

SIERRA WIRELESS, INC.
CONSOLIDATED BALANCE SHEETS

(in thousands of U.S. dollars)

(unaudited)

	September 30, 2011	<i>December 31, 2010</i>
Assets		
Current assets		
Cash and cash equivalents	\$ 100,662	\$ 85,443
Short-term investments	—	26,405
Accounts receivable, net of allowance for doubtful accounts of \$4,210 (2010 - \$4,606)	106,076	117,397
Inventories	37,071	22,134
Deferred income taxes	11,843	9,577
Prepaid expenses and other	15,870	24,542
	271,522	285,498
Property, plant and equipment	23,108	22,635
Intangible assets	59,588	69,024
Goodwill	91,152	90,953
Deferred income taxes	1,172	836
Other assets	629	622
	\$ 447,171	\$ 469,568
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 128,019	\$ 138,940
Deferred revenue and credits	838	987
Current portion of obligations under capital leases	257	324

	129,114	140,251	
Long-term obligations	27,926	24,724	
Obligations under capital leases	354	263	
Deferred income taxes	538	1,143	
	<u>157,932</u>	<u>166,381</u>	<u>-</u>
Equity			
Shareholders' equity			
Common stock: no par value; unlimited shares authorized; issued and outstanding: 31,297,053 shares (December 31, 2010 - 31,222,786 shares)	328,383	327,668	
Preferred stock: no par value; unlimited shares authorized; issued and outstanding: nil shares	-	-	
Treasury stock: at cost 622,008 shares (December 31, 2010 – 643,042 shares)	(4,336)	(3,908))
Additional paid-in capital	18,742	16,926	
Deficit	(48,720)	(33,167))
Accumulated other comprehensive loss	(4,830)	(5,471))
	<u>289,239</u>	<u>302,048</u>	
Non-controlling interest	<u>-</u>	<u>1,139</u>	<u>-</u>
	<u>289,239</u>	<u>303,187</u>	<u>-</u>
	<u>\$ 447,171</u>	<u>\$ 469,568</u>	<u>-</u>