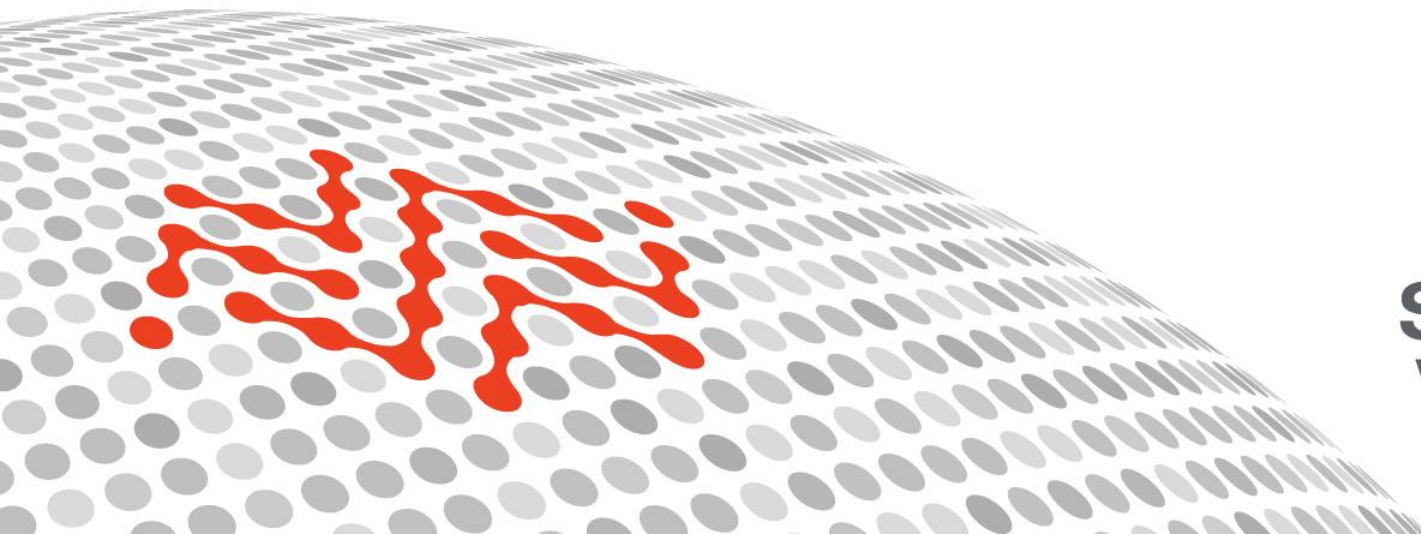


Sierra Wireless Update

For KT

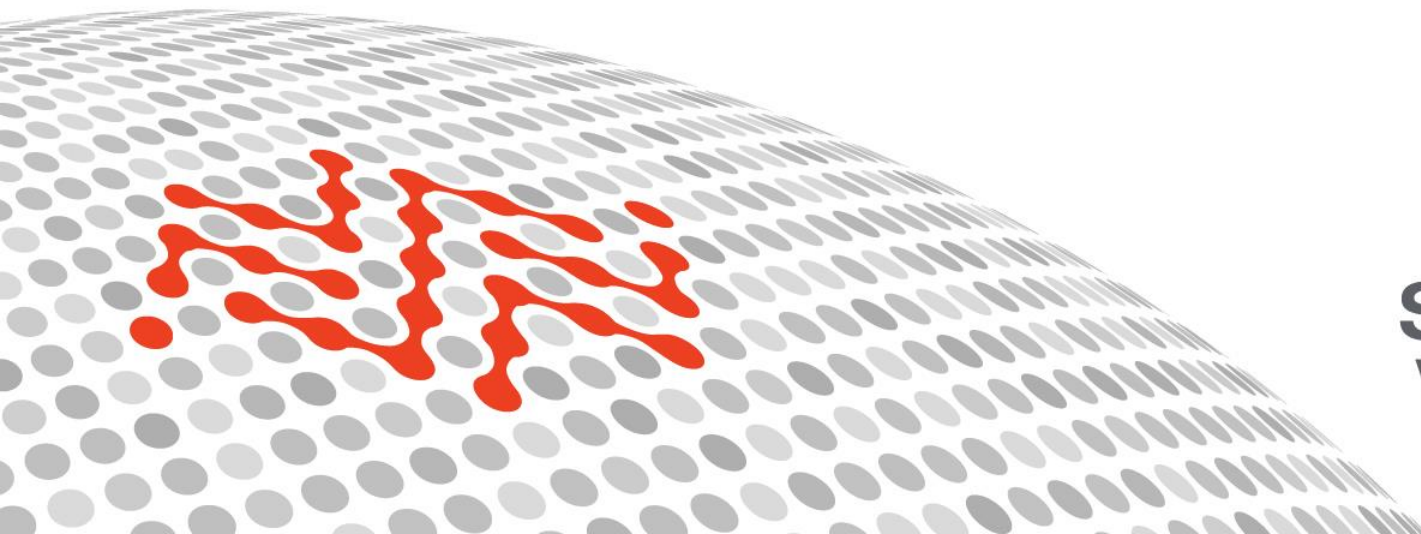
January 21, 2015



Agenda

- Company update – Q3 2014
- Looking beyond M2M
- Cooperation Possibilities

Company Update – Q3 2014



Q3 2014 Highlights

- Record quarterly revenue
- Revenue increased 27.6% year-over-year to \$143.3 million
 - Organic revenue growth of 18.8%
- Adjusted EBITDA doubled year-over-year to \$11.8 million
- Non-GAAP earnings from operations increased 249% year-over-year to \$8.4 million
- Strong cash generation

Global Leader in M2M

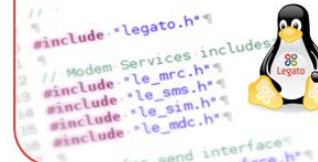
Industry's broadest product portfolio



M2M Cloud



Innovative open-source embedded platforms



Technology leadership



20+ years of wireless M2M experience



Strong global presence



100 Million Devices Shipped

OEM Solutions

Q3 Revenue of \$124.3M ↑ 29.7% YoY (Non-GAAP GM: 29.8%)

- Strong year-over-year revenue growth
- Continued robust design win activity
 - Automotive, Energy, Insurance telematics, Mobile computing
- Continued strong growth in 3G/4G LTE
 - Well positioned as market transitions
- New products gaining market traction
 - Flexible, scalable HL series
 - Smart modules with Legato



Enterprise Solutions

Q3 Revenue of \$19.0M ↑ 15.4% YoY (Non-GAAP GM: 53.8%)

- Solid year-over-year revenue growth
 - Strong contribution from In Motion
 - Strength in the Public Safety, Utility and Regional Transit markets
- In Motion integration materially complete
 - Product roadmap and sales integrated
 - R&D and Marketing teams co-located
- Growth in AirVantage customer base
 - Launch of AirLink Enterprise Connect



Programmable Modems



Intelligent Gateways

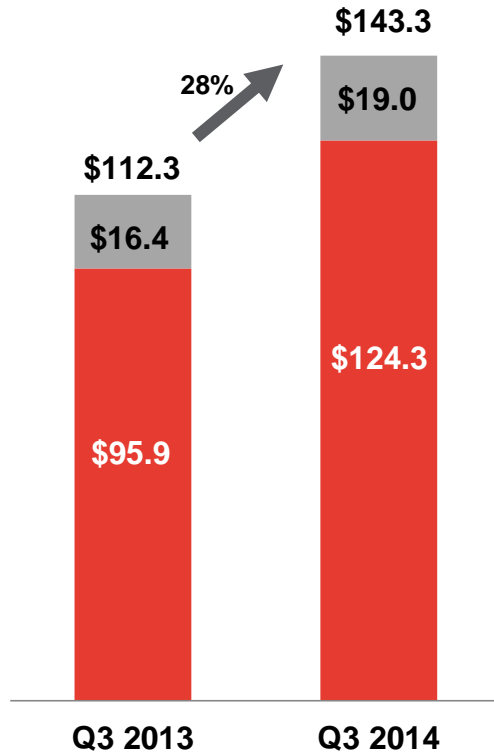


In Motion Solutions

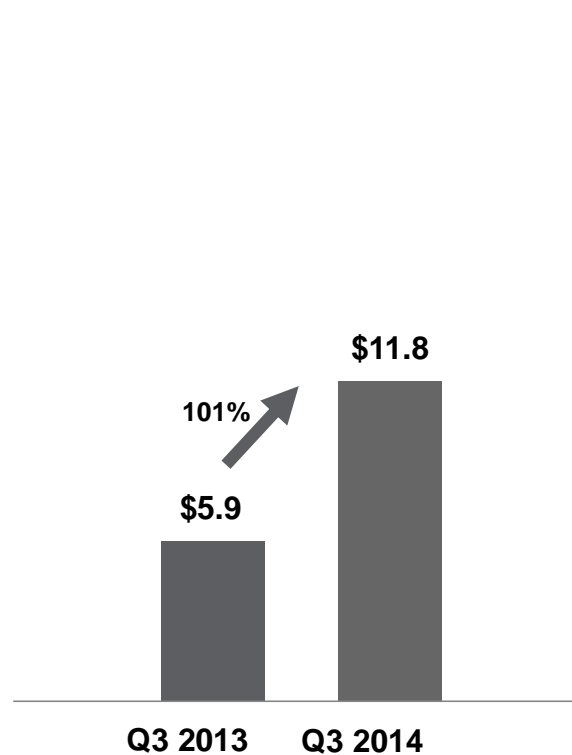


Q3 2014 – Non GAAP Operating Results⁽¹⁾

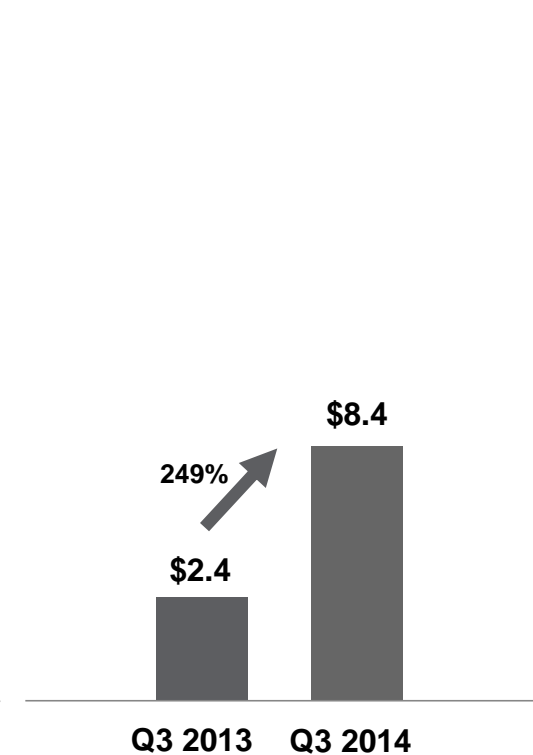
Quarterly Revenue
(\$USD millions)



Adjusted EBITDA⁽²⁾
(\$USD millions)



Earnings from Operations
(\$USD millions)



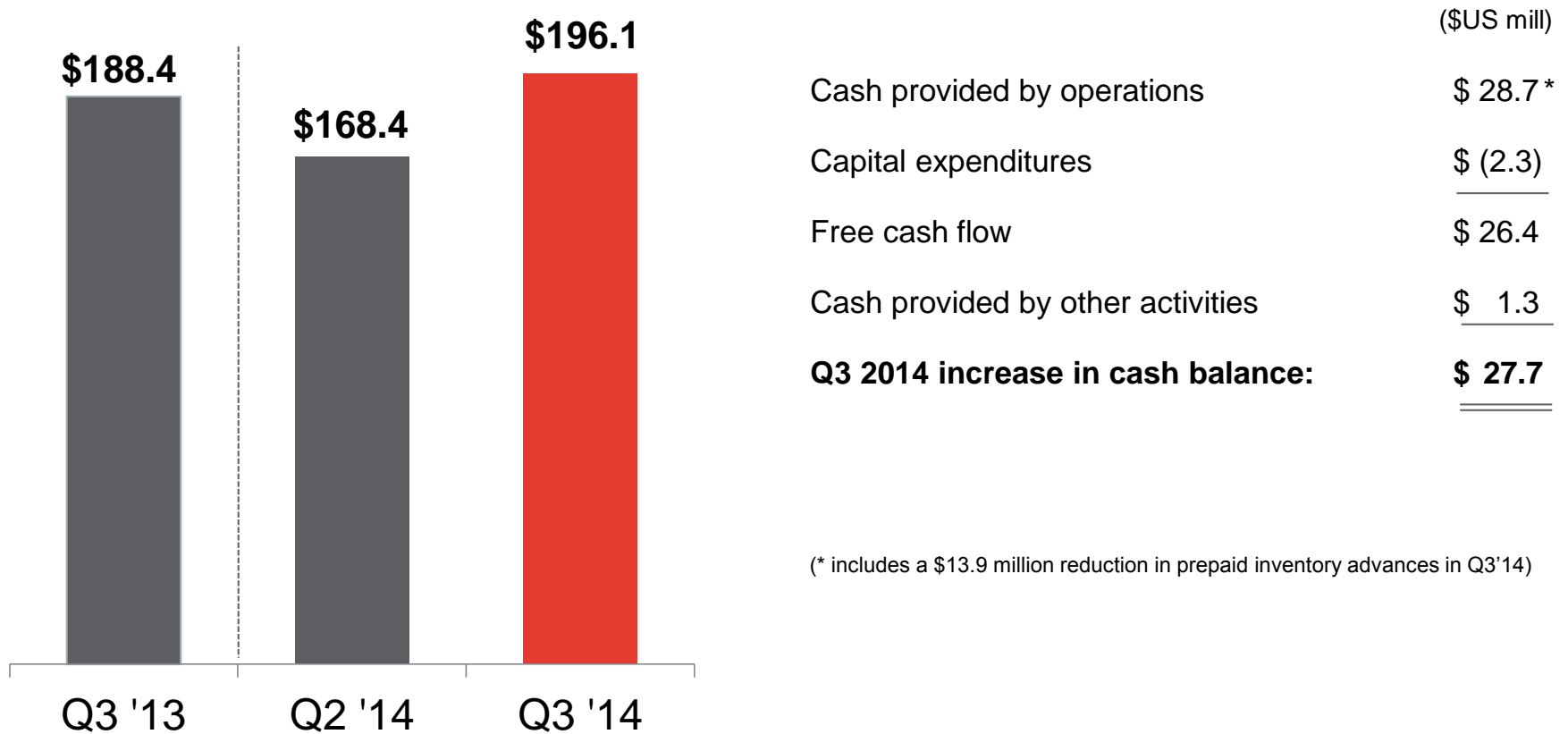
■ Enterprise Solutions
■ OEM Solutions

(1) Non-GAAP financial measures exclude the impact of: stock-based compensation expense and related social taxes, acquisition and disposition costs, acquisition amortization, impairment, integration costs, restructuring costs, foreign exchange gains or losses on translation of balance sheet accounts, and certain tax adjustments.

(2) Adjusted EBITDA as defined equates to earnings (loss) from operations plus stock-based compensation expense and related social taxes, acquisition costs, restructuring costs, integration costs, impairment and amortization.

Strong Cash Position and Debt Free

Cash, Cash Equivalents & Short-Term Investments (\$USD millions)



(* includes a \$13.9 million reduction in prepaid inventory advances in Q3'14)

Financial Guidance Summary

Non-GAAP⁽¹⁾ Financial Guidance (\$USD millions, except EPS)

	Q4 2014 Guidance
Revenue	\$145.0 to \$148.0 million
Earnings from operations	\$9.0 to \$10.0 million
Net earnings	\$7.9 to \$8.8 million
Diluted Earnings per share	\$0.25 to \$0.28 per share

(1) Non-GAAP financial measures exclude the impact of: stock-based compensation expense and related social taxes, acquisition and disposition costs, acquisition amortization, impairment, integration costs, restructuring costs, foreign exchange gains or losses on translation of balance sheet accounts, and certain tax adjustments

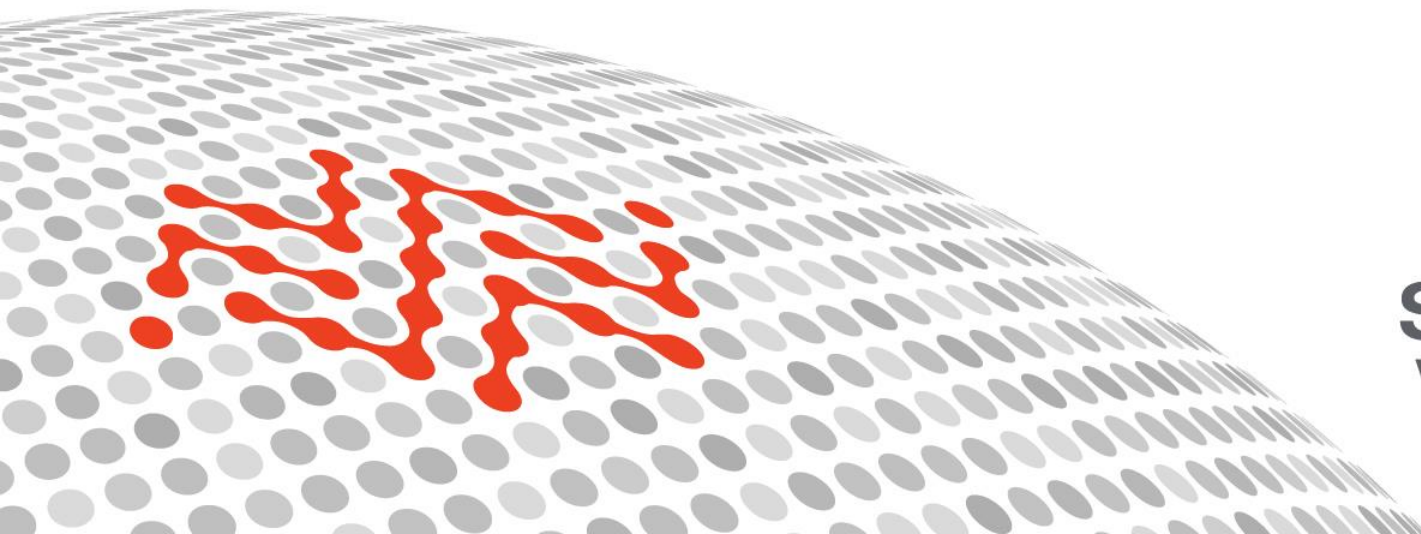
Q3 2014 Summary

- Continued strong revenue growth
- Continued improvements in profitability and operating leverage
- World's leading M2M pure play
 - Market share & technology leader
 - Expanding in the value chain
 - Customer acquisition momentum
- Creating value with acquisitions

Trusted M2M partner to leading global customers



Looking Beyond M2M



The Internet of Things is upon us...

Markets are growing



200M+ connected cars by 2020



800M+ connected meters by 2020



150M+ wearables to be sold in 2018



50M+ business lines in the US

The ecosystem is developing

Platform Players

Intel Qualcomm
ARM Mediatek

IT players

SAP Oracle
Cisco IBM

MNOs

Vodafone AT&T Verizon

Industrial Giants

GE Siemens

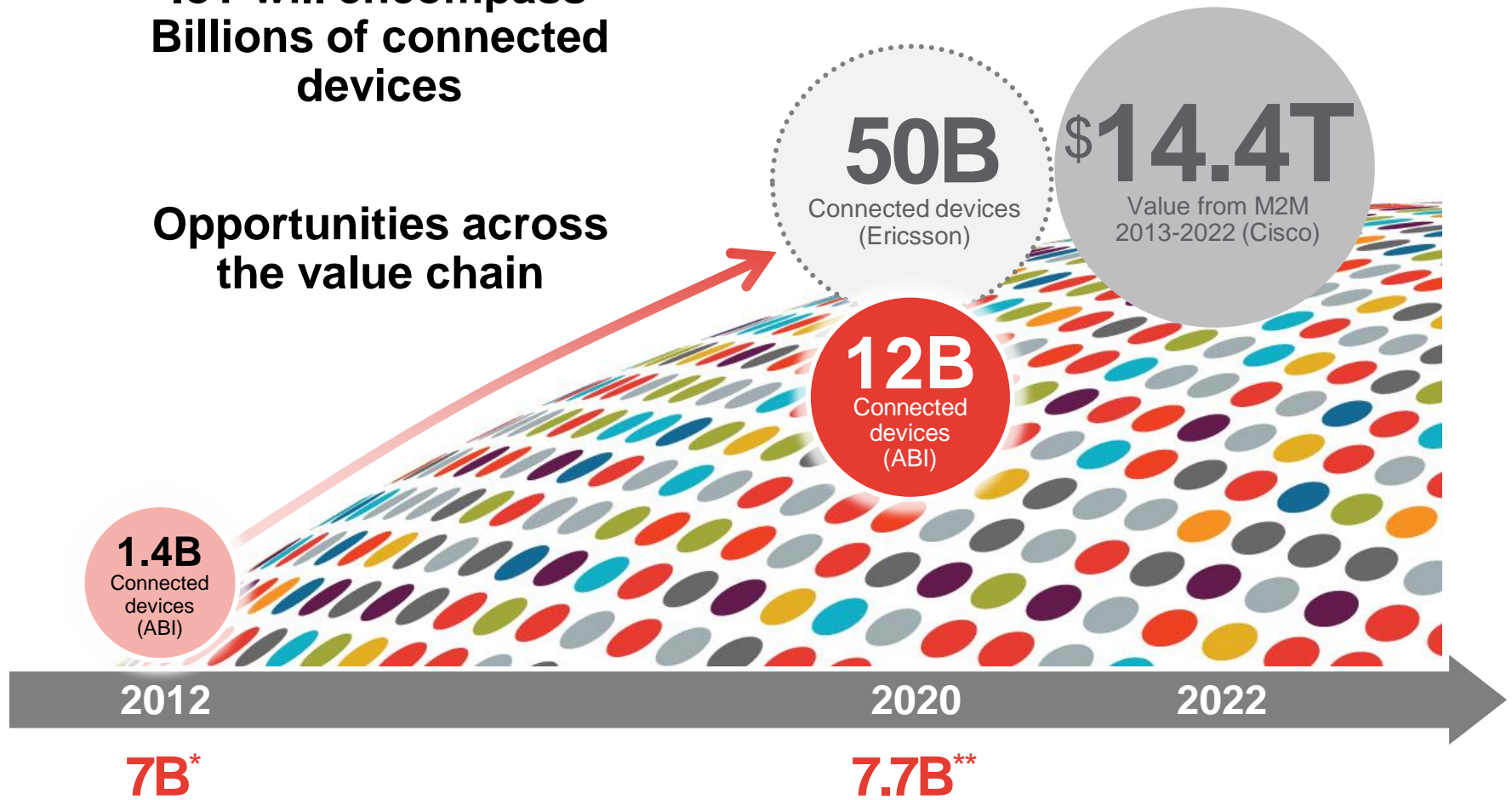


SIERRA
WIRELESS®

IoT Represents a Great Long Term Growth Opportunity for the Company

IoT will encompass Billions of connected devices

Opportunities across the value chain



Well Positioned for Sustained Leadership

Leadership

Market share **Leader**

100M devices shipped

Global **Customer & Channel** base

Strong Global Presence

Innovation

4G Leader

Embedded app platforms

Smallest scalable modules

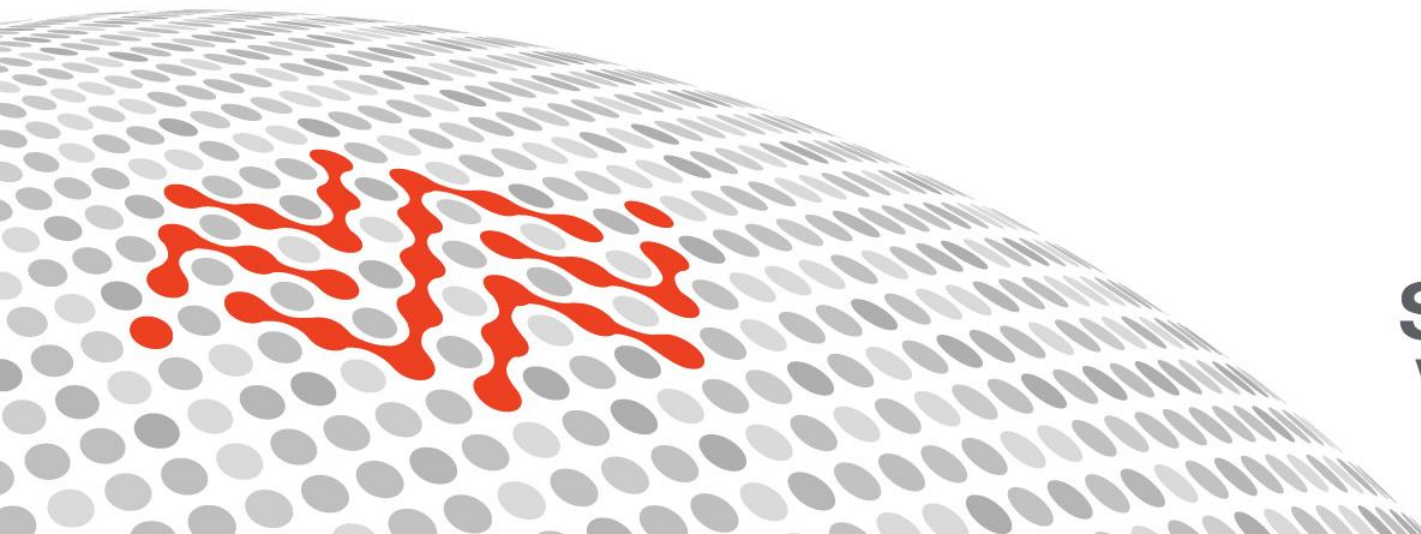
End to end **Solutions**

SIM in every device

Over **350** patents

Sustainable Leadership

Cooperation Possibilities



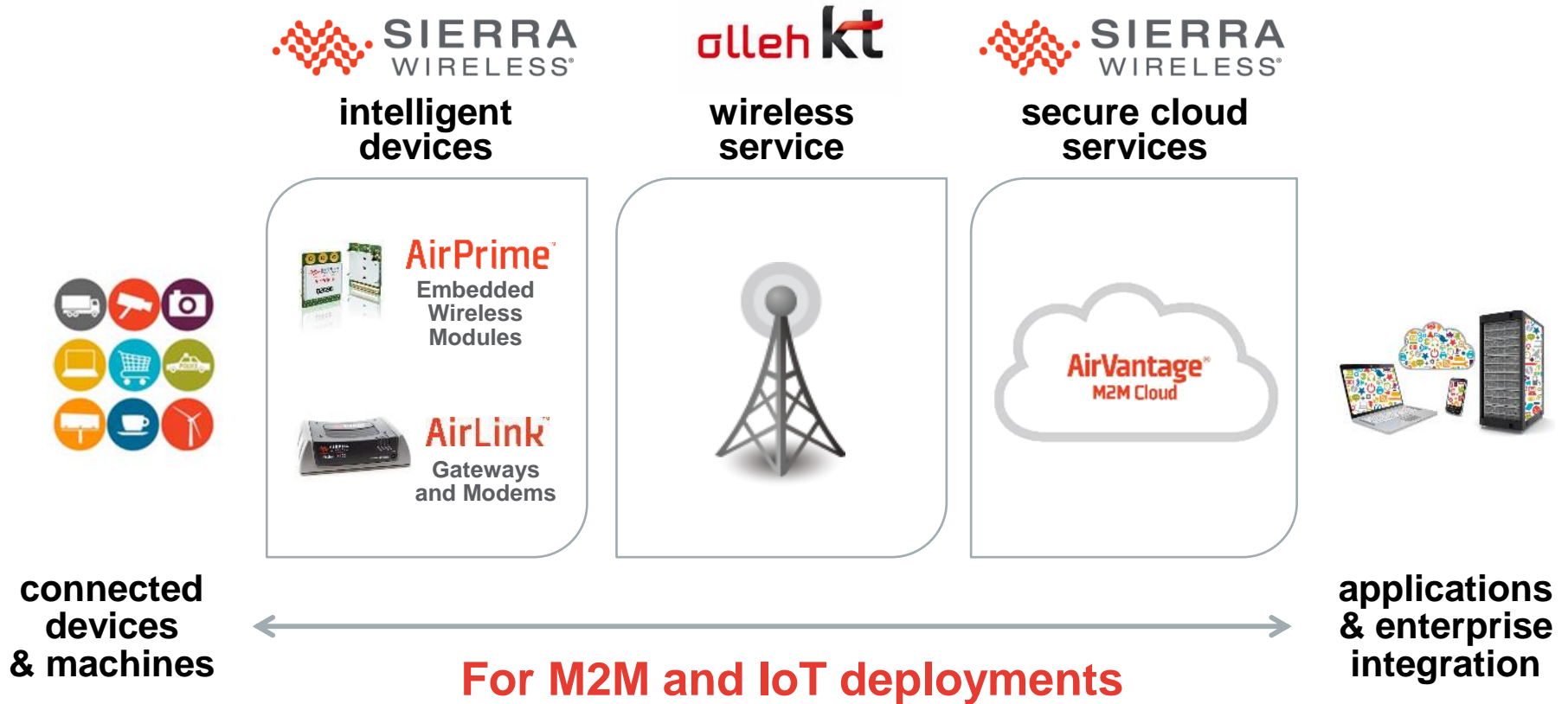
Trusted Partnership



- Win-win partnership to create differentiations
- Create stickiness with customers and drive additional revenue stream

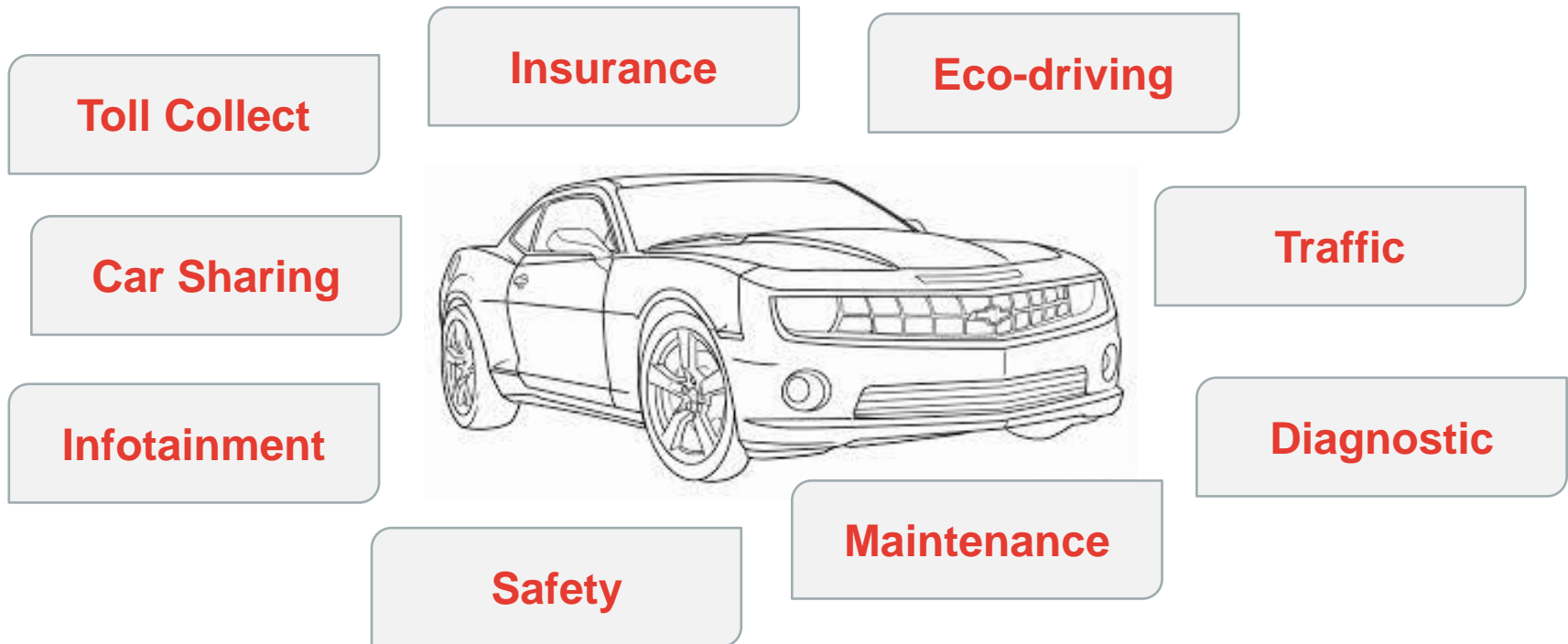
Partnership in Device to Cloud Solutions

A comprehensive end to end platform that makes it faster, easier and less expensive for customers to build, deploy and manage their IoT application



Connected Car | Automotive & Transport

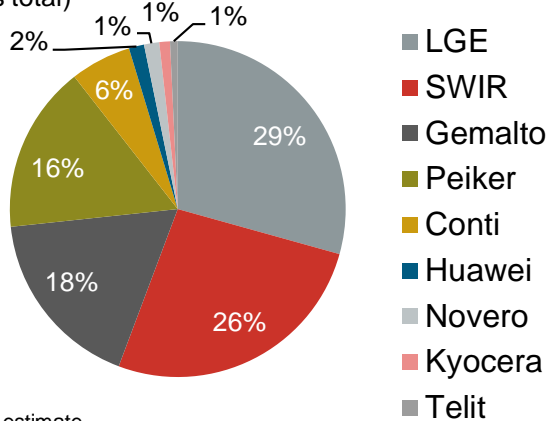
Multiple connections in the car for new sets of services



Automotive | 2014 Landscape

2014 module market share

(% out of 6.8M units total)



Source: Sierra Wireless estimate

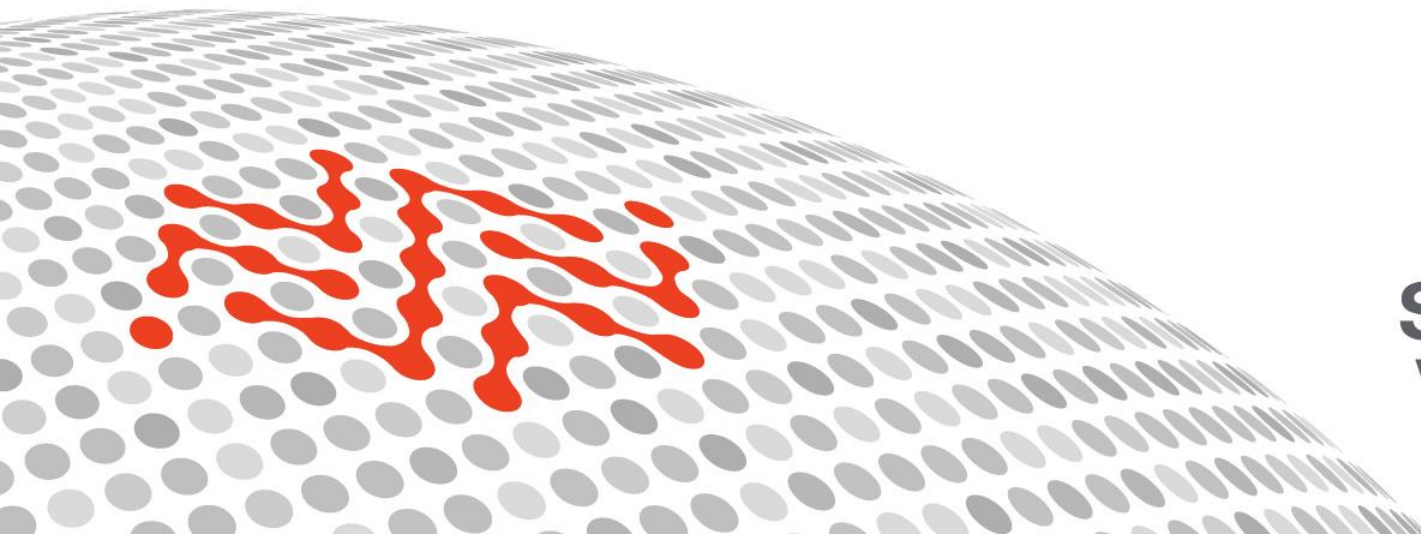
Sierra connecting more than 1.9M cars per year globally

Many more brands ready to launch soon.

Sierra Wireless customers in Automotive

<p>Denso</p>	<p>Denso</p>	<p>Peiker</p>	<p>Magneti</p>	<p>BT</p>
<p>TomTom</p>	<p>Ficosa</p>	<p>Actia</p>	<p>Tesla</p>	<p>Harman</p>

Intel Partnership



Committed To Intel Partnership

- Lenovo – EM7345 (XMM7160 based) M.2
- Itron – HL7 (XMM7160 based)
- Cat 6 development with Intel – a major customer commitment behind
- Driving many new design wins with XMM6250 based

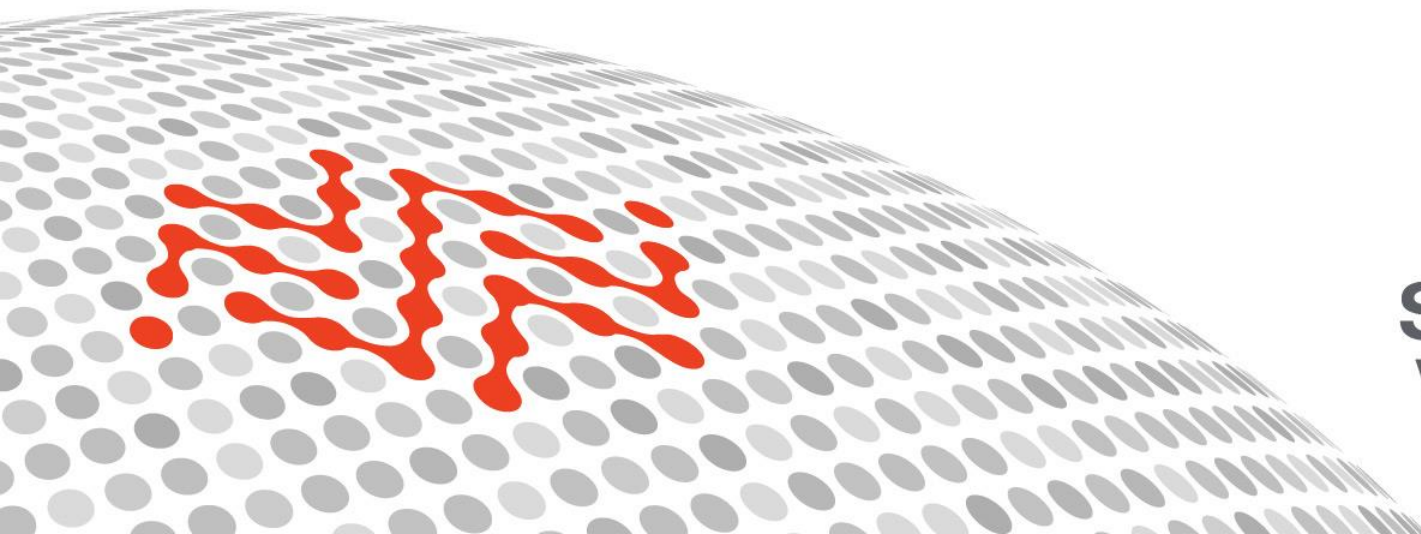
Product Roadmap HL Range

Available	2015			2016				2017	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
WS6318 <ul style="list-style-type: none"> Ultra small Form factor GSM/GPRS Dual Band GPRS Class 10 Full TCP/IP stack 	HL8548 <ul style="list-style-type: none"> Intel XMM 6250 HSUPA 5.76/ HSDPA 7.2 PentaBand version AVMS & FOTA support 			HL8518 (EU) <ul style="list-style-type: none"> Intel XMM 6255 HSPA 7.2/5.76 WCDMA Band B1, B8 			HSPA		
	HL8548-G <ul style="list-style-type: none"> Same as HL8548 GNSS Support GPS & Glonass SIRF star V 		HL8528 (US) <ul style="list-style-type: none"> Intel XMM 6255 HSPA 7.2/5.76 WCDMA Band B2, B5 						
HL6528 <ul style="list-style-type: none"> Compact Form factor GSM/GPRS Quad Band GPRS Class 10 Full TCP/IP stack AVMS & FOTA support DSDS enhanced network 		HL7528 (Korea) <ul style="list-style-type: none"> Intel XMM 7160L LTE Only Korea LTE Quad band Cat4 		HL7538 (KDDI) <ul style="list-style-type: none"> Intel XMM 7160L LTE Only KDDI LTE Quad band Cat4 			LTE	HL75xx CAT 0 <ul style="list-style-type: none"> Estimate H1 2017 CAT 0 Chipset LTE Only FDD LTE 	
		HL7548 (NA) <ul style="list-style-type: none"> Intel XMM 7160L LTE Only NA LTE Penta Band Cat4 	HL7519 (VZW) <ul style="list-style-type: none"> Intel XMM 7160L LTE Only Verizon LTE triple band Cat4 						
		HL7549 (Telstra) <ul style="list-style-type: none"> Intel XMM 7160 LTE Only Telstra LTE Tri band Cat4 		HL7539 (NTT) <ul style="list-style-type: none"> Intel XMM 7160L LTE Only NTT LTE Quad band Cat4 					
HL6528-G <ul style="list-style-type: none"> Same as HL6528 GNSS support GPS & Glonass SIRF star V 		HL7588 (NA) <ul style="list-style-type: none"> Intel XMM 7160 LTE Penta Band Cat4 HSPA+ Cat 24: 42/5.7 Mbps Rx Diversity 						HL7590 EMEA <ul style="list-style-type: none"> Intel XMM7160 LTE & 2G/3G FB Pentaband versions 	

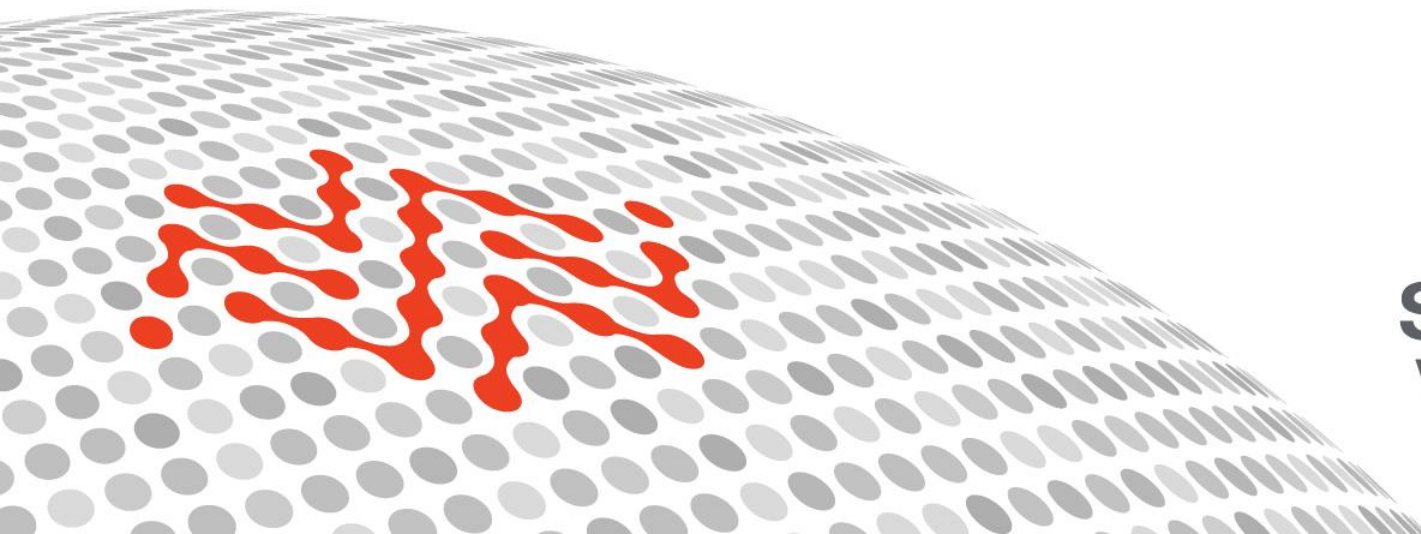
Left edge aligns with CA

■ Commercial
 ■ In Development
 ■ In Planning
 ■ Roadmap

Thank You



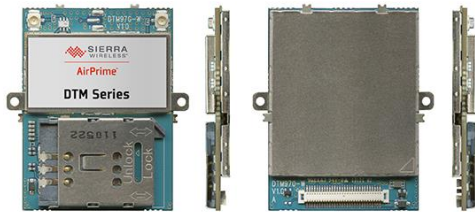
Backup



SIERRA
WIRELESS®

AirPrime DTM Series

ESSENTIAL



4G LTE Market Leadership

Air Interfaces: 4G (LTE)
Packages: Connectorized
Interface: USB 2.0

Key Benefits:

- High-speed cellular connectivity with the latest technologies
- Reliable, essential M2M connectivity and proven firmware certified on Korean networks
- Easy to integrate: connectorized form factor

AirPrime® DTM980

Cellular

- Qualcomm MDM9215 chipset
- DBDM: LTE B3(1800MHz) / 3G B1 (2100MHz)
- LTE Category 3, 100Mbps downlink/ 50Mbps uplink

I/O Interfaces and Voltage

- Link: USB 2.0
- Digital: xGPIO, SIM
- Power Supply: 3.6V to 4.2V (Typ 3.7V)

Physical Characteristics

- Dimensions: 30 mm x 40 mm x 5 mm (typical)
- Commercial-grade
- Temperature ranges:
 - -20°C to +60°C (operating class A)
 - Storage Temperature: -40°C to +85°C
- Connectorized (60 pins)

Key Features

- Diversity all bands, MIMO 4G
- High-speed cellular connectivity with latest technologies
- Development tools: DTM Series development kit

Availability

Mass Production: Now

Approval and Certification

KCC Certification, Completed Carrier IOT
Carrier: KT

AirLink AEM Series



Air Interfaces: 4G (LTE)/3G

Packages: Ultra compact, durable modem

Interface: USIM / 2 Antenna Port / 4 state LED

Key Benefits:

- Ideal for industrial applications
- Compact, durable form-factor that fits easily into existing equipment or machinery
- Reliable high speed connectivity on Korean networks

AirPrime® AEM970

Cellular

- Qualcomm MDM9215 chipset
- DBDM: LTE B3(1800MHz) / 3G B1 (2100MHz)
- LTE Category 3, 100Mbps downlink/ 50Mbps uplink

I/O Interfaces and Voltage

- Link: USB 2.0, UART via 30pin Connector
- Digital: xGPIO, SIM
- Power Supply: 4.75V~13.5V(Typ 12V)

Physical Characteristics

- Dimensions: 61 mm x 61 mm x 13.5 mm (typical)
- Commercial-grade
- Temperature ranges:
 - -20°C to +60°C (operating class A)
 - Storage Temperature: -40°C to +85°C
- USIM/2 Antenna Port/ 4 State LED

Key Features

- Diversity all bands, MIMO 4G
- High-speed cellular connectivity with latest technologies

Availability

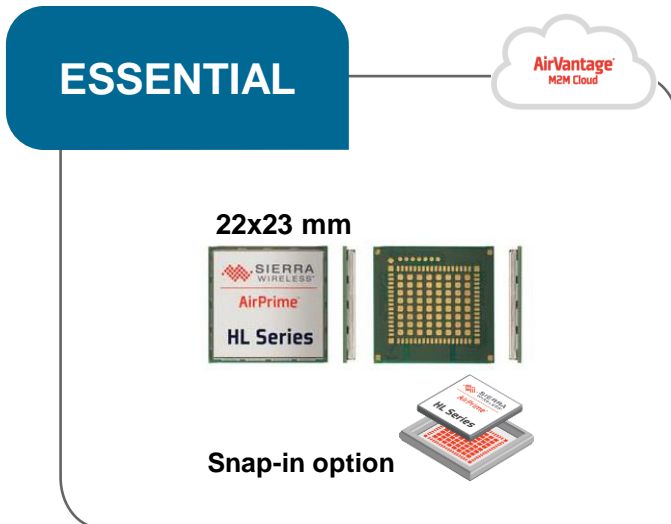
Mass Production: Now

Approval and Certification

Carrier: KT

AirPrime HL Series

Ultra Compact Modules



Air Interfaces: 4G LTE only

Packages:

LGA solder-down design

Snap-in socket option to change modules at any time

Device-to-Cloud: Ready-to-Use Firmware Upgrades

More features: Dual SIM/ dual standby technology for maximum network connectivity

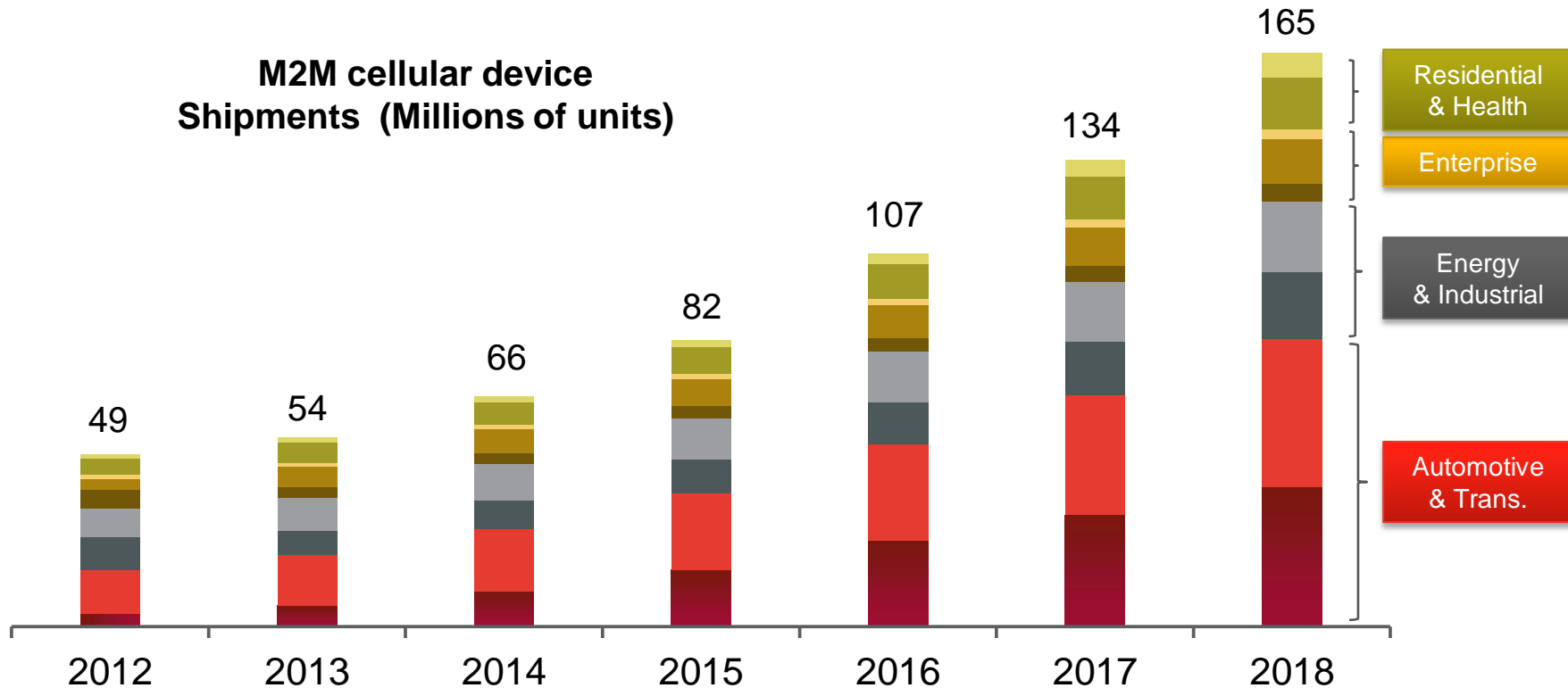
Interfaces: USB, UARTs, Audio

Key Benefits:

- Small and easy to use
- Easy upgrade path from 2G to 4G*
- Cloud-connected with firmware over-the-air (FOTA) capability
- Reliable, essential M2M connectivity and proven firmware widely deployed worldwide

Market Size

M2M cellular device Shipments (Millions of units)



- Automotive
- Transportation
- Energy
- Industrial & Infra
- Networking
- Sales & Payment
- Field Service
- Home & Security
- Healthcare