

# Fiscal 2009 Financial Results

May 8, 2009

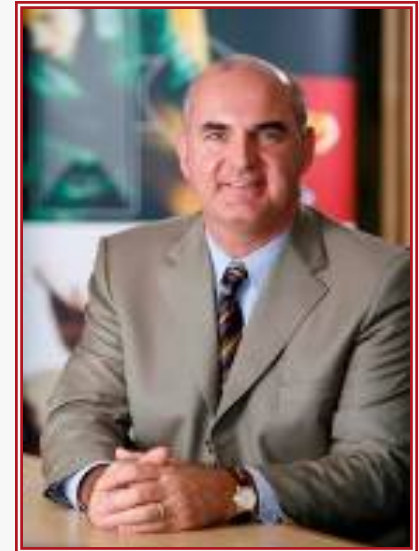


**DragonWave**

Wireless Broadband Ethernet

# Financial Highlights

Russell Frederick – VP Finance & CFO



Next Generation  
Wireless Backhaul  
Enabling the Airborne Internet

Fiber core  
network

wimax

WiFi

Broadband  
Wireless Access  
Wimax

Broadband

IP Service  
Creation

3G/4G Cellular

Personal  
Broadband

New Services

Fixed Mobile  
Convergence

Lease Line  
Replacement

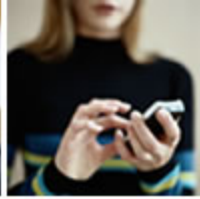


Wireless Broadband Ethernet

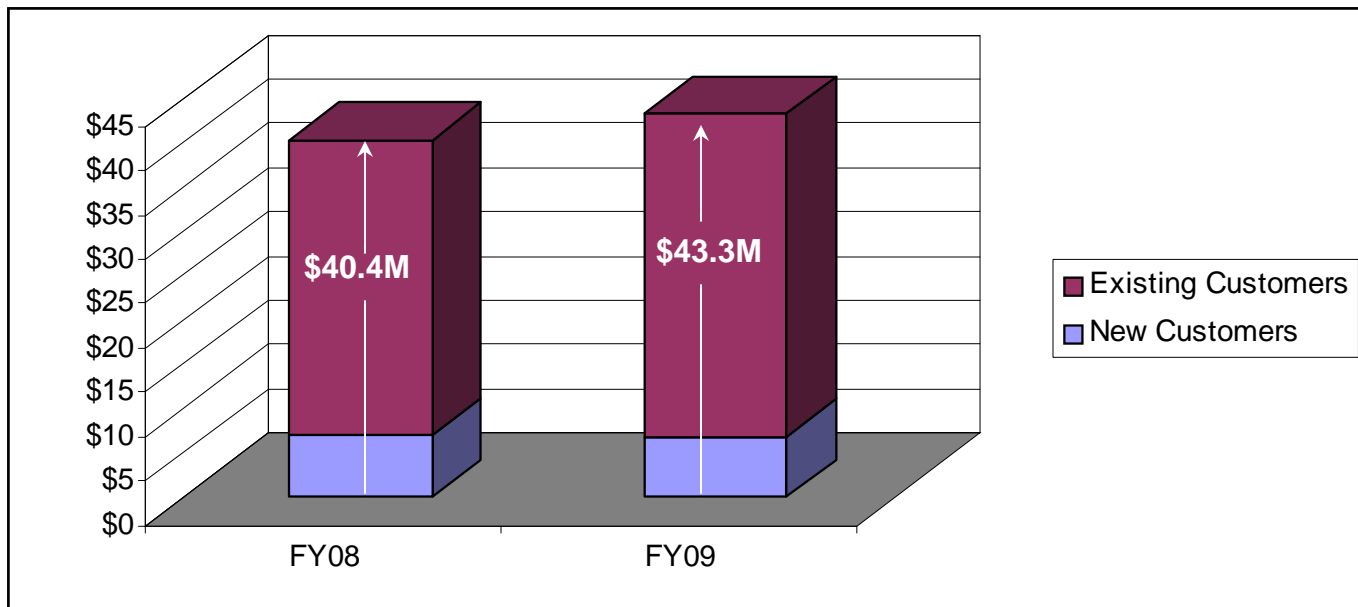


## Legal Disclaimer

- 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.

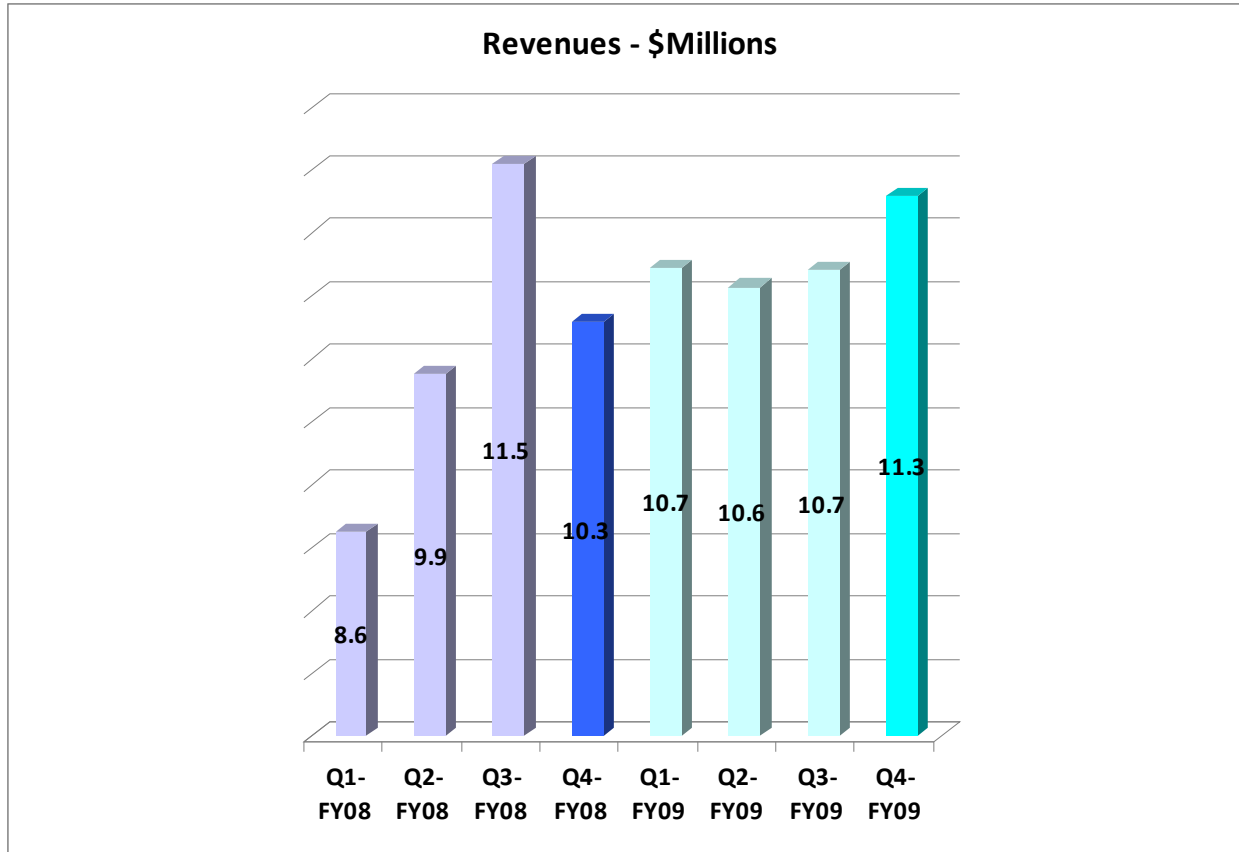


# Annual Revenue



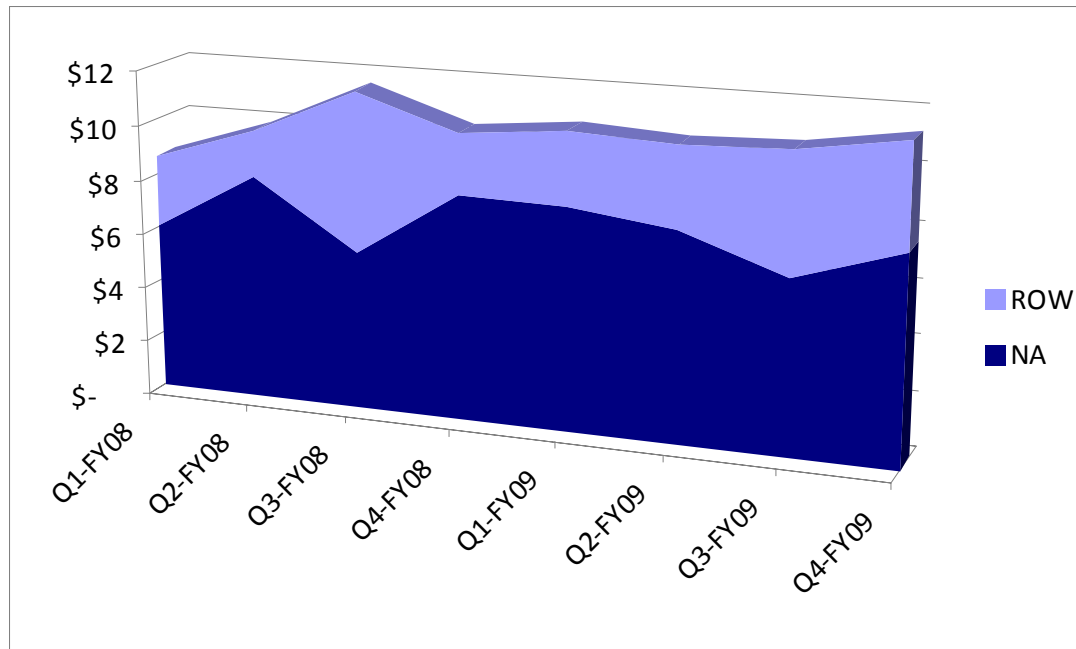


# Quarterly Revenue Comparison

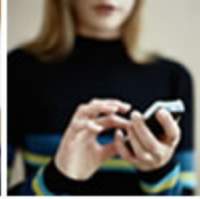




# Revenue by Geography



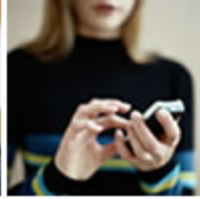
	Fourth Quarter				Full Year			
	Feb. 28, 2009		Feb. 29, 2008		Feb. 28, 2009		Feb. 29, 2008	
Cdn\$ Thousands	\$	%	\$	%	\$	%	\$	%
North America	7,579	67%	8,121	79%	29,641	69%	28,065	70%
ROW	3,754	33%	2,221	21%	13,693	31%	12,339	30%
	<b>11,333</b>	<b>100%</b>	<b>10,342</b>	<b>100%</b>	<b>43,334</b>	<b>100%</b>	<b>40,404</b>	<b>100%</b>



# Comparative Revenue, Margin and Operating Expenses

CDN \$ millions

	<u>FY 2009</u>	<u>FY 2008</u>	<u>FY 2007</u>
<b>REVENUE</b>	<b>43.3</b>	40.4	24.2
Cost of Sales	<b>27.7</b>	25.0	16.2
<b>Gross Margin (before provision)</b>	<b>15.6</b>	<b>15.4</b>	<b>8.0</b>
<i>GM %</i>	<i>36%</i>	<i>38%</i>	<i>33%</i>
Excess Inventory Provision	<b>1.0</b>	-	-
<b>Gross Margin</b>	<b>14.6</b>	<b>15.4</b>	<b>8.0</b>
<i>GM %</i>	<i>34%</i>	<i>38%</i>	<i>33%</i>
<b>EXPENSES</b>			
Research & Development	<b>10.6</b>	10.4	6.1
Selling & Marketing	<b>10.6</b>	8.8	6.0
General & Administrative	<b>4.1</b>	3.9	2.5
Restructuring	<b>0.5</b>	-	-
Investment Tax Credits	<b>(0.1)</b>	(0.5)	(0.7)
	<b>25.8</b>	<b>22.6</b>	<b>13.9</b>
<b>LOSS FROM OPERATIONS</b>	<b>(11.1)</b>	<b>(7.2)</b>	<b>(5.9)</b>
Interest Income/(Expenses)	<b>0.7</b>	0.9	(0.5)
Interest on Debt	-	(0.5)	(3.6)
Foreign Exchange Gain/(Loss)	<b>4.5</b>	(1.5)	(0.3)
Patent Fee	-	-	(0.4)
<b>NET LOSS</b>	<b>(6.0)</b>	<b>(8.3)</b>	<b>(10.7)</b>



# Balance Sheet Highlights

*Cdn \$'s thousands*

	FY09				FY08
	Q4	Q3	Q2	Q1	
Cash & Cash Equivalents (Incl. ST investments)	23,498	25,220	27,697	31,002	33,459
Other Current Assets	25,654	28,034	24,675	21,075	23,533
Current Liabilities	8,533	10,824	10,035	8,124	11,318
Days Sales Outstanding	76 days	87 days	88 days	49 days	97 days
Inventory Turnover	2.3 times	2.0 times	2.1 times	2.4 times	3.2 times

# Business Highlights & Market Update

Peter Allen – President & CEO



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Enabling the Airborne Internet



DragonWave

Wireless Broadband Ethernet

# Q & A



  
**DragonWave**

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