



FOR IMMEDIATE RELEASE

**DRAGONWAVE INC. PROVIDES FY2010 ANNUAL REVENUE UPDATE AND SETS DATE FOR RELEASE OF FY2010 SECOND QUARTER RESULTS**

***Raising FY2010 Annual Revenue Guidance by 20% to \$120M***

Ottawa, Canada, Sep 9, 2009 - DragonWave Inc. (TSX: DWI), a leading global supplier of packet microwave radio systems for mobile and access networks, today announced that it will release its fiscal 2010 second quarter results on October 8, 2009 after the market closes in North America. The company will discuss the results on a conference call October 9, 2009 at 8:30 a.m. Eastern time. Presentation material and a webcast link will be made available from the Investor Relations portal of DragonWave's web site at <http://www.dragonwaveinc.com/ir-events.asp>

Conference Call Details:

- Beginning at 8:30 a.m., EDT
- Local call: 613-212-0152
- Toll free North America: 1-888-205-4499
- Toll free United Kingdom: 00-800-8358-7000
- Participant Pass Code: 37041#

A replay of the call will be made available on the DragonWave Inc. web site, through the Investor Relations portal.

DragonWave also announced today that it has updated its previously issued annual revenue guidance for FY2010. Peter Allen, CEO of DragonWave, said "As we move through the financial close and review process for Q2 we now expect our revenue for the full year FY2010 to exceed \$120M. This is an increase of \$20M from previous indications by the company and is a result of continued strong business activity."

All currency amounts in this news release are denominated in Canadian dollars.

**About DragonWave**

DragonWave® is a leading provider of high-capacity packet microwave solutions that drive next-generation IP networks. DragonWave's carrier-grade point-to-point packet microwave systems transmit broadband voice, video and data, enabling service providers, government agencies, enterprises and other organizations to meet their increasing bandwidth requirements rapidly and affordably. The principal application of DragonWave's products is wireless network backhaul. Additional solutions include leased line replacement, last mile fiber extension and enterprise networks. DragonWave's corporate headquarters are located in Ottawa, Ontario, with sales locations in Europe, the Middle East and North America. For more information, visit <http://www.dragonwaveinc.com>.

DragonWave® and Horizon® are registered trademarks of DragonWave Inc.

## Forward-Looking Statements

Certain statements in this release, including expectations as to future revenues, constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws. These statements are subject to certain assumptions, risks and uncertainties. Material factors and assumptions used to develop these statements include DragonWave's expectations regarding future network deployment plans by its existing customers, volume of anticipated order activity, and the capacity of DragonWave's supply chain to scale to fulfil demand. Actual results, performance, achievements or developments may vary from the forward-looking information, and readers are accordingly cautioned not to place undue reliance on such statements. These statements are provided to enable external stakeholders to understand DragonWave's expectations as of the date of this release and may not be appropriate for other purposes.

Risk factors that may cause the actual results, performance, achievements or developments of DragonWave to differ materially from the results, performance, achievements or developments expressed or implied by such forward-looking statements or forward-looking information can be found in the public documents filed by DragonWave with Canadian securities regulatory authorities and include the following:

- DragonWave's growth is dependent on the development and growth of the market for high-capacity wireless communications services.
- DragonWave relies on a small number of customers for a large percentage of its revenue.
- DragonWave faces intense competition from several competitors and if it does not compete effectively with these competitors, its revenues may not grow and could decline. DragonWave also faces competition from indirect competitors.
- DragonWave's success depends on its ability to develop new products and enhance existing products.
- If DragonWave is required to change its pricing models to compete successfully, its margins and operating results may be adversely affected.
- DragonWave's ability to sell products and services is dependent upon it establishing and maintaining relationships with channel partners.
- DragonWave's quarterly revenue and operating results can be difficult to predict and can fluctuate substantially.
- DragonWave has a lengthy and variable sales cycle.

Additional risks are described in DragonWave's Annual Information Form which is available on [www.sedar.com](http://www.sedar.com).

DragonWave assumes no obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by law.

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