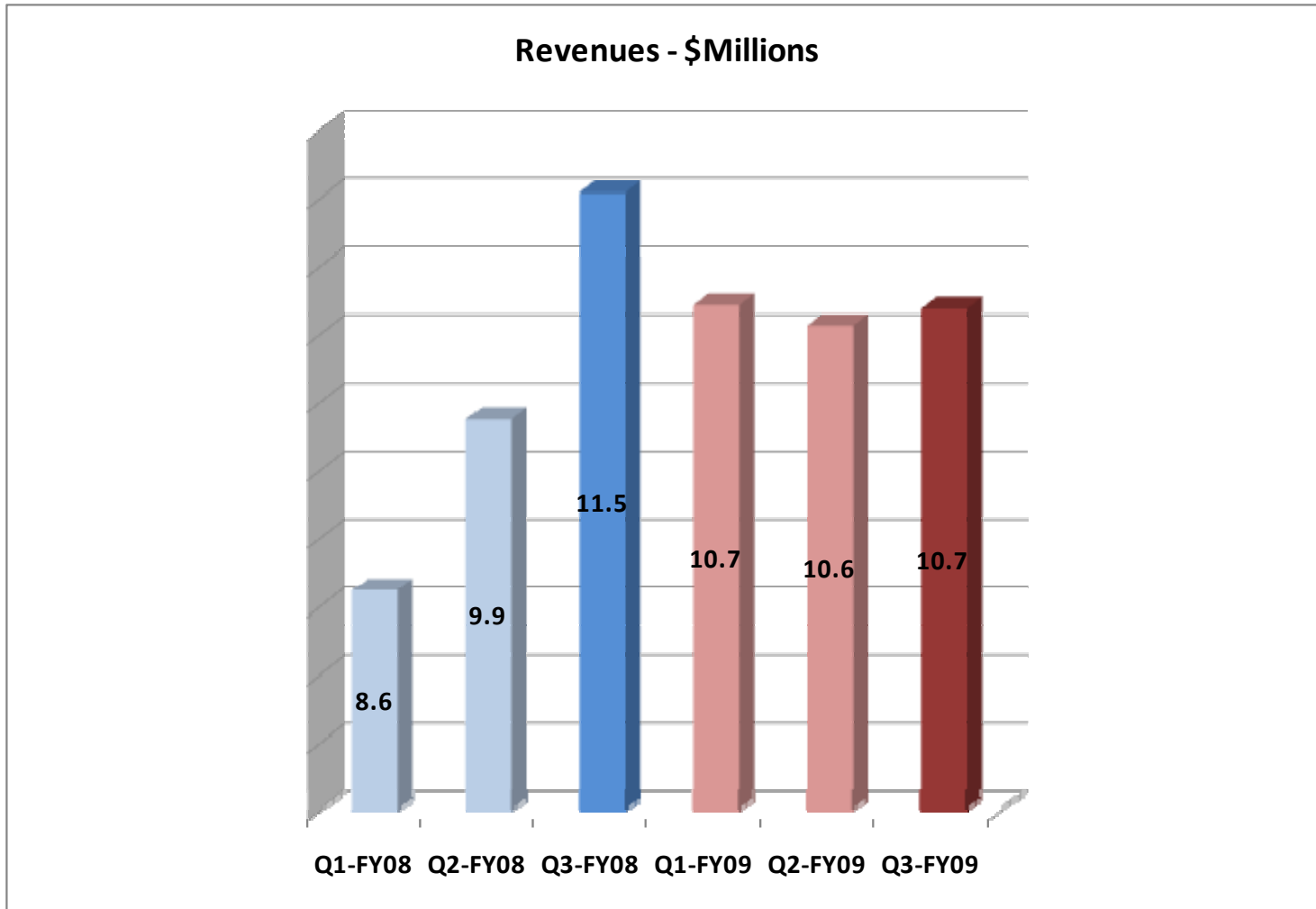


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- › This presentation contains certain forward-looking information, including expectations of future business. This information is based on the company's current expectations and assumptions that are subject to a variety of risks and uncertainties 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.

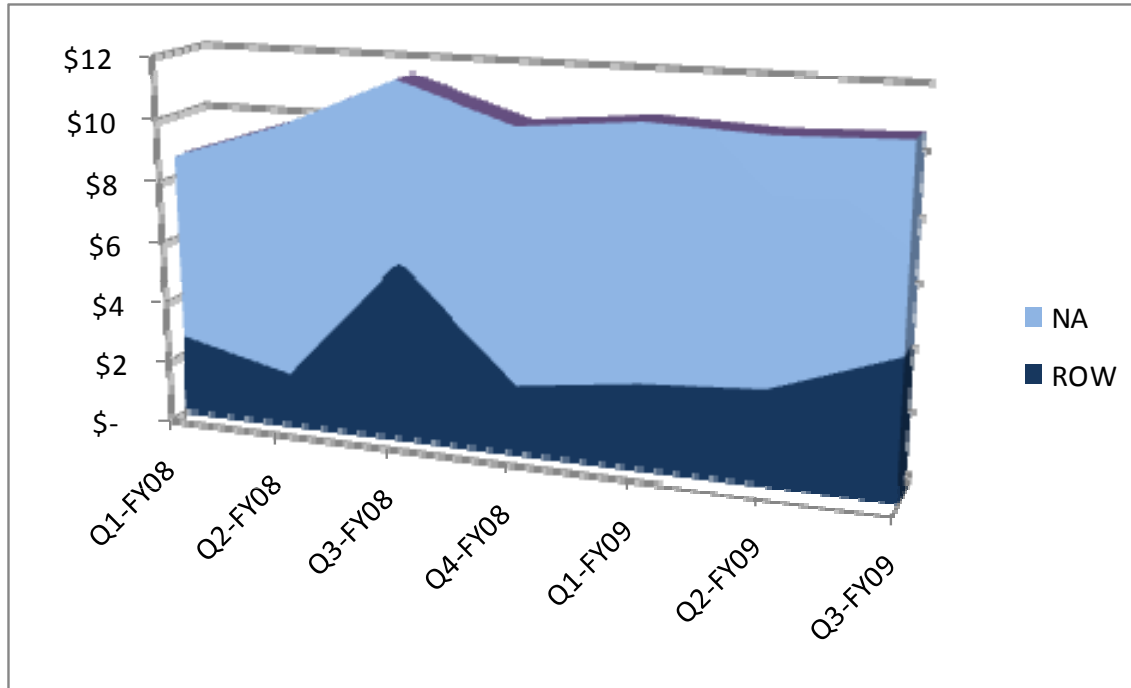


Quarterly Revenue Comparison

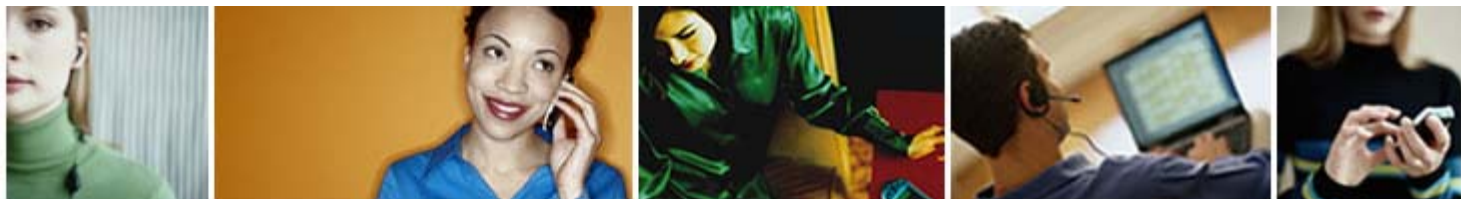




Revenue by Geography



(Cdn \$ Millions)	Q3 FY09		Q3 FY08	
	\$	%	\$	%
North America	6.4	59%	5.7	50%
ROW	4.3	41%	5.8	50%
Total	10.7	100%	11.5	100%



Comparative Revenue, Margin and Operating Expenses

Cdn \$ millions

	FY 2009 Q3	FY 2009 Q2	FY 2008 Q3
Revenue	10.7	10.6	11.5
Cost of Sales	7.0	6.9	7.0
Gross Margin	3.7	3.6	4.5
GM %	35%	34%	39%
Expenses			
Research & Development	2.4	2.6	2.7
Selling & Marketing	2.8	2.8	2.4
General and Administrative	0.8	1.1	0.8
Investment Tax Credits	0.0	(0.1)	(0.1)
Restructuring Charges	0.5	0.0	0.0
Total	6.5	6.5	5.8
Loss from Operations	(2.8)	(2.8)	(1.3)
Interest Income	0.2	0.2	0.3
Foreign Exchange Gain (Loss)	2.4	1.0	(0.2)
Net Loss	(0.2)	(1.7)	(1.2)
Basic and diluted weighted avg # of shares outstanding	28,555,716	28,555,335	27,646,025



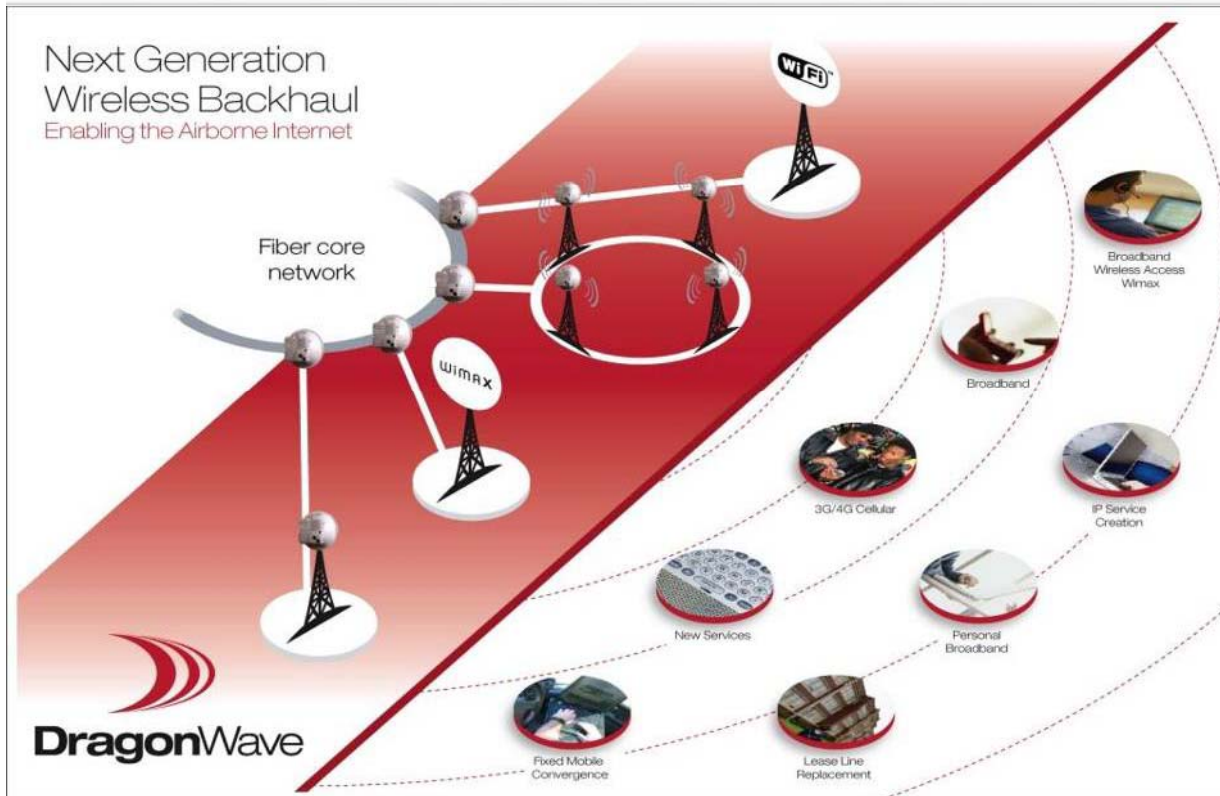
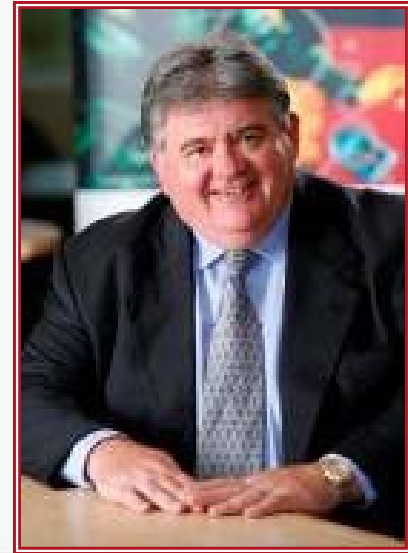
Balance Sheet Highlights

CDN \$ Thousands

	FY 2009 Q3	FY 2008 Q2	FY 2008 Q4
Cash & Cash Equivalents (including ST Investments)	25,220	27,697	33,459
Other Current Assets	28,034	24,675	23,533
Current Liabilities	10,824	10,035	11,318
Days Sales Outstanding	87 days	88 days	97 days
Inventory Turnover	2.0 times	2.1 times	3.2 times

Business Highlights & Market Update

Peter Allen – President & CEO



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Key Strategies – Update on Progress

Revenues

	<u>Revenue</u>	<u>YOY</u>
FY 2007	\$24.2M	24%
FY 2008	\$40.4M	67%
Q3 2008	\$11.5M	139%
Q2 2009	\$10.6M	7%
Q3 2009	\$10.7M	(7%)

Customers

- Q3 FY2009 – 14 New Customers,
 - 12 outside of NA
- Clearwire merger closed
- First win in China
- 2 customers > 10% of revenue in NA
- Sales into 40 countries YTD

International Expansion

	<u>NA</u>	<u>ROW</u>
FY 2007	80%	20%
FY 2008	70%	30%
Q3 2008	50%	50%
Q2 2009	72%	28%
Q3 2009	59%	41%

Gross Margin

	<u>GM</u>
FY 2007	33%
FY 2008	38%
Q3 2008	39%
Q2 2009	34%
Q3 2009	35%



New Clearwire

- › **Clearwire + Sprint Xohm + \$3.2B = “New Clearwire”**
- › **Clearwire coverage today is 16.5M Pops Worldwide**

- › **Announced Coverage targets**

- 2009 60 – 80 MM POPs
- 2010 120 – 140 MM POPs
- 2011 140 – 160 MM POPs

Incremental

- 45 – 65MM
60MM
20MM

- › **Clearwire claim a 2+ year lead over LTE**
- › **Vanguard event for wireless broadband globally.**

Q & A



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