

SIERRA WIRELESS, INC.**CONSOLIDATED STATEMENTS OF OPERATIONS***(in thousands of U.S. dollars, except where otherwise stated)**(unaudited)*

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>September 30</i>		<i>September 30</i>	
	2011	2010	2011	2010
Revenue	\$146,827	\$172,732	\$430,990	\$483,165
Cost of goods sold	103,493	123,778	309,092	341,667
Gross margin	43,334	48,954	121,898	141,498
Expenses				
Sales and marketing	11,158	12,137	34,752	39,476
Research and development	21,942	22,178	67,479	64,253
Administration	8,548	8,865	26,743	27,284
Restructuring	881	4,316	856	7,508
Integration	121	727	1,426	4,204
Amortization	2,447	2,939	8,089	8,964
	45,097	51,162	139,345	151,689
Loss from operations	(1,763)	(2,208)	(17,447)	(10,191)
Foreign exchange gain (loss)	(154)	2,359	47	(6,759)
Other income (expense)	68	12	15	(221)
Income (loss) before income taxes	(1,849)	163	(17,385)	(17,171)
Income tax recovery	(851)	(499)	(1,775)	(1,587)
Net earnings (loss)	(998)	662	(15,610)	(15,584)
Net loss attributable to non-controlling interest	—	(48)	(57)	(218)
Net earnings (loss) attributable to the Company	\$ (998)	\$ 710	\$ (15,553)	\$ (15,366)
Net income (loss) per share attributable to the Company's common shareholders (in dollars)				

Basic	\$(0.03) \$0.02	\$(0.50) \$(0.49)
Diluted	\$(0.03) \$0.02	\$(0.50) \$(0.49)
Weighted average number of shares outstanding (in thousands)					
Basic	31,297	31,077	31,267	31,061	
Diluted	31,297	31,208	31,267	31,061	