

TUNDRA SEMICONDUCTOR CORPORATION
PRO FORMA CONSOLIDATED STATEMENTS OF EARNINGS
For the fiscal quarters ended April 30, 2008 and April 30, 2007

(Canadian dollars, amounts in thousands except per share data)

	Three months ended		Year ended	
	April 30 2008 (Unaudited)	April 30 2007 (Unaudited)	April 30 2008 (Audited)	April 30 2007 (Audited)
Revenue:				
Product	\$ 15,024	\$ 19,144	\$ 61,525	\$ 75,208
Service	2,888	3,016	9,061	10,052
	17,912	22,160	70,586	85,260
Cost of revenue:				
Product	5,184	5,192	20,027	22,258
Service	1,930	1,583	5,656	5,495
	7,114	6,775	25,683	27,753
Gross margin	10,798	15,385	44,903	57,507
Expenses:				
Sales and marketing	2,822	3,869	11,548	14,220
General and administration	1,745	2,457	8,009	9,810
Research and development	4,891	6,608	21,964	25,742
	9,458	12,934	41,521	49,772
Pro forma earnings from operations	1,340	2,451	3,382	7,735
Interest and other income	416	39	2,374	2,256
Pro forma earnings before income taxes	1,756	2,490	5,756	9,991
Income tax provision (recovery)	280	(878)	1,107	(776)
PRO FORMA EARNINGS	\$ 1,476	\$ 3,368	\$ 4,649	\$ 10,767
Pro forma earnings per share				
Basic	\$ 0.07	\$ 0.17	\$ 0.23	\$ 0.54
Diluted	\$ 0.07	\$ 0.17	\$ 0.23	\$ 0.54
Weighted average number of common shares outstanding				
Basic	19,694	19,955	19,848	19,926
Diluted	19,694	19,995	19,916	20,041

TUNDRA SEMICONDUCTOR CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS (LOSS) AND COMPREHENSIVE INCOME (LOSS)
For the fiscal quarters ended April 30, 2008 and April 30, 2007
(Canadian dollars, amounts in thousands except per share data)

	Three months ended		Year ended	
	April 30 2008 (Unaudited)	April 30 2007 (Unaudited)	April 30 2008 (Audited)	April 30 2007 (Audited)
Revenue:				
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	7,114	6,775	25,683	27,753
Gross margin	10,798	15,385	44,903	57,507
Expenses:				
Sales and marketing	2,822	3,869	11,548	14,220
General and administration	1,745	2,457	8,009	9,810
Research and development	4,891	6,608	21,964	25,742
Stock-based compensation	592	549	2,274	3,105
Amortization of acquisition-related intangible assets	889	1,166	3,876	4,982
Restructuring charges	(250)	-	3,713	-
	10,689	14,649	51,384	57,859
Earnings (loss) from operations	109	736	(6,481)	(352)
Interest and other income	416	39	2,374	2,256
Impairment of intangible assets	(4,749)	-	(4,749)	-
Impairment of goodwill	590	-	(49,981)	-
	Earnings (loss) before income taxes	(3,634)	775	(58,837)
Income tax provision (recovery)	280	(878)	786	(141)
	NET EARNINGS (LOSS) AND COMPREHENSIVE INCOME (LOSS)	\$ (3,914)	\$ 1,653	\$ (59,623)
Earnings (loss) per share				
Basic	\$ (0.20)	\$ 0.08	\$ (3.00)	\$ 0.10
Diluted	\$ (0.20)	\$ 0.08	\$ (3.00)	\$ 0.10
Weighted average number of common shares outstanding				
Basic	19,694	19,955	19,848	19,926
Diluted	19,694	19,995	19,848	20,041

TUNDRA SEMICONDUCTOR CORPORATION
CONSOLIDATED BALANCE SHEETS

(Canadian dollars, amounts in thousands)
(Audited)

	April 2008	April 2007
ASSETS		
Current assets		
Cash and cash equivalents	\$ 23,861	\$ 18,340
Short-term investments	35,373	42,379
Accounts receivable	7,470	7,745
Inventories	6,226	9,282
Prepaid expenses and other current assets	3,288	4,497
Future income tax asset	2,970	2,997
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	79,188	85,240
Other assets	1,919	1,895
Investment tax credits recoverable	8,976	8,370
Property, plant and equipment	16,272	17,747
Intangible assets	5,720	9,770
Goodwill	-	50,571
Future income tax asset	4,638	3,037
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	\$ 116,713	\$ 176,630
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LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 9,913	\$ 11,125
Income tax payable	131	105
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	10,044	11,230
Shareholders' equity		
Share capital	181,006	183,204
Contributed surplus	10,087	6,997
Deficit	(84,424)	(24,801)
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	106,669	165,400
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	\$ 116,713	\$ 176,630
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TUNDRA SEMICONDUCTOR CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the fiscal quarters ended April 30, 2008 and April 30, 2007
(Canadian dollars, amounts in thousands)

	Three months ended		For the year	
	April 30 2008 (Unaudited)	April 30 2007 (Unaudited)	April 30 2008 (Audited)	April 30 2007 (Audited)
Operating activities:				
Earnings (loss)	\$ (3,914)	\$ 1,653	\$ (59,623)	\$ 2,045
Items not affecting cash:				
Amortization of property, plant and equipment and asset impairments	2,077	2,187	8,357	9,786
Amortization of acquisition-related intangible assets	889	1,166	3,876	4,982
Stock-based compensation	592	549	2,274	3,105
Investment tax credit recoverable	1,325	(250)	(606)	(2,636)
Future income taxes	(1,471)	122	(1,574)	(512)
Impairment of intangible assets	4,749	-	4,749	-
Impairment of goodwill	(590)	-	49,981	-
	3,657	5,427	7,434	16,770
Cash effect of changes in:				
Accounts receivable	(617)	1,227	275	1,761
Inventories	1,057	1,411	3,056	(3,127)
Prepaid expenses and other assets	(341)	(1,038)	1,162	(530)
Accounts payable and accrued liabilities	(500)	(3,999)	(829)	(627)
Income taxes payable	205	(1,104)	26	(822)
	3,461	1,924	11,124	13,425
Investing activities:				
Acquisition of capital assets	(299)	(1,678)	(6,685)	(10,441)
Acquisition of business	-	(216)	-	(18,744)
Purchased intangibles	-	-	(4,749)	-
Acquisition of short-term investments	-	-	(35,373)	(42,379)
Proceeds on disposal of short-term investments	-	-	42,379	11,393
	(299)	(1,894)	(4,428)	(60,171)
Financing activities:				
Net proceeds on the issue of common shares	-	166	426	1,842
Repurchase of shares	(200)	(1,020)	(1,601)	(1,020)
Repayment of debt	-	-	-	(650)
	(200)	(854)	(1,175)	172
Increase (decrease) in cash and cash equivalents	2,962	(824)	5,521	(46,574)
Cash and cash equivalents, beginning of period	20,899	19,164	18,340	64,914
Cash and cash equivalents, end of period	23,861	18,340	23,861	18,340
Short-term investments, end of period	35,373	42,379	35,373	42,379
Cash, cash equivalents and short-term investments, end of period	\$ 59,234	\$ 60,719	\$ 59,234	\$ 60,719