

DRAGONWAVE ANNOUNCES SECOND QUARTER FISCAL 2009 RESULTS

10/9/2008 - Ottawa, Canada

DragonWave Inc. ("DragonWave"), (TSX/AIM:DWI) a leading global supplier of next-generation wireless networks, today issued financial results for its second quarter of fiscal year 2009 ended August 31, 2008. All figures are prepared in accordance with Canadian generally accepted accounting principles (GAAP) and are reported in Canadian dollars.

Revenue for the quarter was \$10.6 million, compared with \$9.9 million for the same period of the last fiscal year, an increase of 7%.

Revenue from outside North America increased 73% from \$1.7 million to \$2.9 million and represented 28% of total revenue for the quarter. Revenue from customers within North America decreased 7% from \$8.2 million to \$7.6 million and represented 72% of total revenue for the quarter.

Gross margin for the second quarter was 34%, a decrease of 2% from the gross margin reported in the second quarter of fiscal 2008.

For the second quarter fiscal year 2009, the loss from operations was \$2.8 million, compared to a loss of \$1.8 million in the second quarter of fiscal year 2008. Expenses increased from \$5.4 million to \$6.5 million due to increased sales and marketing activities required to support the growing international business, and R&D associated with the engineering activity related to the release of new product platforms and variants. The net loss for the quarter was \$1.7 million versus \$2.1 million in Q2 fiscal 2008.

"DragonWave made good progress during the quarter as we continued to increase our market presence. We took major steps forward on three continents with the Sprint win in North America, the Altitude announcement in Europe, and the addition of Brightstar in the Caribbean and Latin American region. Our product portfolio continues to perform well in the high capacity wireless backhaul market globally." said Peter Allen, President and CEO of DragonWave.

The DragonWave management team will discuss the results on a conference call October 10, 2008 at 8:30 a.m. Eastern time (1:30 GMT).

Presentation material and a webcast link will be made available from the Investor Relations portal of DragonWave's web site at <http://www.dragonwaveinc.com/irevents.asp>

Conference Call Details:

- o Beginning at 8:30 a.m., EDT

- o Toronto Dial In Number: 416-883-7132
- o Toll Free Dial In Number: 1-888-205-4499
- o UK Dial In Number: 00-800-8358-7000
- o Participant Pass Code: 52795#

For a replay of the call, it will be made available on DragonWave Inc. web site, through the Investor Relations portal.

To review Management's Discussion and Analysis for the quarter, please go to www.sedar.com.