



Q1-11 Financial Results

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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.



Highlights

- ❖ Revenue
 - \$19.2 million quarterly revenue

- ❖ Net loss
 - Non-GAAP: \$1.9 million loss
 - GAAP: \$2.7 million loss

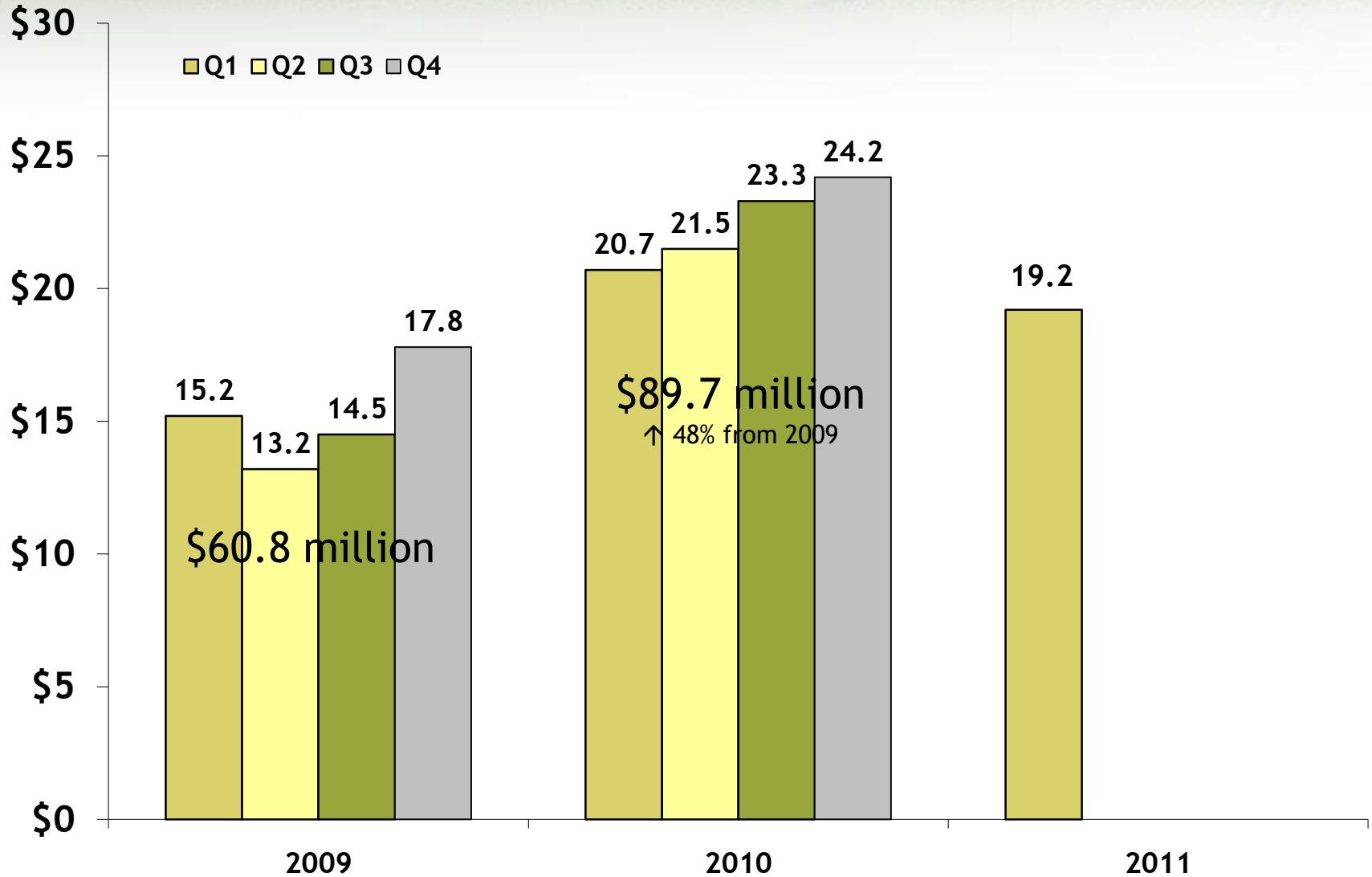
- ❖ 13 new customer wins in Q1 2011
 - Most wins in a quarter in over 2 years
 - One Tier 1 cableco
 - One Top 100 mobile provider

- ❖ PTS 22000 and Mobile Packet Core offload solutions add to opportunity



Quarterly Revenue

US\$ millions

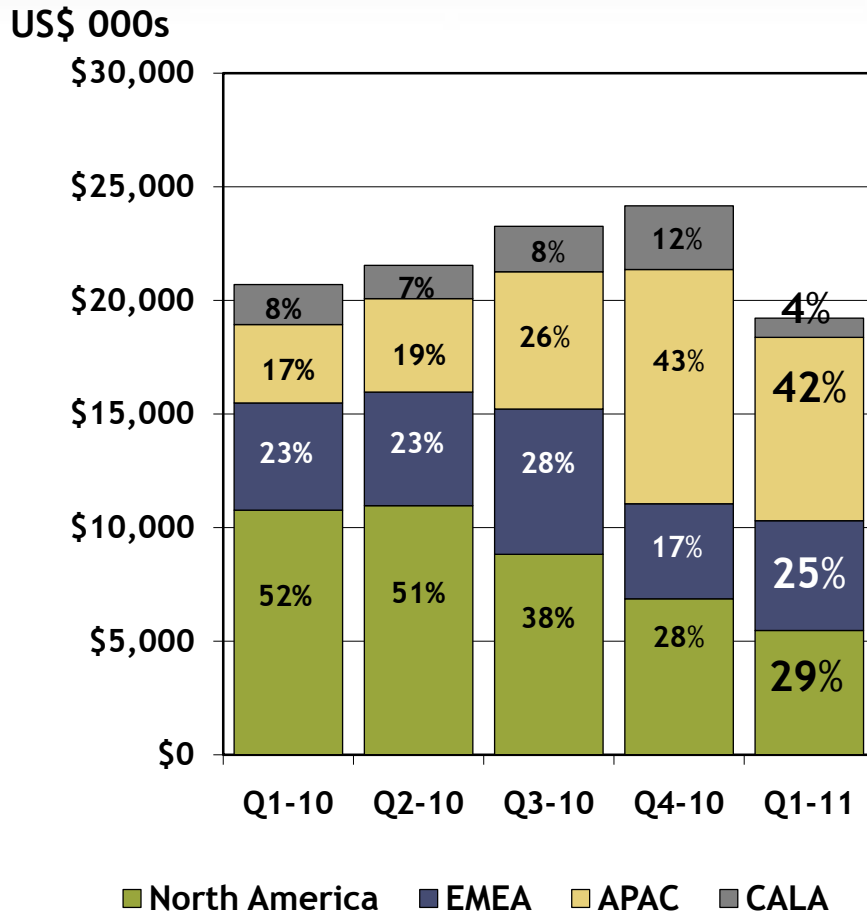


Based on un-audited results

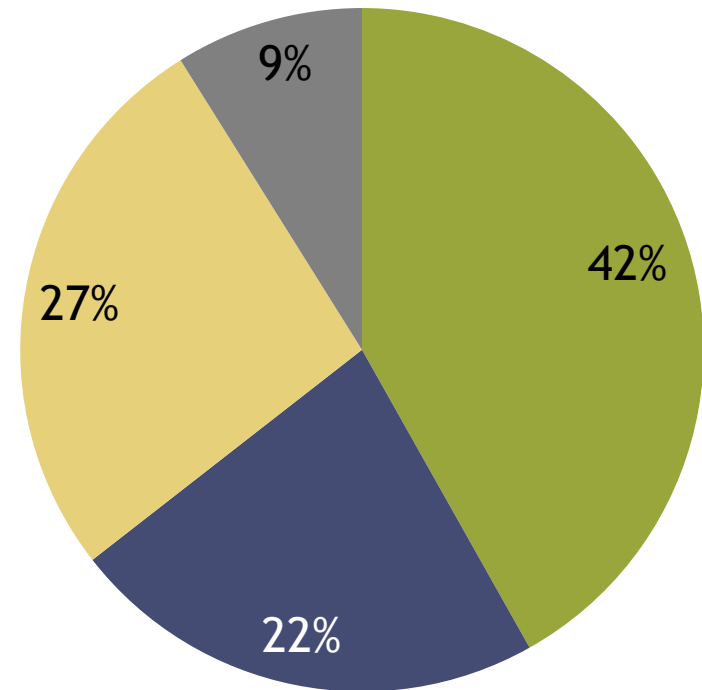


Geographical Diversification

Revenue by Geography



FY 2010 Revenue



Based on un-audited results

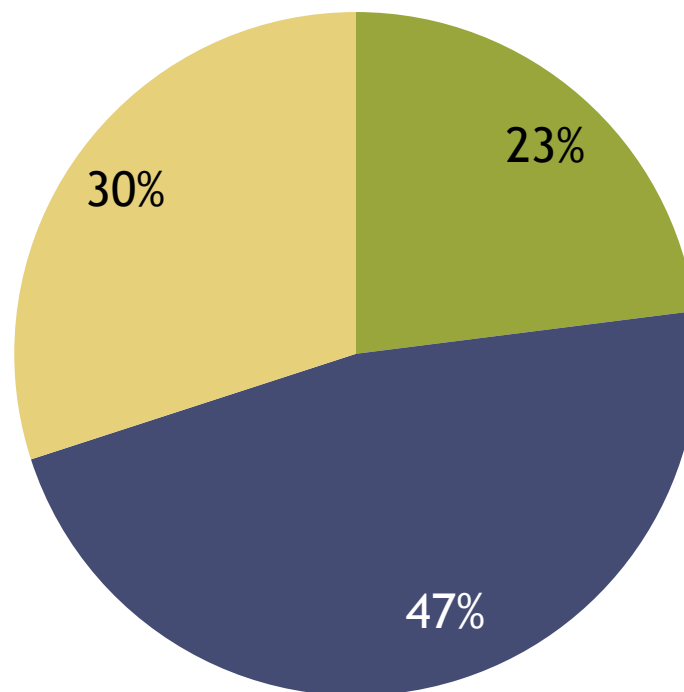
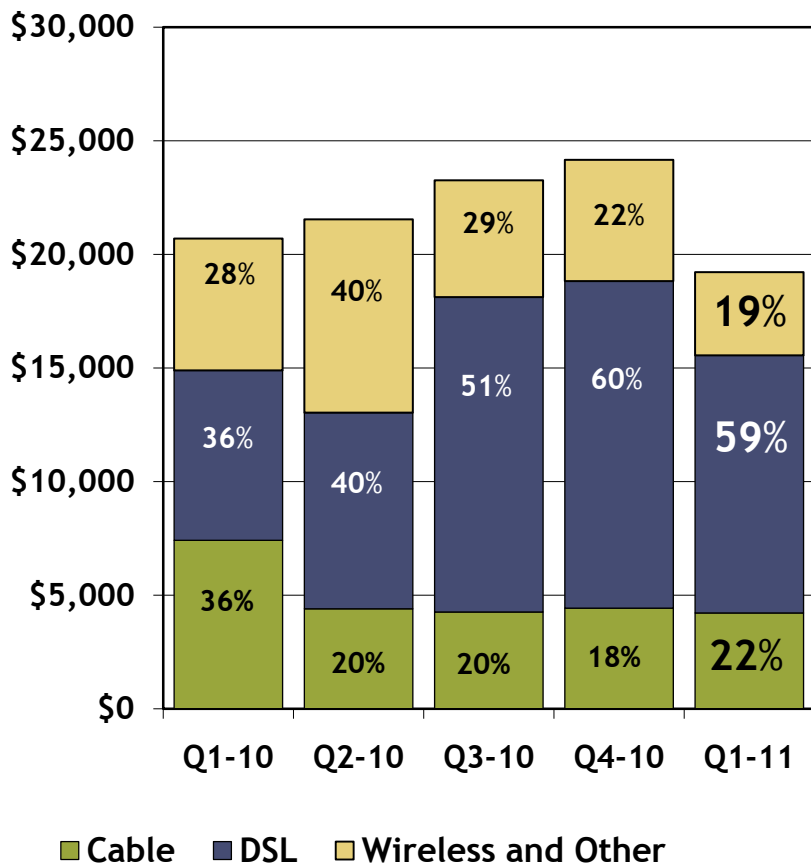


Market Diversification

Revenue by Market

FY2010 Revenue

US\$ 000s

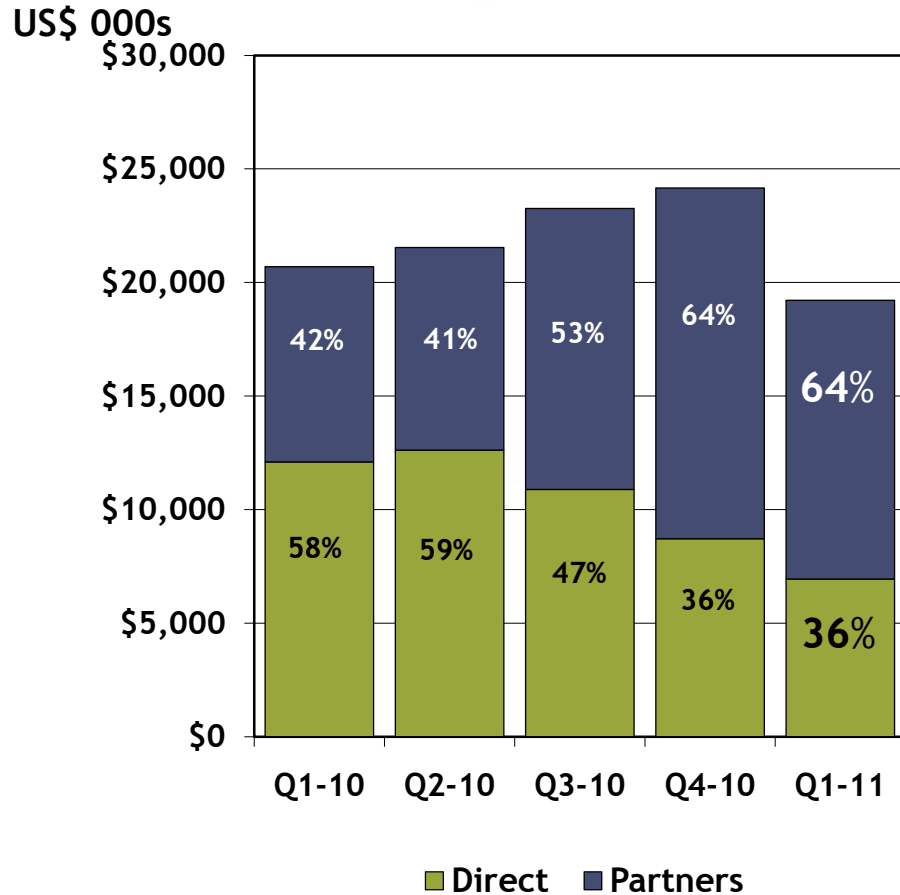


Based on un-audited results

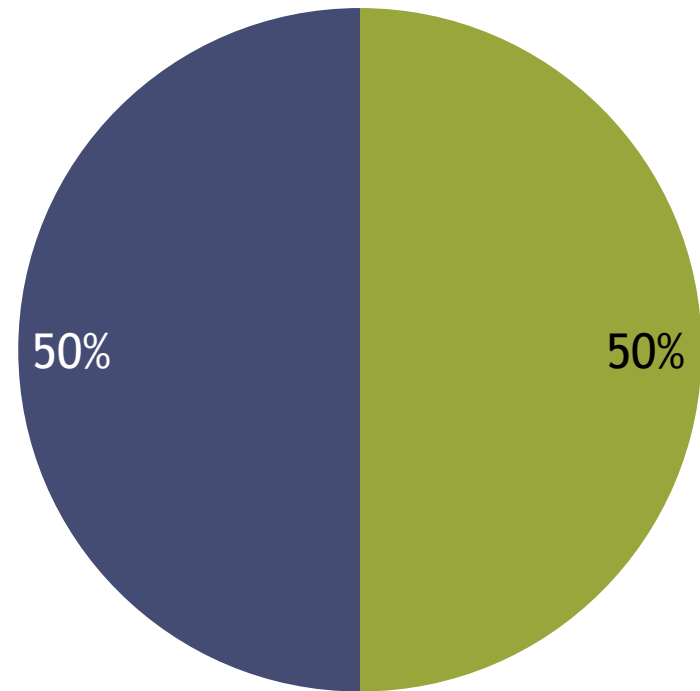


Channel Diversification

Revenue by Sales Channel



FY 2010 Revenue



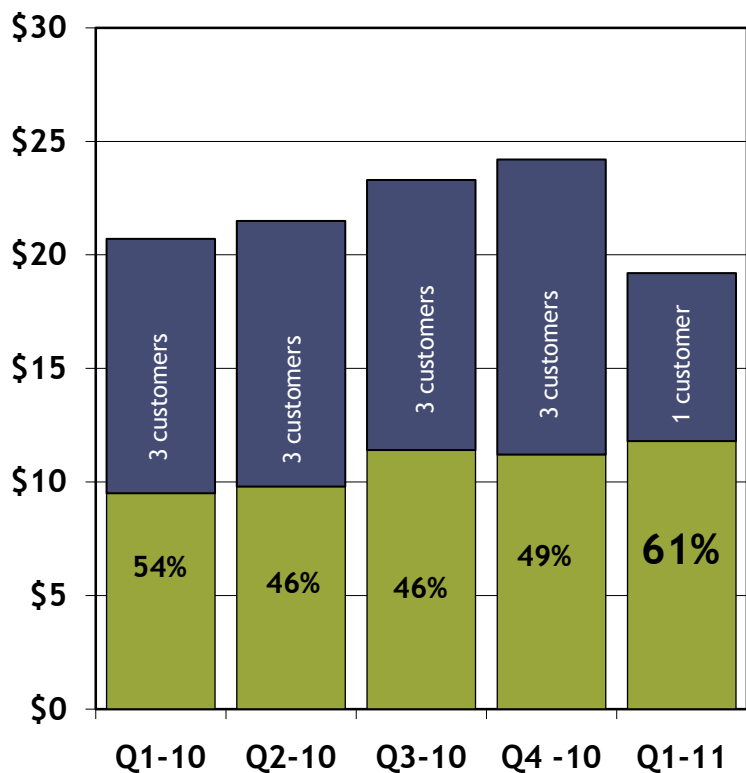
Based on un-audited results



Customer Diversification

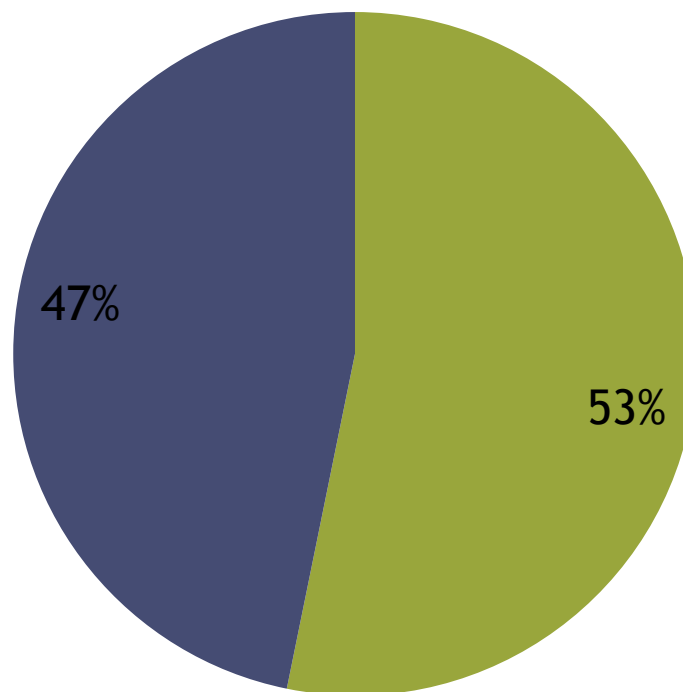
Customer Concentration

US\$ millions



■ All Other Customers ■ 10% Customers

FY 2010 Revenue



Based on un-audited results



Financial Highlights

<i>US\$ 000s</i>	Q1-11	Q4-10	Change
Revenue	19,215	24,158	-22%
Gross Margin	13,576 71%	17,335 72%	-22% -1 pp
R&D, SG&A ⁽¹⁾	14,741	14,883	-1%
Other Operating Expenses ⁽²⁾	1,552	2,023	-23%
GAAP (Loss) Income	(2,713) (0.020)/share	603 0.004/share	-
Non-GAAP (Loss) Income	(1,887) (0.014)/share	1,421 0.010/share	-

<i>US\$ 000s</i>	Feb. 28, 2011	Nov. 30, 2010	Change
Cash ⁽³⁾	90,022	87,949	2%
Pro Forma DSOs ⁽⁴⁾	83 days	77 days	6 days

(1) Excludes government assistance and repayments

(2) Includes government assistance and repayments, depreciation, amortization, intangible impairment and stock-based compensation

(3) Includes cash, cash equivalents and short term investments.

(4) Excludes accounts receivable associated with deferred revenue.

Based on un-audited results

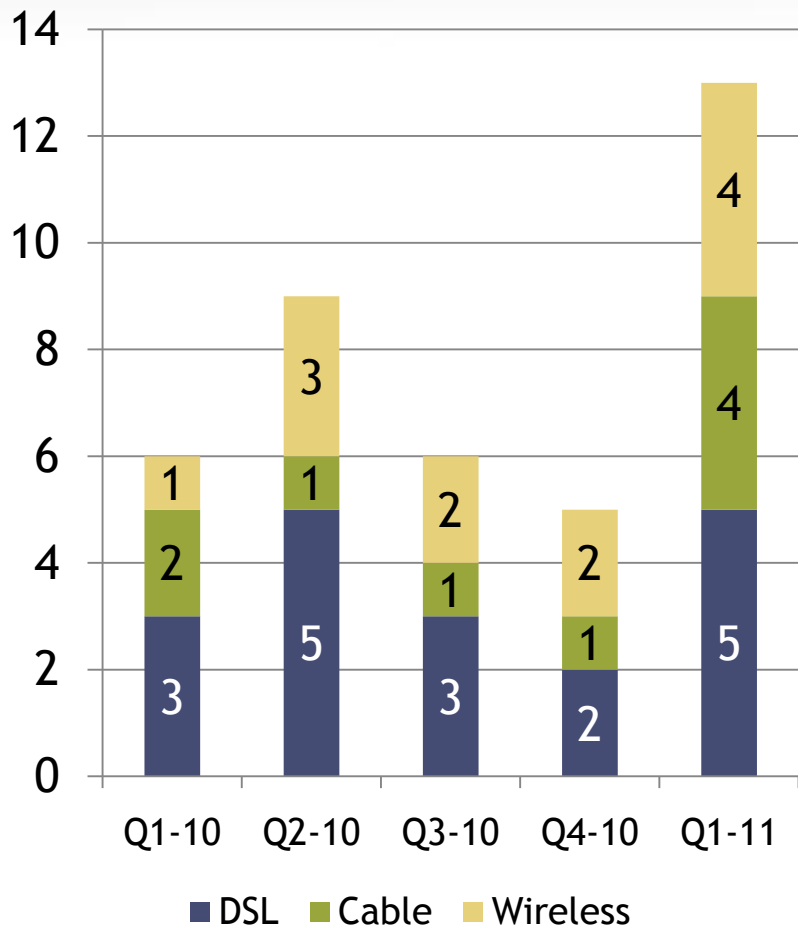


Market Leader: Over 200 ISP Customers

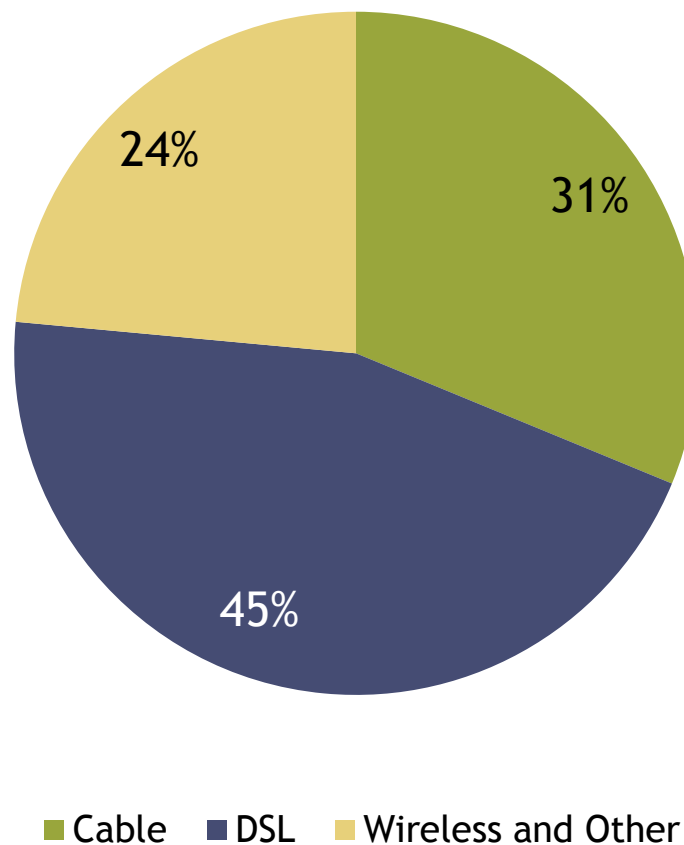
“Sandvine Leads Standalone DPI Market...28% market share”



New Customer Wins



Customer Distribution





Telefonica

Telefonica

 movistar

O₂

- ❖ Over 20 properties globally
- ❖ Multiple use cases
 - Global reporting
 - Tiered services
 - Bill Shock prevention
 - URL access control re: child pornography



New Products

- ❖ **Policy Traffic Switch 22000 platform**
 - Ideal for service edge and aggregation layer deployments
 - Up to 20 Gbps of performance
 - Cost-effective two-rack-unit form factor
 - Enables unique policy opportunities at the edge
 - Virtual switch cluster capability scales to 80 Gbps

- ❖ **Mobile Packet Core Offload**
 - Joint solution with Citrix
 - Gives mobile operators tool to enhance:
 - » Subscribers' quality of experience
 - » Reduce traffic in the busy mobile packet core network
 - » Create innovative new data roaming plans
 - » Payback compelling



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Thank you

For more information:

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