



Q4-11 Financial Results

January 12, 2012

Dave Caputo
President & CEO

Scott Hamilton
Chief Financial Officer



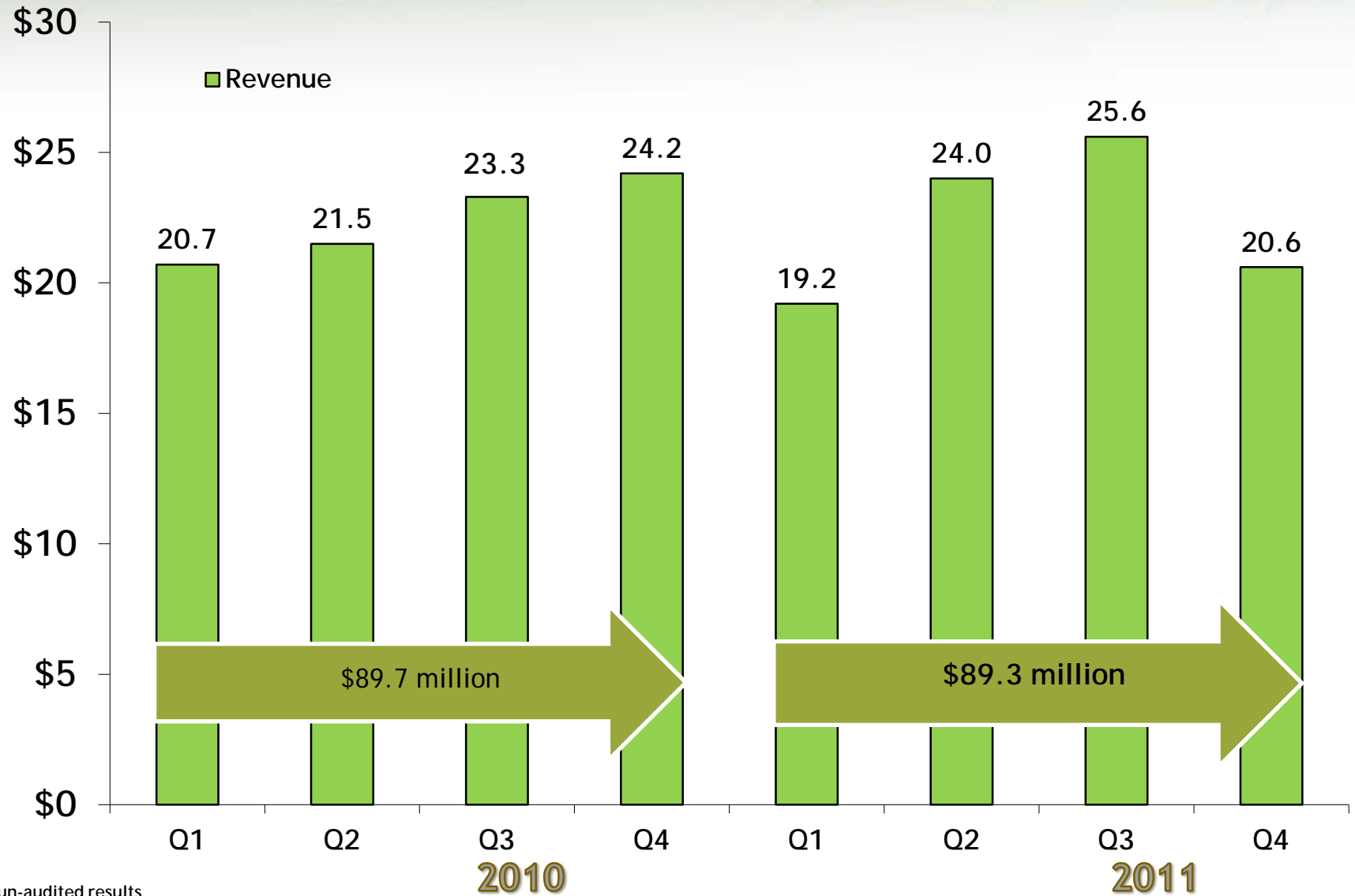
Forward-looking Information

Certain information presented in this presentation by management of Sandvine Corporation (the “Company”) that is not historical factual information may constitute forward-looking information within the meaning of securities laws. Actual results could differ materially from a conclusion, forecast or projection contained in such forward-looking information. Certain material factors or assumptions were also applied in drawing a conclusion or making a forecast or projection as reflected in such forward-looking information. Additional information about the material factors that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward-looking information, and details regarding the material factors or assumptions that were applied in drawing such conclusions or making such forecasts or projections are contained in the Company’s Annual Information Form and in other filings made by the Company with applicable securities regulators from time to time, all of which are available through SEDAR at www.sedar.com.



Revenue

US\$ millions



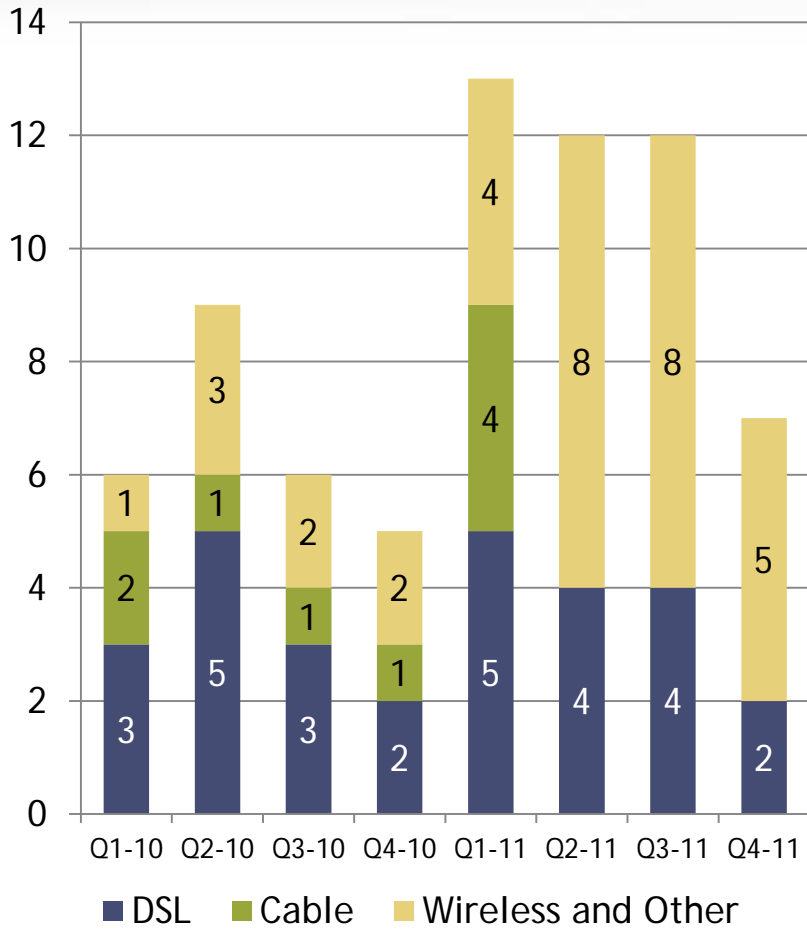
Based on un-audited results



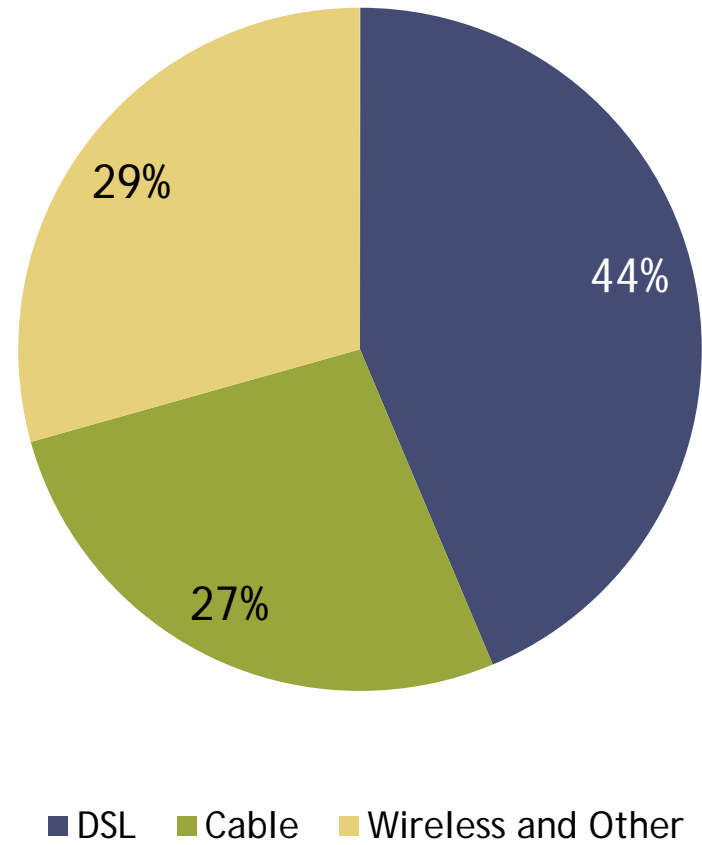
44 New Customers in FY 2011

>250 Internet Access Provider Customers

New Customer Wins



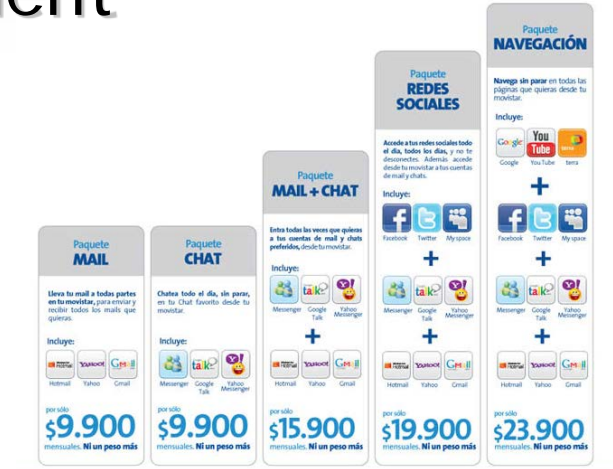
Customer Base Distribution





Order Value by Product

- Service Creation largest component of software order value
 - Followed by Traffic Optimization



- PTS 22000 largest component of hardware order value
 - Followed by PTS 24000





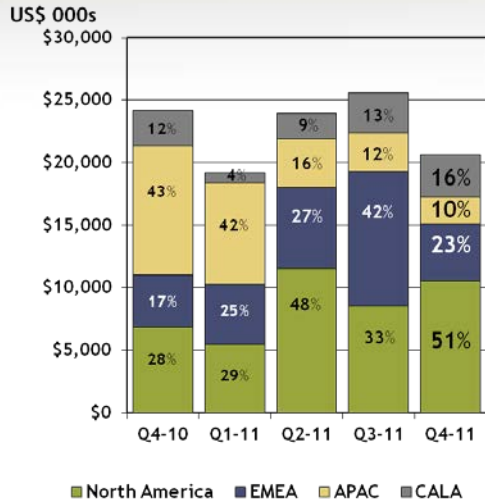
Normal Course Issuer Bid

- Announced NCIB today
- Subject to TSX approval
- Able to buy up to 12 million shares from open market
- Expect to be able to start program in January

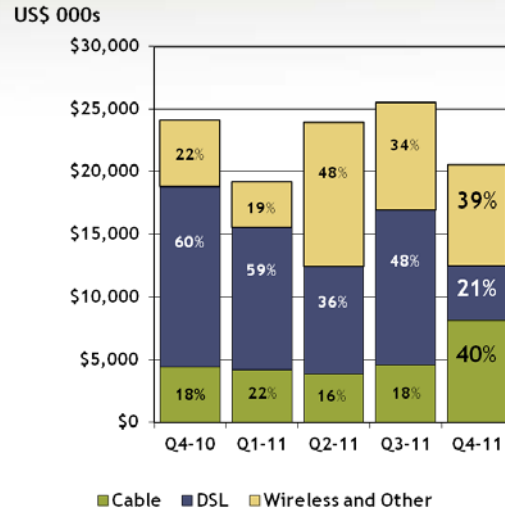


Revenue Diversification - Quarterly

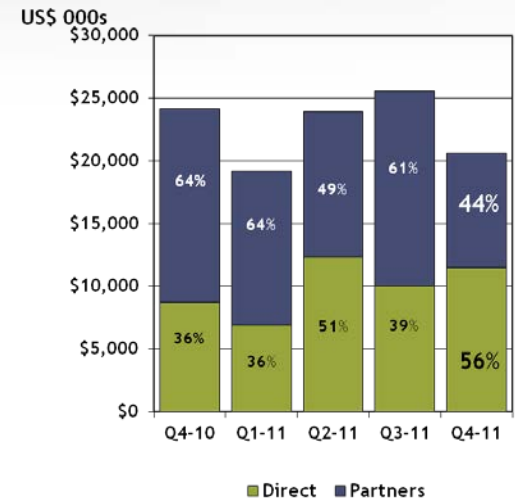
Revenue by Geography



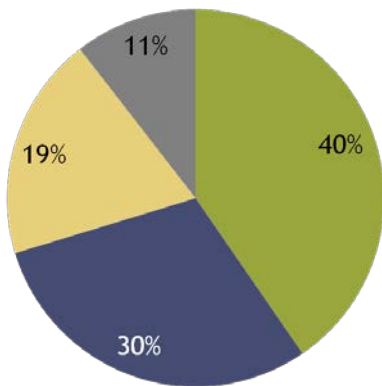
Revenue by Market



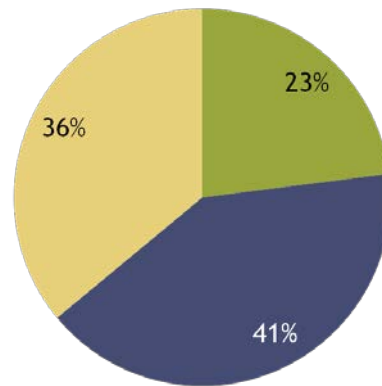
Revenue by Sales Channel



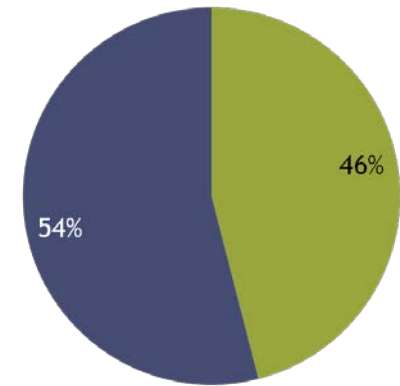
FY 2011 Revenue



FY 2011 Revenue



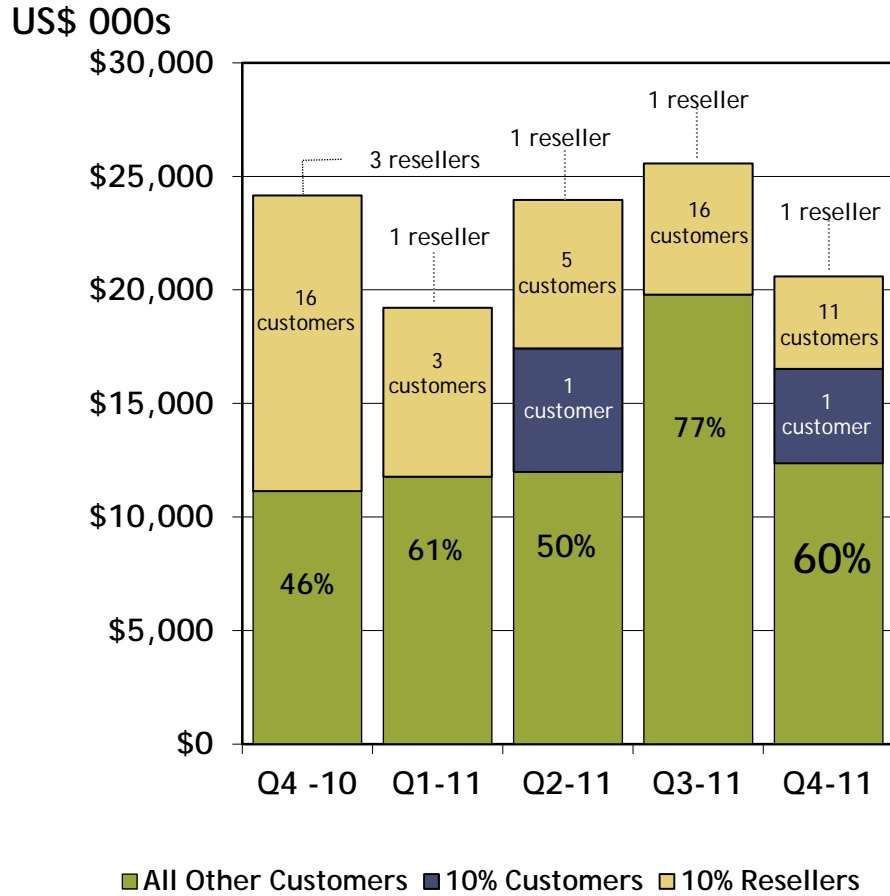
FY 2011 Revenue



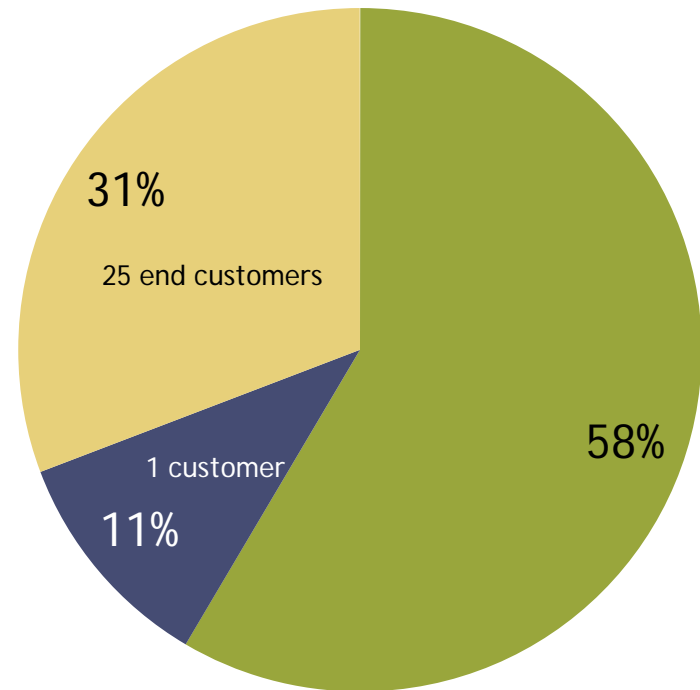


Customer Diversification

Major Customers



FY 2011 Revenue

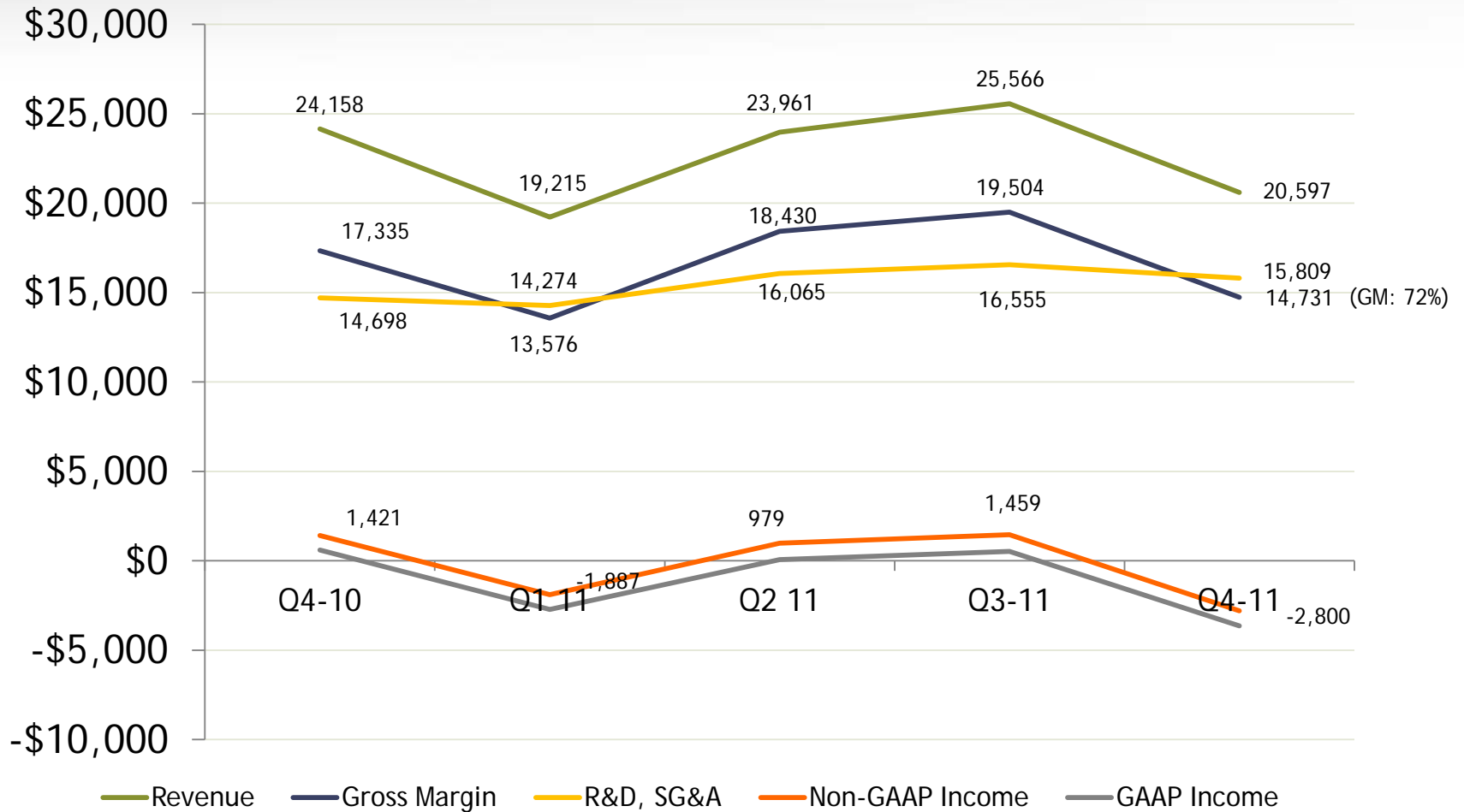


Based on un-audited results



Quarterly Operating Highlights

US\$ 000s



Cash at Nov 30: \$74 million



Transition to IFRS

- ❖ Transitioning to IFRS in Q1 2012
- ❖ See MD&A for full discussion
 - Most notable difference: repayable government grants
- ❖ Government grants
 - Canadian GAAP
 - » Royalties (~\$0.6 million - \$0.7 million/quarter) are a period expense
 - IFRS
 - » Set up estimated liability for future royalty payments
 - \$6.9 million ↑ liabilities at December 1, 2011
 - Quarterly royalties no longer expensed, but offset liability
 - Periodic imputed interest, FX and revaluation charges as liability valuation estimates change
- ❖ Stock-based comp, amortization, depreciation allocated to Cost of Sales, S&M, R&D and G&A
 - See MD&A for preliminary allocation under IFRS for Q4 '11



Q4 Developments

❖ David Thomson joins Board

- Strategy consultant
- Author of Blueprint to a Billion
- Former Nortel, HP and McKinsey executive

❖ Industry Awards

- Usage Management
 - » “Best Implementation of Tiered Data Pricing” from Broadband Traffic Management Global Congress
- Traffic Management Dashboard
 - » “Four Diamonds” from Broadband Technology Report



Thank you



For more information:
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