



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held August 12, 2009

To Our Shareholders:

The Annual Meeting of Shareholders of Powerwave Technologies, Inc. will be held at the offices of Powerwave located at 1801 E. St. Andrew Place, Santa Ana, CA 92705, on August 12, 2009 at 10:00 a.m., Pacific Time, for the following purposes:

1. To elect seven directors to hold office until the next Annual Meeting of Shareholders or until their successors are duly elected and qualified;
2. To ratify the appointment of Deloitte & Touche LLP (“Deloitte & Touche”) as independent auditors for fiscal year 2009; and
3. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

The Board of Directors recommends that you vote for each of the seven nominees for director and for the ratification of Deloitte & Touche as independent auditors for fiscal 2009. Only shareholders of record at the close of business on July 1, 2009 are entitled to notice of and to vote at the Annual Meeting.

Pursuant to rules promulgated by the Securities and Exchange Commission (“SEC”), we have elected to provide access to our proxy materials both by sending you this full set of proxy materials, including a proxy card, and by notifying you of the availability of our proxy materials on the Internet. This proxy statement and our fiscal 2008 Annual Report to Shareholders are available at our website at <http://www.powerwave.com/ir/>.

All shareholders are urged to attend the Annual Meeting in person or by proxy. **YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE SIGN AND SUBMIT YOUR PROXY AS SOON AS POSSIBLE SO THAT YOUR SHARES CAN BE VOTED AT THE ANNUAL MEETING IN ACCORDANCE WITH YOUR INSTRUCTIONS. (BENEFICIAL OWNERS MAY VOTE OVER THE INTERNET, BY TELEPHONE, OR BY MAILING THE ENCLOSED VOTING INSTRUCTIONS.)** For specific instructions on voting, please refer to the instructions on your enclosed proxy card. The proxy is revocable and will not affect your right to vote in person in the event you attend the Annual Meeting. You may revoke your proxy at any time before it is voted. In addition, if you plan to attend the Annual Meeting in person, please check the appropriate box so that we can ensure we have proper accommodations.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on August 12, 2009.

This Proxy Statement and our Annual Report to Shareholders for the fiscal year 2008 are available online at <http://www.powerwave.com/ir/>.

Santa Ana, California
July 13, 2009

By Order of the Board of Directors
Kevin T. Michaels
Chief Financial Officer and Secretary

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POWERWAVE TECHNOLOGIES, INC.

1801 E. St. Andrew Place
Santa Ana, California 92705

PROXY STATEMENT

This Proxy Statement contains information related to the solicitation of proxies by and on behalf of the Board of Directors of Powerwave Technologies, Inc. (the “Company” or “Powerwave”) for use in connection with the Annual Meeting of Shareholders to be held on August 12, 2009, beginning at 10:00 a.m., Pacific Time, at the offices of Powerwave located at 1801 E. St. Andrew Place, Santa Ana, CA 92705, and at any and all adjournments or postponements thereof. This Proxy Statement and the accompanying proxy are being mailed to shareholders on or about July 13, 2009.

ABOUT THE ANNUAL MEETING

What is the purpose of the Annual Meeting?

At our Annual Meeting, shareholders will act upon the matters outlined in the notice of meeting on the cover page of this Proxy Statement, including the election of directors and ratification of the Company’s independent auditors. In addition, management will be available to respond to questions from shareholders.

Why am I receiving these materials?

Powerwave’s Board of Directors is providing these proxy materials for you in connection with our Annual Meeting of Shareholders, which will take place on August 12, 2009. Shareholders are invited to attend the Annual Meeting and are requested to vote on the proposals described in this Proxy Statement. If you receive more than one proxy card because your shares are registered in different names or at different addresses, please sign and return each proxy card so that all of your shares will be represented at the Annual Meeting. We are delivering multiple Proxy Statements and Annual Reports to multiple shareholders sharing an address unless we have received contrary instructions from one or more of such shareholders. If you are a shareholder residing at a shared address and would like to request an additional copy of the Proxy Statement or Annual Report now or with respect to future mailings (or if you would like to receive only one copy of the Proxy Statement or Annual Report if you are currently receiving multiple copies), please send your request to Powerwave, Attention Corporate Secretary at the address noted above or call us at (714) 466-1000.

What information is contained in these materials?

The information included in this Proxy Statement relates to the proposals to be voted on at the Annual Meeting, the voting process, the compensation of directors and our most highly paid executive officers, and certain other required information. Powerwave’s 2008 Annual Report and audited consolidated financial statements, proxy card and return envelope are also enclosed.

What proposals will be voted on at the Annual Meeting?

There are two proposals scheduled to be voted on at the Annual Meeting:

- the election of seven directors until the next Annual Meeting of Shareholders; and
- the ratification of the appointment of Deloitte & Touche as Powerwave’s independent auditors for fiscal year 2009.

Who is entitled to vote at the Annual Meeting?

The Common Stock of Powerwave constitutes the only class of securities entitled to notice of, to attend and to vote at the Annual Meeting of Shareholders. Only shareholders of record at the close of business on July 1, 2009, the record date for the Annual Meeting, are entitled to receive notice of and to participate in the Annual Meeting. As of July 1, 2009 (the "Record Date"), there were 131,975,982 shares of Common Stock issued and outstanding. If you were a shareholder of record on that date, you will be entitled to vote all of the shares that you held on that date at the Annual Meeting, or any postponements or adjournments of the Annual Meeting. Each outstanding share of Powerwave Common Stock will be entitled to one vote on each matter. A list of shareholders as of the Record Date will be available during normal business hours for examination by any shareholder for any purpose germane to the Annual Meeting for a period of ten days prior to August 12, 2009, at the offices of Powerwave Technologies, Inc., 1801 E. St. Andrew Place, Santa Ana, California 92705.

What is the difference between holding shares as a shareholder of record or as a beneficial owner?

Most shareholders of Powerwave hold their shares through a stockbroker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Shareholder of Record

If your shares are registered directly in your name with our transfer agent, Computershare Limited, you are considered, with respect to those shares, the shareholder of record, and these proxy materials are being sent directly to you by Powerwave. As the shareholder of record, you have the right to grant your voting proxy directly to Powerwave or to vote in person at the Annual Meeting. We have enclosed a proxy card for you to use.

Beneficial Owner

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by your broker or nominee who is considered, with respect to those shares, the shareholder of record. As the beneficial owner, you have the right to direct your broker on how to vote and are also invited to attend the Annual Meeting. Your broker or nominee has enclosed a voting instruction card for you to use in directing the broker or nominee how to vote your shares. The voting instruction card provides various alternative voting methods, such as via the Internet, by telephone or by mail.

How can I vote my shares in person at the Annual Meeting?

Shares held directly in your name as the shareholder of record may be voted in person at the Annual Meeting. If you choose to do so, please bring the enclosed proxy card and proof of identification. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy as described below so that your vote will be counted if you later decide not to attend the Annual Meeting. Shares held in street name may be voted in person by you only if you obtain a signed proxy from the record holder giving you the right to vote the shares in person.

How can I vote my shares without attending the Annual Meeting?

Whether you hold shares directly as the shareholder of record or beneficially in street name, you may direct your vote without attending the Annual Meeting. You may vote your directly held shares by granting a proxy or, for shares held in street name, by submitting voting instructions to your broker or nominee following the instructions on the form included with this package.

Can I change my vote?

You may change your proxy instructions at any time prior to the vote at the Annual Meeting. For shares held directly in your name, you may accomplish this by granting a new proxy bearing a later date (which automatically revokes the earlier proxy) or by attending the Annual Meeting and voting in person. Attendance at the Annual Meeting will not cause your previously granted proxy to be revoked unless you specifically request that such proxy be revoked. For shares held beneficially by you, you may accomplish this by submitting new voting instructions to your broker or nominee.

Who can attend the Annual Meeting?

All shareholders as of the Record Date, or their duly appointed proxies, may attend the Annual Meeting. Cameras, recording devices and other electronic devices are not permitted at the Annual Meeting. **YOUR VOTE IS VERY IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE SIGN AND SUBMIT YOUR PROXY CARD AS SOON AS POSSIBLE SO THAT YOUR SHARES CAN BE VOTED AT THE ANNUAL MEETING IN ACCORDANCE WITH YOUR INSTRUCTIONS.** For specific instructions on voting, please refer to the instructions on your proxy card or the voting instruction card.

What are the Board's voting recommendations?

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board of Directors. The Board's recommendations are set forth together with the description of each item in this Proxy Statement. In summary, the Board unanimously recommends a vote:

- **FOR** election of the nominated slate of directors (see Proposal 1); and
- **FOR** ratification of the appointment of Deloitte & Touche as the Company's independent auditors for fiscal 2009 (see Proposal 2).

With respect to any other matter that properly comes before the Annual Meeting, the proxy holders will vote as recommended by the Board of Directors or, if no recommendation is given, in their own discretion.

How are votes counted?

In the election of directors, you may vote "FOR" all of the nominees or you may vote "WITHHOLD AUTHORITY" with respect to one or more of the nominees. For the ratification of the appointment of Deloitte & Touche, you may vote "FOR", "AGAINST" or "ABSTAIN." If you "ABSTAIN," it has the same effect as a vote "AGAINST." If you sign your proxy card or broker voting instruction card with no further instructions, your shares will be voted in accordance with the recommendations of the Board as described above.

What vote is required to approve each item?

Election of Directors

The affirmative vote of a plurality of the votes cast at the Annual Meeting is required for the election of directors. A properly executed proxy marked "WITHHOLD AUTHORITY" with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum. Accordingly, a withheld vote will have the effect of a negative vote.

Other Items

For the ratification of the appointment of Deloitte & Touche, the affirmative vote of the holders of a majority of the shares represented in person or by proxy and entitled to vote on the item will be required for approval. A properly executed proxy marked "ABSTAIN" with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention will have the effect of a negative vote. If you hold your shares in street name through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to some of the matters to be acted upon. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those matters and will not be counted in determining the number of shares necessary for approval. Shares represented by such "broker non-votes" will, however, be counted in determining whether there is a quorum.

What does it mean if I receive more than one proxy or voting instruction card?

It means your shares are registered differently or are in more than one account. Please provide voting instructions for all proxy and voting instruction cards you receive.

Where can I find the voting results of the Annual Meeting?

Powerwave will announce preliminary voting results at the Annual Meeting and publish the final results in Powerwave's Quarterly Report on Form 10-Q for the fiscal quarter ending September 27, 2009.

What happens if additional proposals are presented at the Annual Meeting?

Other than the two proposals described in this Proxy Statement, we do not expect any other matters to be presented for a vote at the Annual Meeting. If you grant a proxy, the persons named as proxy holders, Ronald J. Buschur, Powerwave's President and Chief Executive Officer, and Kevin T. Michaels, Powerwave's Chief Financial Officer and Secretary, will have the discretion to vote your shares on any additional matters properly presented for a vote at the Annual Meeting. If for any unforeseen reason any of Powerwave's nominees are not available as a candidate for director, the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by the Board.

What is the quorum requirement for the Annual Meeting?

The quorum requirement for holding the Annual Meeting and transacting business is a majority of the outstanding shares entitled to be voted. Based on the number of shares outstanding on the Record Date of 131,975,982, a total of 65,987,992 shares will constitute a quorum for purposes of this Annual Meeting. The shares may be present in person or represented by proxy at the Annual Meeting. Both abstentions and broker non-votes are counted as present for the purpose of determining the presence of a quorum. Broker non-votes, however, are not counted as shares present and entitled to be voted with respect to the matters on which the broker has expressly not voted. Thus, broker non-votes will not affect the outcome of any of the matters being voted on at the Annual Meeting. Generally, broker non-votes occur when shares held by a broker for a beneficial owner are not voted with respect to a particular proposal because the broker has not received voting instructions from the beneficial owner and the broker lacks discretionary voting power to vote such shares. Abstentions are treated as shares present and entitled to vote for purposes of any matter for which a majority of shares present are required for passage and, accordingly will have the same effect as a vote against such matters.

Who will count the vote?

A representative of Computershare Limited, Powerwave's transfer agent, will tabulate the votes and either a representative of Computershare Limited or an officer of Powerwave will act as the Inspector of Elections.

Is my vote confidential?

Proxy instructions, ballots and voting tabulations that identify individual shareholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within Powerwave or to third parties except (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the vote, or (3) to facilitate a successful proxy solicitation by the Board. Occasionally, shareholders provide written comments on their proxy card, which are then forwarded to Powerwave's management.

Who will bear the cost of soliciting votes for the Annual Meeting?

Powerwave will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials. In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person, by telephone or by electronic communication by our directors, officers, and employees, who will not receive any additional compensation for such solicitation activities. We will also reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation material to such beneficial owners.

May I submit a proposal for inclusion in the Proxy Statement for next year's Annual Meeting of Shareholders or nominate individuals to serve as directors?

Any shareholders desiring to submit a proposal for inclusion in the Proxy Statement for next year's Annual Meeting of Shareholders to be held in 2010 should arrange for such proposal to be delivered to the Secretary of Powerwave at its principal place of business no later than March 13, 2010 in order to be considered for inclusion in that Proxy Statement. Matters pertaining to such proposals, including the number and length thereof, eligibility of persons entitled to have such proposals included and other aspects are regulated by the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Rules and Regulations of the SEC and other laws and regulations, as well as our bylaws, to which interested persons should refer. We currently anticipate that our next Annual Meeting will be held in August 2010. See "What Committees has the Board Established? - Nominating and Corporate Governance Committee" below for a discussion on how to nominate directors.

Under Rule 14a-4 as promulgated under the Exchange Act, Powerwave will be allowed to use its discretionary voting authority when the proposal is raised at any Annual Meeting, without any discussion of the matter in the Proxy Statement for that meeting, in two situations: (i) if a proponent of a proposal fails to notify Powerwave at least 45 days prior to the current year's anniversary of the date of the mailing of the prior year's Proxy Statement, or (ii) if the date of the Annual Meeting has changed by more than 30 days from the prior year and if notice of the proposal is not received by the Company within a reasonable period of time before Powerwave mails the Proxy Statement for the current year.

Directions to the Annual Meeting of Shareholders

The Annual Meeting of Shareholders of Powerwave Technologies, Inc. will be held at the offices of Powerwave located at 1801 E. St. Andrew Place, Santa Ana, CA 92705, on August 12, 2009 at 10:00 a.m., Pacific Time. Our offices are located off of the 55 freeway between the 5 and 405 freeways in Orange County. Take the Edinger exit and head west. Turn left on Ritchey and then right on E. St. Andrew Place. Our offices are located on the right hand side of the street. Please park in the visitor parking lot.

STOCK OWNERSHIP

Who are the largest owners of Powerwave's stock?

Based on a review of Schedule 13G filings with the SEC, the following shareholders own more than 5% of the outstanding shares of Powerwave Common Stock as of July 1, 2009:

<u>Name and Address of Beneficial Owner</u>	<u>Number of Shares Beneficially Owned</u> ⁽¹⁾	<u>Percentage of Shares Outstanding</u> ⁽¹⁾
FMR LLC. 82 Devonshire Street Boston, MA 02109.....	8,762,100 ⁽²⁾	6.6%
Barclays Global Investors (Deutschland) AG Apianstrasse 6 D-85774 Unterfohring, Germany.....	7,241,413 ⁽³⁾	5.5%
Artis Capital Management LP Artis Capital Management, Inc. Stuart L. Peterson One Market Plaza Suite 1700 San Francisco, CA 94105	21,694,274 ⁽⁴⁾	16.4%
Artis Partners 2X Ltd. c/o Goldman Sachs Administration Services Gardenia Court, Suite 3307 45 Market Street Camana Bay, P.O. Box 896 KY1-1103, Cayman Islands.....	8,772,969 ⁽⁵⁾	6.6%
Dimensional Fund Advisors, LLP Palisades West, Building One 6300 Bee Cave Road Austin, TX 78746	7,603,376 ⁽⁶⁾	5.8%

⁽¹⁾ Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Shares of Common Stock subject to options or warrants currently exercisable, or exercisable within 60 days of July 1, 2009, and shares of Common Stock subject to our outstanding 1.875% convertible notes due November 2024 and our 3.875% convertible notes due October 2027 currently convertible, or convertible within 60 days of July 1, 2009, are deemed outstanding for computing the percentage of the person holding such options, warrants or convertible notes, but are not deemed outstanding for computing the percentage of any other person. As of July 1, 2009, the Company had a total of 131,975,982 shares of Common Stock issued and outstanding. Except as indicated by footnote and subject to community property laws where applicable, to the knowledge of the Company, the companies and persons named in this table have sole voting and investment power with respect to all shares of Common Stock shown to be beneficially owned by them.

⁽²⁾ Based on a Schedule 13G dated January 9, 2009 filed with the SEC. The Schedule 13G states that FMR LLC, an investment advisor, has sole power to vote or direct the vote with respect to 1,468,000 shares and sole dispositive power with respect to 8,762,100 shares.

⁽³⁾ Based on a Schedule 13G dated February 6, 2009 filed with the SEC. The Schedule 13G states that Barclays Global Investors (Deutschland) AG has sole voting power with respect to 6,732,947 shares and sole dispositive power with respect to 7,241,413 shares.

⁽⁴⁾ Based on a Schedule 13G dated February 17, 2009 filed with the SEC. The 13G states that Artis Capital Management LP, Artis Capital Management, Inc. and Stuart L. Peterson have shared voting and dispositive power with respect to these shares. Artis Capital Management LP is a registered investment adviser and is the investment adviser of funds that hold the shares for the benefit of investors in those funds. Artis Capital Management, Inc. is the general partner of Artis Capital Management LP. Mr. Peterson is the president of Artis Capital Management, Inc. and the controlling owner of Artis Capital Management LP and Artis Capital Management, Inc. Each of Artis Capital Management LP, Artis Capital Management, Inc. and Mr. Peterson disclaims beneficial ownership of these shares, except to the extent of their respective pecuniary interest therein.

- (5) Based on a Schedule 13G dated February 17, 2009 filed with the SEC. These shares are included in the shares described in footnote (5) above. Artis Partners 2X Ltd. is an investment fund, the investment adviser of which is Artis Capital Management LP. Artis Partners 2X Ltd. disclaims beneficial ownership of the shares reported in this table
- (6) Based on a Schedule 13G dated February 9, 2009 filed with the SEC. The Schedule 13G states the Dimensional Fund Advisors LLP, an investment advisor, has sole voting power with respect to 7,516,085 shares and sole dispositive power with respect to 7,603,376 shares. Dimensional Fund Advisors LLP disclaims beneficial ownership of the shares reported in this table.

How much stock do Powerwave's directors and executive officers own?

The following table shows the amount of Powerwave Common Stock beneficially owned (unless otherwise indicated) by our directors, executive officers and all directors and executive officers as a group. Except as otherwise indicated, all information is as of July 1, 2009.

Name and Address of Beneficial Owner ⁽¹⁾	Number of Shares Beneficially Owned ⁽²⁾	Percentage of Shares Outstanding ⁽²⁾
Ronald J. Buschur.....	1,324,081 ⁽³⁾	*
Kevin T. Michaels.....	651,942 ⁽⁴⁾	*
Khurram Sheikh.....	181,070 ⁽⁵⁾	*
Basem Anshasi.....	166,250 ⁽⁶⁾	*
J. Marvin MaGee.....	164,461 ⁽⁷⁾	*
John L. Clendenin.....	94,000 ⁽⁸⁾	*
David L. George.....	65,625 ⁽⁹⁾	*
Eugene L. Goda.....	50,000 ⁽¹⁰⁾	*
Carl W. Neun.....	35,000 ⁽¹¹⁾	*
Ken J. Bradley.....	34,500 ⁽¹²⁾	*
Moiz M. Beguwala.....	22,500 ⁽¹³⁾	*
All Directors and Executive Officers as a Group (11 persons).....	2,789,429 ⁽¹⁴⁾	2.1%

* Less than 1%

(1) Unless otherwise indicated, the business address of each holder is: c/o Powerwave Technologies, Inc., 1801 E. St. Andrew Place, Santa Ana, California 92705.

(2) Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Shares of Common Stock subject to options or warrants currently exercisable, or exercisable within 60 days of July 1, 2009, and shares of Common Stock subject to our outstanding 1.875% convertible notes due November 2024 and our 3.875% convertible notes due October 2027 currently convertible, or convertible within 60 days of July 1, 2009, are deemed outstanding for computing the percentage of the person holding such options, warrants or convertible notes, but are not deemed outstanding for computing the percentage of any other person. As of July 1, 2009, the Company had a total of 131,975,982 shares of Common Stock issued and outstanding. Except as indicated by footnote and subject to community property laws where applicable, to the knowledge of the Company, the companies and persons named in this table have sole voting and investment power with respect to all shares of Common Stock shown to be beneficially owned by them.

(3) Includes options exercisable for 1,045,833 shares within 60 days of July 1, 2009 and 77,500 shares of restricted stock subject to forfeiture.

(4) Includes options exercisable for 547,500 shares within 60 days of July 1, 2009 and 54,250 shares of restricted stock subject to forfeiture.

(5) Includes options exercisable for 92,500 shares within 60 days of July 1, 2009 and 42,188 shares of restricted stock subject to forfeiture.

(6) Includes options exercisable for 65,414 shares within 60 days of July 1, 2009.

(7) Includes options exercisable for 142,500 shares within 60 days of July 1, 2009 and 13,562 shares of restricted stock subject to forfeiture.

(8) Includes options exercisable for 10,000 shares within 60 days of July 1, 2009.

- ⁽⁹⁾ Includes options exercisable for 10,000 shares within 60 days of July 1, 2009.
- ⁽¹⁰⁾ Includes options exercisable for 10,000 shares within 60 days of July 1, 2009.
- ⁽¹¹⁾ Includes options exercisable for 10,000 shares within 60 days of July 1, 2009.
- ⁽¹²⁾ Includes options exercisable for 12,500 shares within 60 days of July 1, 2009.
- ⁽¹³⁾ Includes options exercisable for 12,500 shares within 60 days of July 1, 2009.
- ⁽¹⁴⁾ Includes options exercisable for 1,958,747 shares within 60 days of July 1, 2009 (see footnotes 8-13).

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires Powerwave's directors and executive officers, and persons who own more than ten percent of a registered class of Powerwave's equity securities, to file reports of ownership with the SEC and NASDAQ. Directors, executive officers and greater than ten percent beneficial owners are required by SEC regulations to furnish Powerwave with copies of all Section 16(a) reports they file.

To Powerwave's knowledge, based solely on a review of filings with the SEC and written representations by each director and executive officer that no other reports were required, we believe that all of our directors and executive officers have complied with the reporting requirements of Section 16(a) of the Exchange Act during fiscal year 2008, except that each of the following directors, Moiz M. Beguwala, Ken J. Bradley, John L. Clendenin, David L. George, Eugene L. Goda and Carl W. Neun inadvertently filed their Form 4's late on December 10, 2008 to report their director option grants that were issued on December 5, 2008.

Proposal 1 – Election of Directors

The current term of office of all of Powerwave's directors expires at the 2009 Annual Meeting of Shareholders. The Board of Directors proposes that the following nominees be elected until the next Annual Meeting of Shareholders or until their successors are duly elected and qualified. The current number of directors fixed by the bylaws of the Company is seven. Each of the following nominees has consented to serve if elected. If any of them becomes unavailable to serve as a director, the Board may designate a substitute nominee. In that case, the persons named as proxies will vote for the substitute nominee designated by the Board.

The nominees for directors are:

Moiz M. Beguwala, 63, has been a member of Powerwave's Board of Directors since December 2007. Mr. Beguwala serves on the Board of Directors of Skyworks Solutions, Inc., a wireless semiconductor company and its Nominating and Governance Committee; on the Board of Directors of SIRF Technology, a GPS semiconductor solutions company and its Compensation and Governance Committees; and serves as non-executive Chairman of the Board and member of the Compensation Committee of RF Nano, a privately held company engaged in research and development activities in carbon nanotubes. Mr. Beguwala was Senior Vice President and General Manager of the Wireless Communications business unit of Conexant Systems, Inc. from January 1999 to June 2002 when he retired from Conexant. Prior to Conexant's spin off from Rockwell International Corporation, Mr. Beguwala served as Vice President and General Manager, Wireless Communications Division, Rockwell Semiconductor Systems, Inc. from October 1998 to December 1998; Vice President and General Manager Personal Computing Division, Rockwell Semiconductor Systems, Inc. from January 1998 to October 1998; and Vice President, Worldwide Sales, Rockwell Semiconductor Systems, Inc. from October 1995 to January 1998.

Ken J. Bradley, 61, has been a member of Powerwave's Board of Directors since December 2007. Mr. Bradley has been President of Lytica Inc. since February 2005, a company specializing in supply chain management and product lifecycle planning. From January 2003 through January 2005, Mr. Bradley was the Chief Executive Officer of CoreSim, Inc., a company specializing in advanced systems design analysis. Prior to CoreSim, Mr. Bradley was with Nortel Networks from 1972 to 2002, most recently as Nortel's Chief Procurement Officer. During his 30-year career at Nortel, Mr. Bradley held several national and international executive positions in supply management, operations management and technology development including Vice President, Supplier Strategy; Senior Managing Director, Guandong Nortel Communications Joint Venture in China; and Vice President, China Joint Venture Program. Mr. Bradley also serves on the Board of Directors of RadiSys Corporation, SynQor, Inc. and MU Analysis.

Ronald J. Buschur, 45, became Chief Executive Officer of Powerwave and a member of the Board of Directors in February 2005. Mr. Buschur joined the Company in June 2001 as Chief Operating Officer. In May 2004, Mr. Buschur became President of the Company. Prior to joining the Company, Mr. Buschur held various positions at HMT Technology/Komag, an independent supplier of thin-film disks, including President and Chief Operating Officer from 1999 to 2000, Vice President of Sales, Marketing and Quality Assurance from 1997 to 1999 and Vice President of Quality Assurance from 1994 to 1997. From 1993 to 1994, Mr. Buschur was Director of Quality at Maxtor, a disk drive company. Mr. Buschur held various managerial positions at Digital Equipment Corporation, a computer manufacturer from 1987 to 1993.

John L. Clendenin, 75, was the Lead Director of Powerwave from February 2005 to October 2007. Mr. Clendenin was non-executive Chairman of the Board of Directors of Powerwave from January 3, 1999 to February 2005 and has been a member of the Board of Directors since May 1998. Mr. Clendenin is a Chairman Emeritus of BellSouth Corporation, a telecommunications holding company. He served as Chairman of the Board of BellSouth until December 31, 1997 and as President and Chief Executive Officer from 1984 until his retirement at the end of 1996. Prior to BellSouth, Mr. Clendenin was President of Southern Bell from April 1981 to December 1983. He also serves on the Board of Directors of Acuity Brands, Inc., and recently retired from the Boards of Equifax, Inc., The Kroger Company and The Home Depot, Inc.

David L. George, 55, has been a member of Powerwave's Board of Directors since November 1995. Since August 2007, he has been President of Prime Radio Products, a manufacturer of commercial radio accessories for public safety equipment. From January 2005 to August 2007, he served as Executive Vice President Operations of the Land Mobile Division of Vertex Standard Inc., a company that designs, manufactures and sells communications equipment for commercial land mobile, amateur radio and general aviation applications. From April 2002 to June 2004, Mr. George served as Chief Operating Officer, Chief Technical Officer and President of the Wireless Communications Division of Bizcom U.S.A., Inc., a public company specializing in emergency management software solutions and wireless communications systems. Prior to joining Bizcom, Mr. George was in private practice providing consulting services to participants in the wireless industry. From June 2000 to June 2001, he was Executive Vice President of Operations for Securicor Wireless, Inc., a large mobile radio network provider. Mr. George was the co-founder and served as Executive Vice President and Chief Technical Officer of ComSpace Corporation, formerly known as Unique Technologies, International, L.L.C., a wireless technology development company from February 1994 to June 2000. From November 1983 to February 1994, Mr. George served as Vice President, Director of Operations, and Commercial Communications Division of Uniden America. A member of the Institute of Electrical and Electronic Engineers for more than 22 years, he holds several patents relating to wireless technology and networks.

Eugene L. Goda, 73, has been a member of Powerwave's Board of Directors since November 1995. From June 1997 to March 2000, Mr. Goda served as Chairman of the Board, President and Chief Executive Officer of Objectshare Inc., a software company. From October 1991 to October 1995, Mr. Goda served as Chief Executive Officer of Simulation Sciences, Inc., a software company. From July 1989 to September 1991, he served as Chief Executive Officer of Meridian Software Systems.

Carl W. Neun, 65, has been a member of Powerwave's Board of Directors since February 2000 and was appointed as Chairman of the Board of Directors of Powerwave in October 2007. From 1993 to January 2000, Mr. Neun was Senior Vice President and Chief Financial Officer of Tektronix, Inc. From 1987 to 1993, he was Senior Vice President of Administration and Chief Financial Officer of Conner Peripherals, Inc. Mr. Neun was Chairman of Oregon Steel Mills, Inc. until it was acquired in January 2007. He also serves on the Board of Directors of Planar Systems, Inc. and RadiSys Corporation.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF EACH OF THE NOMINEES NAMED ABOVE.

How were directors compensated?

Under the Company's Corporate Governance Guidelines, non-employee Director compensation is determined annually by the Board of Directors acting upon the recommendation of the Compensation Committee. Directors who are also employees of the Company receive no additional compensation for service as a Director. The following table shows compensation for non-employee directors for fiscal year 2008:

Annual director retainer	\$40,000
Annual lead director/chairman retainer	\$60,000
Annual audit committee chair ⁽¹⁾	\$10,000
Annual compensation committee chair ⁽¹⁾	\$ 7,500
Annual corporate governance and nominating committee chair ⁽¹⁾	\$ 5,000
Annual stock option grant	10,000 shares
Board meeting fees ⁽²⁾	\$ 1,500
Committee meeting fees ⁽³⁾	\$ 1,000

⁽¹⁾ This is in addition to the committee meeting fees.

⁽²⁾ This is paid for each Board meeting attended, including phone meetings where resolutions were taken.

⁽³⁾ This is paid for each committee meeting attended, including phone meetings where resolutions were taken.

The Company does not provide retirement benefits to non-employee directors under any current program.

Stock Options

The Company's 1996 Director Stock Option Plan (the "Director Plan"), as amended, provides that a total of 1,200,000 shares of the Company's Common Stock are reserved for issuance under the plan. The Director Plan provides that each member of the Board of Directors who is not an employee or paid consultant of the Company will automatically be eligible to receive non-statutory options to purchase Common Stock under the Director Plan. Each director elected after December 5, 1996 will be granted an initial option under the Director Plan covering 30,000 shares of Common Stock that vests at the rate of 25% on the first anniversary of the grant date and the remaining 75% vesting in equal monthly installments over the following three years. Furthermore, annually on each December 5, each director who has been an eligible participant under the Director Plan for at least six (6) months shall be granted an annual option under the Director Plan to purchase 10,000 shares of Common Stock that vests 100% on the fourth anniversary date of the grant. The Director Plan provides that the exercise price per share of grants issued under the Director Plan shall be equal to 100% of the fair market value of a share of Common Stock on the grant date. All options expire no later than five years after the grant date. As of December 28, 2008, a total of 208,125 options had been exercised under the Director Plan. There were 280,000 options outstanding under the Director Plan as of December 28, 2008 at a weighted average exercise price of \$5.56 per share. There were 711,875 shares available for grant under the Director Plan at December 28, 2008.

On December 5, 2008, Messrs. Beguwala, Bradley, Clendenin, George, Goda, and Neun were each granted an option to purchase 10,000 shares of Common Stock at an exercise price of \$0.49 per share under the Director Plan in connection with their annual membership on the Board.

For additional information regarding Director compensation, see the Independent Director Compensation table included in "Executive Compensation."

Meetings of the Board of Directors and Meeting Attendance

During the fiscal year ended December 28, 2008, the Board of Directors held six meetings. Each director attended all of the meetings of the Board of Directors and all meetings of the committees on which they served.

Attendance at Annual Meetings

All seven board members as of December 28, 2008 attended the 2008 Annual Meeting.

Corporate Governance Policies and Practices

The following is a summary of our corporate governance policies and practices:

- All members of the Board of Directors are independent directors, as defined by NASDAQ, excluding the Chief Executive Officer. Independent directors do not receive consulting, legal or other fees from Powerwave other than Board of Directors and Committee compensation.
- The independent directors of the Board of Directors meet regularly without the presence of management.
- All of our employees, officers and directors are subject to our Code of Business Conduct and Ethics Policy. The ethics policy meets the requirements of NASDAQ, as well as the code of ethics requirements of the SEC.
- Directors stand for reelection every year.
- The Board of Director's current policy is to separate the roles of Chairman of the Board and Chief Executive Officer.
- The Audit, Compensation and Nominating and Corporate Governance Committees consist entirely of independent directors.
- At least annually, the Board of Directors review our business initiatives, capital projects and budget matters.
- The Audit Committee reviews and approves all related-party transactions, if any.
- As part of our Code of Business Conduct and Ethics Policy, we have made a "whistleblower" hotline available to all employees for anonymous reporting of financial or other concerns. The Audit Committee receives directly, without management participation, all hotline activity reports, including complaints on accounting, internal controls or auditing matters.

Code of Ethics

We have adopted a "code of ethics" as defined in Item 406(b) of SEC Regulation S-K that applies to all our employees, including our principal executive officer, principal financial officer and principal accounting officer. This code of ethics is designed to comply with the NASDAQ marketplace rules related to codes of conduct. A copy of our Code of Business Conduct and Ethics Policy is attached as Exhibit 14 to Powerwave's Form 10-K for the year ended December 28, 2003 that was filed with the SEC on February 13, 2004. A copy of our Code of Business Conduct and Ethics Policy is also posted on our website under the "Corporate Governance" link at www.powerwave.com/investorrelations.asp and is available upon written request to the Secretary of Powerwave at 1801 E. St. Andrew Place, Santa Ana, California 92705.

How do the shareholders communicate with the Company's Board of Directors?

Our Board of Directors has adopted a formal process by which shareholders may communicate with members of the Board. Shareholders who wish to communicate with the Board may do so by e-mailing comments to boardofdirectors@pwav.com or by sending written communications addressed to:

Board of Directors
Powerwave Technologies, Inc.
1801 E. St. Andrew Place
Santa Ana, California 92705

All communications will be compiled by the Secretary of Powerwave and submitted to the Board or the individual directors on a periodic basis.

Does Powerwave have Independent Directors?

The Board of Directors, assisted by the Nominating and Corporate Governance Committee, annually assesses the independence status of directors for purposes of Board and Committee memberships. Our corporate governance policies and practices provide that the Audit and Compensation Committees shall be comprised of entirely independent directors, as defined by NASDAQ guidelines. All members of the Board of Directors are independent directors, as defined under NASDAQ guidelines, except Ronald J. Buschur, the Company's Chief Executive Officer and President. All members of the Company's Audit, Compensation and Nominating and Corporate Governance Committees are independent as defined by NASDAQ guidelines.

What committees has the Board established?

The Board of Directors has standing Audit, Compensation, and Nominating and Corporate Governance Committees. The following table displays the membership of the various committees. All committee members served for the entire year.

Board Committee Membership			
Name	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Moiz M. Beguwala.....	—	✓	✓
Ken J. Bradley.....	✓	—	✓
Ronald J. Buschur.....	—	—	—
John L. Clendenin.....	✓	—	✓
David L. George.....	—	✓	✓
Eugene L. Goda.....	—	C	✓
Carl W. Neun.....	C*	—	✓

C Committee Chairman

✓ Member

* Audit Committee Financial Expert

Audit Committee and Audit Committee Financial Expert

We have a standing Audit Committee and the current members of this committee are Ken J. Bradley, John L. Clendenin, and Carl W. Neun, all of whom are independent under both Section 10A of the Exchange Act and under the NASDAQ marketplace rules. The Audit Committee operates pursuant to a written charter. A copy of our Audit Committee charter is posted on our website under the "Corporate Governance" link at www.powerwave.com/investorrelations.asp. Powerwave's Board of Directors has determined that Carl W. Neun is an audit committee financial expert as such term is defined in Item 401(d) of SEC Regulation S-K. For Mr. Neun's relevant experience, see his biography listed in "Directors" above. For additional information about the Audit Committee, see "Report of the Audit Committee" below.

Compensation Committee

We have a Compensation Committee and the current members of the Compensation Committee are Moiz M. Beguwala, David L. George, and Eugene L. Goda, all of whom are independent under both Section 10A of the Exchange Act and under the NASDAQ marketplace rules. The primary responsibility of the Compensation Committee is to set the compensation of the Chief Executive Officer and to set the compensation of other executive officers of Powerwave based upon the recommendation of the Chief Executive Officer. The Compensation Committee also reviews management organization, development and significant employee benefit programs. The Compensation Committee operates pursuant to a written charter. A copy of our Compensation Committee charter is posted on our website under the "Corporate Governance" link at www.powerwave.com/investorrelations.asp. For additional information about the Compensation Committee, see "Executive Compensation" and "Report of the Compensation Committee on Executive Compensation" below. During fiscal year 2008, the Compensation Committee held seven meetings.

Nominating and Corporate Governance Committee

We have a Nominating and Corporate Governance Committee that operates pursuant to a written charter and has the exclusive right to recommend candidates for election as directors of the Board. A copy of our Nominating and Corporate Governance Committee Charter is posted on our website under the "Corporate Governance" link at www.powerwave.com/investorrelations.asp.

The current members of the Nominating and Corporate Governance Committee are Moiz M. Beguwala, Ken J. Bradley, John L. Clendenin, David L. George, Eugene L. Goda, and Carl W. Neun, all of whom are independent directors under both Section 10A of the Exchange Act and under the NASDAQ marketplace rules. The primary purposes of the Nominating and Corporate Governance Committee are assisting the Board by identifying and recommending individuals qualified to become Board members and serve as committee members, recommending to the Board corporate governance guidelines and leading the Board in reviewing the effectiveness of its structure and composition. During fiscal year 2008, the Nominating and Corporate Governance Committee held four meetings. The current slate of director nominees were recommended by the Nominating and Corporate Governance Committee.

The Nominating and Corporate Governance Committee believes that candidates for director should have certain minimum qualifications, including being able to read and understand basic financial statements, being over 21 years of age, having business experience, and having high moral character; however, the committee retains the right to modify these minimum qualifications from time to time. The Nominating and Corporate Governance Committee's process for identifying and evaluating nominees is as follows:

- In the case of incumbent directors whose terms of office are set to expire, the Nominating and Corporate Governance Committee reviews such directors' overall service to Powerwave during their term, including the number of meetings attended, level of participation, quality of performance, and any transactions of such directors with Powerwave during their term.
- In the case of new director candidates, the Nominating and Corporate Governance Committee first determines whether the nominee must be independent for NASDAQ purposes. Determination for independence is based upon the Company's charter and bylaws, applicable securities laws, the rules and regulations of the SEC, the rules of the NASDAQ, and the advice of counsel, if necessary. The Nominating and Corporate Governance Committee then uses its network of contacts to compile a list of potential candidates but may also engage, if it deems appropriate, a professional search firm. The Nominating and Corporate Governance Committee then meets to discuss and consider such candidates' qualifications and then chooses a candidate by majority vote.

In evaluating prospective candidates, the Nominating and Corporate Governance Committee considers the following general factors: (1) character, including the reputation for personal integrity; (2) the ability to work well with others; (3) experience that is of particular relevance to the Company; (4) the ability to devote sufficient time to the affairs of the Company and the responsibilities of a director; and (5) business acumen and judgment.

It is the policy of the Nominating and Corporate Governance Committee to consider director candidates recommended by shareholders. Such recommendations should be sent to the Nominating and Corporate Governance Committee, c/o Corporate Secretary, 1801 E. St. Andrew Place, Santa Ana, California 92705. A recommendation or notice of intention to nominate a director must include the following information for each candidate: (i) name, age, business and residence address; (ii) principal occupation or employment and, if applicable, a description of all arrangements or understandings between the shareholders and such candidate; (iii) the number of shares of Powerwave Common Stock beneficially owned; and (iv) any other information that is required by law to be disclosed in connection with solicitations of proxies for the election of directors. The notice/recommendation must also include the name and residence address of the person making the recommendation and a representation as to the number of shares held of record by such person. The shareholder must also state if they intend to appear in person or by proxy at the meeting to nominate the person specified in the notice. A shareholder wishing to nominate a candidate for election to the Board at the Annual Meeting of Shareholders must submit the notice of intention to make a nomination not less than 45 days nor more than 90 days prior to the meeting, or if Powerwave gives less than 55 days notice or prior public disclosure of the meeting date, the notice of nomination must be received within 10 business days after the meeting date is announced. The Nominating and Corporate Governance Committee does not intend to alter the manner in which it evaluates candidates, including the minimum criteria set forth above, based upon whether the candidate was recommended by a shareholder.

Certain Relationships and Transactions with Management and Others

We have entered into indemnification agreements with our directors and certain executive officers. Such agreements require Powerwave to indemnify such individuals to the fullest extent permitted by Delaware law. Since the beginning of fiscal year 2008, there have been no transactions in which the Company was or is a participant in which the amount involved exceeded \$120,000 and in which any related person (as that term is defined for purposes of Section 404 (a) of Regulation S-K) had or will have a direct or indirect material interest and there are currently no such proposed transactions.

Review, Approval or Ratification of Transactions with Related Persons

Our policy with regard to related party transactions is that all material transactions are to be reviewed by the Audit Committee for any possible conflicts of interest. In the event of a potential conflict of interest, the Audit Committee will generally evaluate the transaction in terms of the following standards: (i) the benefits to the Company; (ii) the impact on a director's independence in the event the related person is a director, an immediate family member of a director or an entity in which a director is a partner, shareholder or executive officer; (iii) the availability of other sources for comparable products or services; (iv) the terms and conditions of the transaction; and (v) the terms available to unrelated parties or the employees generally. The Audit Committee will then document its findings and conclusion in written minutes.

Report of the Audit Committee

Powerwave management has overall responsibility for Powerwave's financial reporting process, including the system of internal controls, as well as the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America. The independent auditors are responsible for performing an independent audit of Powerwave's consolidated financial statements and issuing an opinion on the conformity of those audited financial statements with accounting principles generally accepted in the United States of America. The independent auditors also review Powerwave's quarterly condensed consolidated financial statements included on Form 10-Q and advise the Company with regards to accounting principles generally accepted in the United States of America. The Audit Committee assists our Board of Directors in fulfilling its responsibility to oversee management's conduct of the Company's accounting and financial reporting process. Such assistance includes oversight by the Audit Committee of the integrity of our financial statements and systems of internal accounting and financial controls, the independent auditors' qualification, independence and performance, and our programs for compliance with our business conduct and conflict of interest policies as established by management and the Board of Directors. The Audit Committee reports its findings to the Board of Directors.

In addition, subject to ratification by the shareholders, the Audit Committee recommends an independent registered public accounting firm to perform the annual independent audit of Powerwave's consolidated financial statements and to issue a report thereon; approves the nature of and the fees for both audit and non-audit services provided by the independent auditors prior to the performance of such services; and reviews the scope of work and the reported results of Powerwave's independent auditors.

The role and responsibilities of the Audit Committee are set forth in a written charter adopted by the Audit Committee and ratified by the Board of Directors. The Audit Committee reviews and reassesses the charter annually and recommends changes to the charter for Board approval. All members of the Audit Committee qualify as an "independent" director as required by and in compliance with the applicable rules of the SEC and in compliance with the current listing standards of NASDAQ.

As part of fulfilling its responsibilities for overseeing management's conduct of Powerwave's financial reporting process for fiscal year 2008, the Audit Committee held eight meetings during fiscal 2008. The meetings were designed, among other things, to facilitate and encourage communication among the Audit Committee, management, and Powerwave's independent registered public accounting firm, Deloitte & Touche and their affiliates. During these meetings, the Audit Committee reviewed and discussed Powerwave's audited financial statements with management. Additionally, the Audit Committee discussed with Deloitte & Touche the overall scope and plans for its audit, considered various areas of oversight relating to the financial reporting and audit processes that it determined appropriate, and

- Reviewed and discussed with management and Deloitte & Touche the audited consolidated financial statements contained in Powerwave's Annual Report on Form 10-K for the year ended December 28, 2008;
- Discussed with Deloitte & Touche the matters required to be discussed under the Statement on Auditing Standards No. 61 (*Communications with Audit Committees*) relating to the conduct of the audit;
- Received written disclosures and the letter from Deloitte & Touche regarding its independence as required by Independence Standards Board Standard No. 1; and
- Discussed with Deloitte & Touche the firm's independence and considered whether the provision of non-audit services by Deloitte & Touche to Powerwave is compatible with maintaining the independence of Deloitte & Touche.

Based upon the review and discussions described above, the Audit Committee concluded that the independence of Deloitte & Touche was not compromised by the provision of non-audit services to Powerwave during fiscal year 2008. In addition, based upon the review and discussions described above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in Powerwave's Annual Report on Form 10-K for the fiscal year ended December 28, 2008, for filing with the SEC.

Members of the Audit Committee:

Carl W. Neun, Chairman
 Ken J. Bradley
 John L. Clendenin

The material in this report is not “soliciting material” and is not deemed filed with the SEC and is not to be incorporated by reference in any filing of Powerwave under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

Audit and Non-Audit Fees

The Audit Committee regularly reviews and determines whether specific projects or expenditures with our independent auditors, Deloitte & Touche and their affiliates, potentially affect their independence. The Audit Committee's policy is to pre-approve all audit and permissible non-audit services provided by Deloitte & Touche. Pre-approval is generally provided by the Audit Committee for up to one year, is detailed as to the particular service or category of services to be rendered, and is generally subject to a specific budget. The Audit Committee may also pre-approve additional services or specific engagements on a case-by-case basis. Management is required to provide quarterly updates to the Audit Committee regarding the extent of any services provided in accordance with this pre-approval, as well as the cumulative fees for all non-audit services incurred to date.

The following table sets forth the aggregate fees billed to us by Deloitte & Touche for the fiscal years ended December 28, 2008 and December 30, 2007:

	Fiscal Years Ended	
	December 28, 2008	December 30, 2007
Audit Fees ⁽¹⁾	\$ 1,967,796	\$ 1,841,514
Audit-Related Fees ⁽²⁾		
Registration statements.....	---	<u>117,602</u>
Total audit-related fees	---	<u>117,602</u>
Tax Fees ⁽³⁾		
Tax compliance	172,159	633,210
Other tax consulting	<u>80,016</u>	<u>119,081</u>
Total tax fees.....	<u>252,175</u>	<u>752,291</u>
Total Fees	<u>\$ 2,219,971</u>	<u>\$ 2,711,407</u>

⁽¹⁾ Includes fees for professional services rendered for the audit of Powerwave’s annual financial statements and review of Powerwave’s annual report on Form 10-K for the fiscal years 2008 and 2007, for the audit of Powerwave’s internal controls over financial reporting for fiscal years 2008 and 2007, and reviews of the financial statements included in Powerwave’s quarterly reports on Form 10-Q for the first three quarters of fiscal 2008 and 2007.

⁽²⁾ Includes fees for professional services rendered in fiscal 2007 in connection with the Offering Memorandum related to our \$130,000,000 Subordinated Notes due 2027

⁽³⁾ Includes fees for professional services rendered in fiscal 2008 and 2007, in connection with tax compliance (including U.S. federal and international returns) and tax consulting.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Philosophy and Overview of Compensation

The Compensation Committee of the Board is responsible for establishing Powerwave's compensation philosophy and policies applicable to executive officers. Our executive compensation philosophy is designed to:

- Attract, motivate and retain talented executives needed to optimize shareholder value;
- Align the financial interests of our executive officers with those of our shareholders; and
- Provide objective, measurable performance criteria on which to base annual compensation.

We believe that attracting and retaining human talent is a critical element of our ability to achieve our strategic goals. The labor markets in which we compete for human talent, nationally and locally, are very competitive and to be successful we believe we need to offer compensation programs that are competitive with other telecommunications and technology companies that are competing for the same talent. In addition, our executive compensation programs are based on the belief that the interests of our executives should be closely aligned with our shareholders. In support of this belief, a meaningful portion of each executive's compensation is placed at-risk and is linked to the accomplishment of specific results that are expected to lead to the creation of value for our shareholders from both a short-term and long-term perspective.

Role of the Compensation Committee, Management Involvement in Compensation Decisions

The Compensation Committee has the responsibility of making recommendations to the Board of Directors relating to the compensation paid to our executive officers and non-executive employees. In formulating its recommendations to the Board of Directors, the Compensation Committee reviews a variety of sources of information as described below.

The annual compensation process for non-executive employees usually begins early in the fourth quarter with a presentation by management to the Compensation Committee of a preliminary review of current trends in compensation, and the identification of potential issues regarding the components of the compensation paid to non-executive employees. As part of this process, the human resources department reviews several independent compensation surveys, such as Radford and Mercer's Global Salary Planning Reports regarding market pay practices in the geographic areas where Powerwave has employees. Prior to the end of the fourth quarter, generally in November or December, based upon input from management and these independent compensation surveys, the Compensation Committee approves a salary increase budget and percentage increase guidelines for Powerwave's non-executive employees for the upcoming year.

Following the formal performance review process for all employees and executive officers of Powerwave, which occurs in the fourth and first quarters of the year, the human resources department provides the Compensation Committee with survey and benchmarking data on market compensation levels for the executive officers. These surveys include the Radford Executive Survey Report, the Mercer Benchmark Database, the Hewitt Total Compensation Measurement Executive Report and Equilar Executive Insight. The surveys are reviewed to compare Powerwave's compensation levels to market compensation levels, taking into consideration the other companies' size, industry, as well as the individual executive's level of responsibility.

For fiscal year 2008, the following companies were included in our comparison peer group for executive compensation purposes:

- ADC Telecommunications, Inc.
- Aplera Corporation,
- Cadence Design Systems, Inc.
- Commscope Inc.
- LSI Logic Corporation,
- Plexus Corporation,
- Primus Telecommunications Group, Inc.
- Teledyne Technologies, Inc.

Peer group data is gathered with respect to base salary, total annual cash compensation and target annual equity awards (including stock options and restricted stock). It does not include deferred compensation benefits or generally available benefits such as health care coverage or 401(k) plan matching contributions. The Compensation Committee's general practice is to target base salaries, total cash compensation, and equity compensation at the 75th percentile of the peer companies, although the Committee retains the discretion to deviate from the peer company data to take into account factors such as an executive's performance and the scope of an executive's position and responsibilities. Accordingly, the 75th percentile of the base salaries, total cash compensation and equity compensation paid by our peer group companies is the starting point in the determination of the compensation to be paid to our executive officers, but we do not rely solely on such benchmarks in establishing the compensation package paid to each executive officer.

In January or February of each year, the Chief Executive Officer makes recommendations to the Compensation Committee for base salary, bonus award adjustments and equity awards for executives, excluding the Chief Executive Officer. Following a review of the recommendations of the Chief Executive Officer, the performance of the executives during the prior year, and the comparative survey data mentioned above, the Compensation Committee then approves compensation adjustments for each executive officer. The Compensation Committee reviews the Chief Executive Officer's performance during the prior year versus various financial and subjective performance measures, as well as the independent salary and competitive data as mentioned above in order to determine any adjustment with regard to the Chief Executive Officer's base salary and bonus.

The Compensation Committee typically meets four or more times a year. In 2008, the Compensation Committee had seven meetings. The Company's Chief Executive Officer is typically present at Compensation Committee meetings. Members of management, including the Chief Executive Officer, are not present during deliberations of the Compensation Committee or the Board of Directors with respect to their own individual compensation.

The Compensation Committee has not adopted any formal policies or targets for the allocation between either cash and non-cash or short-term and long-term incentive compensation. Rather, the Compensation Committee reviews information from a variety of sources and relies on the collective experience of its members in determining the appropriate level and mix of incentive compensation. While the elements of compensation are considered separately, the Compensation Committee takes into account the total compensation package afforded by the Company to the individual executive.

Elements of Executive Compensation

There are four primary components of executive compensation:

- Base salary;
- Annual merit increases to base salary;
- Annual performance-based cash bonuses; and
- Stock options and stock awards.

Base Salary

The Company generally sets base salaries that it provides to its named executive officers at the 75th percentile of base salaries offered by similarly situated companies based on an assessment of the survey data described above. However, individual base salaries may vary from such level based on:

- Industry experience, knowledge and qualifications, including academic and professional degrees;
- The salary levels for comparable positions within the telecommunications industry including, in certain cases, the salary being received by an executive officer candidate at such person's current employer; and
- The base salaries being provided to similarly-titled executive officers at the Company.

Annual Merit Increases

Salaries paid to executive officers are reviewed annually and proposed adjustments are based upon an assessment of the nature of the position, the individual's contribution to corporate goals and achievements, experience and tenure of the executive officer, comparable market salary data, growth in Powerwave's size and complexity, and changes in the executive's responsibilities. The Compensation Committee approves all changes to executive officers' salaries. For 2008, due to macro-economic conditions the executive officers did not receive any increase in their base salaries. In 2007, the executive officers did not receive salary increases as well.

Annual Cash Bonus Plan

It is the Compensation Committee's objective to have a substantial portion of each executive officer's compensation be contingent upon Powerwave's financial performance. The purpose of this objective is to directly align the cash incentive awards paid to the executive officers with the positive financial performance of the Company. The Company generally targets total cash compensation, including base salary and annual cash bonuses, for its named executive officers at the 75th percentile of total cash compensation offered by similarly situated companies based on an assessment of the survey data described above. In 2008, Powerwave maintained a cash bonus plan for executive officers of the Company which was intended to provide incentives to our executive officers in the form of cash bonus payments for achieving certain objective performance goals based on annual and quarterly revenue and pro-forma earnings per share targets. In 2008, there were revenue and pro-forma earnings per share targets for each quarter. The performance targets were established at the beginning of the fiscal year on the basis of an annual budget and were approved by the Compensation Committee. The performance targets were the same targets that were used in a 2008 bonus plan for non-executive officer employees. Each executive officer has an annual target bonus amount that is based on a percentage of his or her base salary. The annual target bonus amounts for our executives for 2008 were as follows:

Name	Percentage of Base Salary	Target Incentive (\$)
Ronald J. Buschur	100%	\$600,000
J. Marvin MaGee	90%	450,000
Kevin T. Michaels	90%	405,000
Khurram P. Sheikh	80%	340,000
Basem Anshasi	40%	112,000

If both the revenue and pro-forma earnings per share targets are fulfilled for each of the first, second and third quarters of fiscal year 2008, each executive officer would receive 20% of his or her annual target bonus amount. If both the revenue and pro-forma earnings per share targets are fulfilled for the fourth quarter of fiscal year 2008, each executive officer would receive 40% of his or her annual target bonus amount. If the minimum pro-forma earnings per share threshold for a quarter is fulfilled and if only one of the revenue or pro-forma earnings per share targets is fulfilled, then each executive officer would receive one half of the target bonus for the relevant quarter (10% for quarters one, two and three and 20% for the fourth quarter). In 2008, Powerwave met both of its quarterly performance targets in the second and third quarters and the executive officers received 20% of their annual bonus for each of the second and third quarters of fiscal year 2008. Powerwave did not meet its first or fourth quarter performance targets and no bonuses were paid with respect to these periods to any of our executive officers.

The performance targets for fiscal year 2008 were as follows:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenue	\$230,000,000	\$230,000,000	\$230,000,000	\$250,000,000
Pro-forma earnings per share ⁽¹⁾	\$0.02	\$0.03	\$0.04	\$0.05

⁽¹⁾ Pro-forma earnings per share excludes certain charges and expenses arising from acquisitions the Company has made, including the amortization of certain intangible assets resulting from the purchase accounting valuation of those acquisitions. Also excluded are restructuring and impairment charges related to facility consolidations and closures, as well as associated severance costs. In addition, the goodwill impairment charges related to the SFAS 142 impairment test as well as the gain on the repurchase of the Company's outstanding long-term debt are also excluded. The pro-forma results are also adjusted for income taxes.

Stock Options and Stock Awards

The Compensation Committee believes that equity ownership is important to tie a significant portion of our executive officer's compensation directly to the performance of Powerwave's Common Stock and shareholder gains, while creating an incentive for sustained growth. Equity ownership also provides an important executive officer retention tool. Stock option grant and stock award levels are determined by reference to market data and vary among executive officers based on their position and level of responsibility. The Company targets equity awards for its named executive officers at the 75th percentile of peer group companies based on an assessment of the survey data described above. Annual stock option grants and stock awards generally are approved by the Compensation Committee at its regularly scheduled meeting in August/September of each year. The Compensation Committee determines each year if annual grants or stock awards will be made based on a review of competitive market pressures and compensation levels. The Compensation Committee may decide not to grant stock options or make stock awards in any particular year. Stock options have an exercise price equal to the closing price of Powerwave's Common Stock on the date of Compensation Committee approval of the grant. Options generally vest 25% after 12 months following the grant date with the remaining 75% vesting in equal monthly installments over the next 36 months. Vesting ceases on termination of employment. Newly hired executives receive their stock option award on their first day of employment with Powerwave. Newly promoted executives receive their stock option award on the date the Board of Directors or Compensation Committee approves their promotion.

In February 2008, Powerwave awarded Ronald Buschur, Kevin Michaels and Marvin MaGee shares of restricted stock in the amounts of 200,000, 140,000, and 35,000, respectively. These shares of Common Stock are subject to a risk of forfeiture which lapses over a 4-year period provided the named executive remains an employee of Powerwave. The Compensation Committee viewed these restricted stock grants as retention devices and they were also intended to provide an incentive to the executives to continue efforts to reduce the Company's operating expenses. In deciding to make restricted stock grants in lieu of providing stock options to the executive officers, the Compensation Committee considered the fact that base salaries for these executives had not been increased for two years.

Also, in December 2008, Powerwave granted Basem Anshasi an option to purchase 50,000 shares of Common Stock upon his promotion to Vice President, Worldwide Sales. The option was based on the closing price of Powerwave's Common Stock on the date of Compensation Committee approval of the grant and the option is subject to time based vesting over a 4-year period. The grant was intended to bring Mr. Anshasi's option holdings in line with his new position based on the survey data used by the Compensation Committee. Mr. Anshasi also received options to purchase 70,000 shares of Common Stock in 2008 prior to his promotion as part of the Company's annual option grant to key employees. These grants were designed to further align the interests of the key employees with our stockholders, and to create an incentive for sustained Company growth.

The Chief Executive Officer and the Chief Financial Officer of Powerwave comprise the members of the Company's Option Committee, and are empowered by the Board of Directors and the Compensation Committee to grant options to employees of the Company below the level of Senior Vice President up to a maximum grant amount of 45,000 shares per employee. All grants for employees of the Company in excess of this amount are submitted to the Compensation Committee or the Board of Directors for approval.

Other Elements of Executive Compensation

Medical Insurance. Powerwave provides to each executive officer, such health, dental and vision insurance coverage as Powerwave may from time to time make available to its other employees. Powerwave pays all of the premiums for this insurance for its executive officers.

Stock Purchase Plan. Powerwave's Extended and Restated 1996 Employee Stock Purchase Plan (the "ESPP"), which qualifies under Section 423 of the Internal Revenue Code, permits participants, including executive officers, to purchase Powerwave Common Stock on favorable terms. ESPP participants are granted a purchase right to acquire shares of Common Stock at a price that is 85% of the stock price on either the first day of the six month period or the stock price on the last day of the six month period, whichever is lower. The purchase dates occur on the last business days of July and January each year. To pay for the shares, each participant may authorize periodic payroll deductions from 1% to 15% of his or her cash compensation, subject to certain limitations imposed by the Internal Revenue Code. All payroll deductions collected from the participant in a six month period are automatically applied to the purchase of Common Stock on that period's purchase date provided the participant remains an eligible employee and has not withdrawn from the ESPP prior to that date.

401(k) Plan. Powerwave maintains a savings plan under Section 401(k) of the Internal Revenue Code. The savings or 401(k) Plan is a tax qualified savings plan under which all employees, including executive officers, are able to contribute the lesser of up to 100% of their annual salary or the limit set by the IRS. Powerwave matches 100% of the first 6% of pay that is contributed by a participant. All contributions to the 401(k) plan, as well as any matching contributions are fully vested on contribution.

Termination or Change in Control Compensation. Powerwave does not have employment agreements with any of its executive officers. Powerwave has entered into Change of Control Agreements and Severance Agreements with Ronald Buschur and Kevin Michaels and Change of Control Agreements with Marvin MaGee, Khurram Sheikh and Basem Anshasi. These agreements are intended to promote stability and continuity of senior management. Information regarding the applicable payments under such agreements is provided under the heading “Potential Payments on Termination or Change in Control.”

Tax and Accounting Implications

Deductibility of Executive Compensation

The Compensation Committee has reviewed Powerwave’s executive compensation plans to determine if revisions may be necessary due to the provisions of Section 162(m) of the Internal Revenue Code which generally disallows a tax deduction to public corporations for compensation paid to any of the corporation’s executive officers in excess of \$1,000,000 during any fiscal year. It is the current policy of the Compensation Committee to preserve, to the extent reasonably possible, Powerwave’s ability to obtain a corporate tax deduction for compensation paid to executive officers of Powerwave to the extent consistent with the best interests of Powerwave and its shareholders. The Compensation Committee continually reviews Powerwave’s existing executive compensation plans and will propose changes, if necessary and reasonable, to ensure compliance with the provisions of Section 162(m) which allow performance-based compensation to be excluded from the deduction limits.

Tax Penalties

We believe that executives will not be subject to any tax penalties under Internal Revenue Code Section 409A as a result of participating in any of our compensation programs or agreements.

Accounting for Stock-Based Compensation

On January 2, 2006, we began accounting for stock-based compensation in accordance with the requirements of Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment* (SFAS 123R). In determining stock-based awards in fiscal year 2006, the Compensation Committee of Powerwave’s Board of Directors generally considered the potential expense of these programs recorded in accordance with SFAS 123R. The Committee concluded that the awards were in the best interests of stockholders given competitive practices in our industry and among our peer companies, the awards’ potential expense, the Company’s performance, and the impact of the awards on employee motivation and retention.

Report of the Compensation Committee

The Compensation Committee has reviewed and discussed with management the foregoing Compensation Discussion and Analysis as required by Item 402(b) of Regulation S-K. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

Members of the Compensation Committee:

Eugene L. Goda, Chairman

Moiz M. Beguwala

David L. George

The material in this report is not “soliciting material” and is not deemed filed with the SEC and is not to be incorporated by reference in any filing of Powerwave under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

Compensation Committee Interlocks and Insider Participation in Compensation Decisions

During fiscal 2008, all of the members of the Compensation Committee consisted of independent directors and none of the members of the Compensation Committee either was or previously had been an officer or employee of the Company or any of its subsidiaries or otherwise had a relationship with the Company requiring disclosure under Items 404 or 407(e)(4)(iii) of Regulation S-K.

Executive Officers

We currently have five executive officers elected to serve on an annual basis by the Board of Directors. The following summary sets forth certain information regarding Powerwave’s executive officers.

Ronald J. Buschur, 45, became Chief Executive Officer of Powerwave and a member of the Board of Directors in February 2005. Mr. Buschur joined the Company in June 2001 as Chief Operating Officer. In May 2004, Mr. Buschur became President of the Company. Prior to joining the Company, Mr. Buschur held various positions at HMT Technology/Komag, an independent supplier of thin-film disks, including President and Chief Operating Officer from 1999 to 2000, Vice President of Sales, Marketing and Quality Assurance from 1997 to 1999 and Vice President of Quality Assurance from 1994 to 1997. From 1993 to 1994, Mr. Buschur was Director of Quality at Maxtor, a disk drive company. Mr. Buschur held various managerial positions at Digital Equipment Corporation, a computer manufacturer from 1987 to 1993.

J. Marvin MaGee, 57, is presently Chief Operating Officer of Powerwave. Mr. MaGee joined the Company in May 2007 as Senior Vice President, Operations and became Chief Operating Officer in December 2007. Mr. MaGee was employed by Celestica, Inc., a Toronto-based contract manufacturing service provider from 1997 through 2006, and was Executive Vice President of the World Wide Operations from 2005 through 2006 and from 2000 through 2002. Between 2002 and 2005, Mr. MaGee was Chief Operating Officer and President for Celestica. Mr. MaGee also served as Celestica's Senior Vice President of North American Operations between 1997 and 1999. Prior to joining Celestica, Mr. MaGee was employed by IBM for 18 years in various management roles in Canada and the United States.

Kevin T. Michaels, 50, is presently Chief Financial Officer and Secretary of Powerwave. Mr. Michaels joined the Company in June 1996 as Vice President, Finance and Chief Financial Officer and was appointed Secretary in June 1996. Mr. Michaels was named Senior Vice President, Finance in February 2000. Prior to joining the Company, Mr. Michaels worked for AST Research, Inc. for eight years, most recently as Vice President, Treasurer from October 1995 to June 1996. From July 1991 to October 1995, Mr. Michaels was Treasurer of AST Research, Inc. and from June 1988 to June 1991, he was Assistant Treasurer.

Khurram P. Sheikh, 38, is presently Chief Product and Development Officer of Powerwave. Mr. Sheikh joined the Company in August 2007 in his current capacity. Mr. Sheikh was employed by Time Warner Cable from August 2005 through 2007, as Vice President, Wireless Strategy and Development where he was responsible for the cable and media company's entry into the wireless space. Between 2000 and 2005, Mr. Sheikh was Chief Technology Advisor for various divisions within Sprint where he led the next generation advanced technology efforts for the company. Mr. Sheikh is widely recognized in the industry for his pioneering efforts in the development of mobile wireless broadband or "4G" wireless technology including WiMAX and LTE. Mr. Sheikh received advanced graduate degrees in Electrical Engineering with specialization in wireless communications from Stanford University. He also completed an executive development course in product development from the Harvard Business School.

Basem Anshasi, 42, is presently the Vice President of Worldwide Sales of Powerwave and has held this position since December 2008. Mr. Anshasi joined the Company in July 2006 as Senior Director for Global OEM Sales, and was later named Vice President of Global OEM Sales in January 2007. Prior to joining Powerwave, Mr. Anshasi was employed by ADC Telecommunications, Inc. from January 1991 through July 2006, where he held several management positions in Sales, Engineering and Operations and was most recently Director of Sales, Wireless. Mr. Anshasi holds a Bachelor of Science Degree in Electrical Engineering from the University of Alabama, and a Master of Science Degree in Biomedical Engineering from the University of Alabama in Birmingham.

Summary Compensation Table

The following table sets forth summary information concerning the compensation of each of our named executive officers for services rendered in all capacities for the fiscal years ended December 28, 2008, December 30, 2007 and December 31, 2006, respectively.

Name and Position	Fiscal Year	Salary	Bonus	Stock Awards ⁽¹⁾	Option Awards ⁽²⁾	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation ⁽³⁾	Total
Ronald J. Buschur President and Chief Executive Officer	2008	\$ 600,017	\$ 240,000	\$680,283	\$ 134,628	\$ ---	\$ ---	\$ 23,493	\$ 1,678,421
	2007	600,158	---	1,011,067	324,480	---	---	23,479	1,959,184
	2006	592,788	---	1,011,067	266,479	---	---	26,211	1,896,545
Kevin T. Michaels Chief Financial Officer and Secretary	2008	450,024	162,000	141,768	236,005	---	---	30,504	1,020,301
	2007	450,083	---	---	280,972	---	---	32,261	763,316
	2006	445,192	---	---	186,126	---	---	29,023	660,341
J. Marvin MaGee Chief Operating Officer	2008	500,045	180,000	35,442	291,078	---	---	24,496	1,031,061
	2007	462,061 ⁽⁴⁾	---	---	240,060	---	---	89,652	791,773
	2006	---	---	---	---	---	---	---	---
Khurram P. Sheikh Chief Product Development Officer	2008	425,009	136,000	127,064	241,446	---	---	18,041	947,560
	2007	163,515 ⁽⁵⁾	---	48,521	110,392	---	---	205,416	527,844
	2006	---	---	---	---	---	---	---	---
Basem Anshasi Vice President, Worldwide Sales	2008	325,215	46,240	---	96,800	---	---	30,370	498,625
	2007	---	---	---	---	---	---	---	---
	2006	---	---	---	---	---	---	---	---

⁽¹⁾ Mr. Buschur was granted a stock award of 200,000 shares of Common Stock in both 2008 and 2005. Mr. Michaels was granted a stock award of 140,000 shares of Common Stock in 2008. Mr. MaGee was granted a stock award of 35,000 shares of Common Stock in 2008. Mr. Sheikh was granted a stock award of 75,000 shares of Common Stock in 2007. We did not grant any stock awards in 2006. The amount reported represents the compensation cost recognized in fiscal years 2008, 2007 and 2006 related to these stock awards in 2008, 2007 and 2005 for financial statement reporting purposes in accordance with SFAS 123R. These amounts do not represent cash payments made to the named executives. Assumptions used in the calculation of these amounts are included in Note 13 to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended December 28, 2008, without giving effect to estimated forfeitures.

⁽²⁾ Amounts in this column reflect only the compensation cost recognized in fiscal years 2008, 2007 and 2006 for financial statement reporting purposes in accordance with SFAS 123R and may include amounts from awards granted in, or prior to, 2006. These amounts do not represent cash payments made to the named executives. Assumptions used in the calculation of these amounts are included in Note 13 to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended December 28, 2008, without giving effect to estimated forfeitures.

⁽³⁾ See the following separate table for details of "All Other Compensation."

⁽⁴⁾ Includes signing bonus of \$150,000.

⁽⁵⁾ Mr. Sheikh joined the Company in August 2007.

The following table details the components of “All Other Compensation” summarized in the table above.

Name and Position	Fiscal Year	Insurance Premium Payments ⁽¹⁾	All Other Compensation						Total
			401(k) Matching Contributions	Pension Contribution	Auto Allowance	Severance Payments	Change of Control Payments	Relocation Payments	
Ronald J. Buschur	2008	\$16,570	\$ 6,923	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 23,493
	2007	16,556	6,923	---	---	---	---	---	23,479
	2006	20,975	5,236	---	---	---	---	---	26,211
Kevin T. Michaels	2008	16,570	13,934	---	---	---	---	---	30,504
	2007	18,761	13,500	---	---	---	---	---	32,261
	2006	17,888	11,135	---	---	---	---	---	29,023
J. Marvin MaGee	2008	5,811	13,800	---	---	---	---	4,885 ⁽²⁾	24,496
	2007	4,496	---	---	---	---	---	85,156 ⁽³⁾	89,652
	2006	---	---	---	---	---	---	---	---
Khurram P. Sheikh	2008	16,570	1,471	---	---	---	---	---	18,041
	2007	5,416	---	---	---	---	---	200,000 ⁽⁴⁾	205,416
	2006	---	---	---	---	---	---	---	---
Basem Anshasi	2008	16,570	13,800	---	---	---	---	---	30,370
	2007	---	---	---	---	---	---	---	---
	2006	---	---	---	---	---	---	---	---

- (1) Includes both employer and employee insurance premiums that are paid by Powerwave on behalf of the named executive officers.
- (2) Represents reimbursement of tax preparation fee relating to Mr. MaGee’s relocation from Toronto, Canada to Southern California.
- (3) Includes amounts paid by the Company directly to third party vendors and reimbursement of costs incurred by Mr. MaGee in relocating from Toronto, Canada to Southern California. Such amounts include moving expenses, sales commissions on Mr. MaGee’s former residence and temporary housing expenses for Mr. MaGee in Southern California, as well as a gross up for income taxes on a portion of the relocation expenses.
- (4) Represents a lump sum payment to Mr. Sheikh to cover relocation costs from New York to Southern California.

Grants of Plan-Based Awards

The following table sets forth, for the fiscal year ended December 28, 2008, certain information regarding grants of plan-based awards to our named executive officers. As of the end of fiscal year 2008, none of the named executive officers held any performance-based equity incentive awards.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Grant Date Fair Value of Stock and Option Awards ⁽²⁾
		Threshold ⁽¹⁾	Target ⁽¹⁾	Maximum ⁽¹⁾				
Ronald J. Buschur	N/A	\$ 60,000	\$ 600,000	\$ 600,000	---	---	---	---
	02/20/08	---	---	---	200,000	---	\$2.96	\$ 592,000
Kevin T. Michaels	N/A	40,500	405,000	405,000	---	---	---	---
	02/20/08	---	---	---	140,000	---	2.96	414,400
J. Marvin MaGee	N/A	45,000	450,000	450,000	---	---	---	---
	02/20/08	---	---	---	35,000	---	2.96	103,600
Khurram P. Sheikh	N/A	34,000	340,000	340,000	---	---	---	---
Basem Anshasi	N/A	11,200	112,000	112,000	---	---	---	---
	04/30/08 ⁽³⁾	---	---	---	---	45,000	2.73	67,168
	08/12/08 ⁽³⁾	---	---	---	---	25,000	4.88	56,789
	12/12/08	---	---	---	---	50,000	0.62	20,267

- (1) Represents the possible payout amounts under our 2008 Cash Bonus Plan, which are dependent upon the Company's achievement of the performance conditions established by the Compensation Committee with respect to fiscal year 2008. The actual cash bonuses paid for fiscal year 2008 are reflected in the Summary Compensation Table.
- (2) The grant date fair value is computed in accordance with SFAS 123R. Assumptions used in the calculation of these amounts are included in Note 13 to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended December 28, 2008, without giving effect to estimated forfeitures.
- (3) These options were granted to Basem Anshasi prior to his promotion to Vice President, Worldwide Sales and prior to him becoming a named executive officer.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth summary information regarding the outstanding equity awards to our named executive officers as of December 28, 2008:

Name	Option Awards					Stock Awards			
	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Un-exercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested ⁽¹⁾	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested
Ronald J. Buschur	400,000	---	---	\$ 11.81	06/25/2011	108,500	\$ 54,250	---	---
	100,000	---	---	5.41	08/05/2012	---	---	---	---
	200,000	---	---	6.57	10/17/2013	---	---	---	---
	200,000	---	---	5.01	07/21/2014	---	---	---	---
	112,500	87,500 ⁽²⁾	---	7.47	09/12/2016	---	---	---	---
Kevin T. Michaels	50,000	---	---	31.50	08/01/2010	75,950	37,975	---	---
	75,000	---	---	5.41	08/05/2012	---	---	---	---
	75,000	---	---	6.57	10/17/2013	---	---	---	---
	200,000	---	---	5.01	07/21/2014	---	---	---	---
	67,500	52,500 ⁽²⁾	---	7.47	09/12/2016	---	---	---	---
	40,000	80,000 ⁽³⁾	---	6.49	08/07/2017	---	---	---	---
J. Marvin MaGee	79,166	120,834 ⁽⁴⁾	---	6.69	05/07/2017	18,987	9,494	---	---
	20,000	40,000 ⁽³⁾	---	6.49	08/07/2017	---	---	---	---
Khurram P. Sheikh	61,666	123,334 ⁽⁵⁾	---	6.80	08/13/2017	51,563	25,782	---	---
Basem Anshasi	4,375	5,625 ⁽⁶⁾	---	5.17	03/16/2012	---	---	---	---
	---	45,000 ⁽⁷⁾	---	2.73	04/30/2013	---	---	---	---
	---	25,000 ⁽⁸⁾	---	4.88	08/12/2013	---	---	---	---
	15,104	9,896 ⁽⁹⁾	---	8.18	07/17/2016	---	---	---	---
	5,625	4,375 ⁽²⁾	---	7.47	09/12/2016	---	---	---	---
	8,333	16,667 ⁽³⁾	---	6.49	08/07/2017	---	---	---	---
	---	50,000 ⁽¹⁰⁾	---	0.62	12/12/2018	---	---	---	---

⁽¹⁾ Value calculated by multiplying the closing market price of our Common Stock on December 28, 2008, or \$0.50, by the number of shares.

⁽²⁾ The shares underlying the option vest at the rate of 25% on September 12, 2007 and the remaining 75% vests in equal monthly installments so that the option is fully vested on September 12, 2010.

⁽³⁾ The shares underlying the option vest at a rate of 25% on August 7, 2008, and the remaining 75% vests in equal monthly installments so that the option is fully vested on August 7, 2011.

⁽⁴⁾ The shares underlying the option vest at a rate of 25% on May 7, 2008, and the remaining 75% vests in equal monthly installments so that the option is fully vested on May 7, 2011.

⁽⁵⁾ The shares underlying the option vest at a rate of 25% on August 13, 2008, and the remaining 75% vests in equal monthly installments so that the option is fully vested on August 13, 2011.

⁽⁶⁾ The shares underlying the option vest at the rate of 25% on March 16, 2008 and the remaining 75% vests in equal monthly installments so that the option is fully vested on March 16, 2011.

⁽⁷⁾ The shares underlying the option vest at a rate of 25% on April 30, 2009, and the remaining 75% vests in equal monthly installments so that the option is fully vested on April 30, 2012.

- (8) The shares underlying this option vest at a rate of 25% on August 12, 2009, and the remaining 75% vests in equal monthly installments so that the option is fully vested on August 12, 2012.
- (9) The shares underlying the option vest at the rate of 25% on July 17, 2007 and the remaining 75% vests in equal monthly installments so that the option is fully vested on July 17, 2010.
- (10) The shares underlying the option vest at a rate of 25% on December 12, 2009, and the remaining 75% vests in equal monthly installments so that the option is fully vested on December 12, 2012.

Option Exercises and Stock Vested

The following table summarizes the option exercises and vesting of stock awards for each of our named executive officers for the year ended December 28, 2008:

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
Ronald J. Buschur	---	\$ ---	131,500	\$ 364,225
Kevin T. Michaels	---	---	64,050	162,138
J. Marvin MaGee	---	---	16,013	40,535
Khurram P. Sheikh	---	---	23,437	96,140
Basem Anshasi	---	---	---	---

Potential Payments Upon Termination or Change in Control

We have entered into agreements with several of our executive officers that provide certain benefits upon the termination of their employment under certain conditions. Those agreements are summarized as follows:

Severance Agreements with Messrs. Buschur and Michaels

Effective August 1, 2003, Powerwave entered into severance agreements with Ronald J. Buschur and Kevin T. Michaels. Mr. Buschur's severance agreement, as amended to date, provides that if his employment is terminated without "cause" or if he voluntarily resigns for "good reason" (as such terms are defined below), he shall be entitled to (i) a lump-sum payment equal to three times his "total annual compensation;" and (ii) continued group health insurance for a period of 36 months. For purposes of this agreement, "total annual compensation" is defined as base salary for the year in which employment terminates plus the greater of Mr. Buschur's target bonus for the year in which employment terminates or the actual bonus paid in the prior year. Mr. Michaels executed an identical severance agreement, as amended to date, except that the severance payment amount is two times his total annual compensation, and the period of continued health coverage is 24 months. Both of these agreements were amended and restated on August 13, 2008 to conform with the regulations under Internal Revenue Code Section 409A.

Change of Control Agreements with Messrs. Buschur, Michaels, MaGee, Sheikh and Anshasi

Effective August 1, 2003, Powerwave also entered into change of control agreements with Mr. Buschur and Mr. Michaels. Mr. Buschur's change in control agreement, as amended to date, provides that if in anticipation of, connection with, or within two years following a "change in control," Mr. Buschur's employment is terminated without "cause", or if Mr. Buschur voluntarily resigns for "good reason", then Mr. Buschur shall be entitled to (i) a lump-sum payment equal to three times his total annual compensation; (ii) continued health insurance for a period of 36 months; and (iii) the immediate vesting of all unvested stock options held by Mr. Buschur. For purposes of this agreement, the term "total annual compensation" has the same definition as provided in the severance agreement. Mr. Michaels executed an identical change in control agreement, except that the lump sum payment is two times his total annual compensation, and the period of continued health insurance coverage is 24 months. Both of these agreements were amended and restated on August 13, 2008 to conform with the regulations under Internal Revenue Code Section 409A.

Effective May 2007, Powerwave entered into a Change in Control Agreement with Marvin MaGee which provides that if in anticipation of, or within 18 months following, a “change in control” of Powerwave, Mr. MaGee’s employment is terminated without “cause” or if Mr. MaGee voluntarily resigns with “good reason”, then he shall be entitled to (i) a lump sum payment equal to 18 months of his then annual salary (ii) continued health coverage for a period of 18 months; and (iii) outplacement assistance for 18 months. This agreement was amended and restated in December 2008 to conform with the regulations under Internal Revenue Code Section 409A.

Effective August 2007, Powerwave entered into a Change in Control Agreement with Khurram Sheikh which provides that if in anticipation of, or within 18 months following, a “change in control” of Powerwave, Mr. Sheikh’s employment is terminated without “cause” or if Mr. Sheikh voluntarily resigns with “good reason”, then he shall be entitled to (i) a lump sum payment equal to 18 months of his then annual salary (ii) continued health coverage for a period of 18 months; and (iii) outplacement assistance for 18 months. This agreement was amended and restated in December 2008 to conform with the regulations under Internal Revenue Code Section 409A.

Effective December 2008, Powerwave entered into a Change in Control Agreement with Basem Anshasi which provides that if in anticipation of, or within 18 months following, a “change in control” of Powerwave, Mr. Anshasi’s employment is terminated without “cause” or if Mr. Anshasi voluntarily resigns with “good reason”, then he shall be entitled to (i) a lump sum payment equal to 18 months of his then annual salary (ii) continued health coverage for a period of 18 months; and (iii) outplacement assistance for 18 months.

For purposes of the severance and change of control agreements, “cause” means: (i) the continued, unreasonable refusal or the omission by the employee to perform any material duties required of him by the Company, if such duties are consistent with duties customary for his position; (ii) any material act or omission by the employee involving malfeasance or gross negligence in the performance of his duties to, or material deviation from any of the policies or directives of the Company; (iii) conduct on the part of the employee which constitutes the breach of any statutory or common law duty of loyalty to the Company, including the unauthorized disclosure of material confidential information or trade secrets of the Company; or (iv) any illegal act by the employee which materially and adversely affects the business of the Company or any felony committed by employee, as evidenced by conviction thereof, provided that the Company may suspend the employee with pay while any allegation of such illegal or felonious act is investigated.

The term “good reason” means any of the following, without the employee’s written consent: (i) a material reduction by the Company in the employee’s compensation that is not made in connection with an across the board reduction of all the Company’s executive salaries; (ii) the assignment of duties to the employee which reflect a material adverse change in authority, responsibility or status with the Company or any successor; (iii) a material relocation of the employee to a location more than 30 miles from the location where the employee was regularly assigned to immediately prior to the employee’s termination of employment or a change in control, whichever occurs first; or (iv) a failure by the Company to pay any material portion of the employee’s compensation within ten (10) days of the date due.

These agreements define “change in control” as the occurrence of any of the following events: (i) the acquisition, directly or indirectly, by any person or group (within the meaning of Section 13(d)(3) of the Exchange Act) of the beneficial ownership of more than fifty percent of the outstanding securities of Powerwave; (ii) a merger or consolidation in which Powerwave is not the surviving entity, except for a transaction the principal purpose of which is to change the state in which Powerwave is incorporated; (iii) the sale, transfer or other disposition of all or substantially all of the assets of Powerwave; (iv) a complete liquidation or dissolution of Powerwave; (v) any reverse merger in which Powerwave is the surviving entity but in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities are transferred to a person or persons different from the persons holding those securities immediately prior to such merger; or (vi) the date a majority of the members of the Board of Directors is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of appointment or election.

The following table sets forth potential payments payable to our current named executive officers upon termination of employment without cause or a termination of employment without cause in connection with a change in control. The Company's Compensation Committee may in its discretion revise, amend or add to the benefits if it deems advisable. The table below reflects amounts payable to our named executive officers assuming a termination of employment without cause on December 28, 2008 and a change of control on, and termination of employment without cause on December 28, 2008:

Name	Trigger ⁽¹⁾	Salary and Bonus ⁽²⁾	Continuation of Benefits ⁽³⁾	Value of Option Acceleration ⁽⁴⁾	Value of Restricted Stock Acceleration	Total Value
Ronald J. Buschur	Termination without Cause Change of Control	\$ 3,600,000 3,600,000	\$ 47,891 47,891	\$ --- --- ⁽⁵⁾	\$ --- 54,250	\$ 3,647,891 3,702,141
Kevin T. Michaels	Termination without Cause Change of Control	1,710,000 1,710,000	31,927 31,927	--- --- ⁽⁵⁾	--- 37,975	1,741,927 1,779,902
J. Marvin MaGee	Termination without Cause Change of Control	--- 750,000	--- 8,067	--- ---	--- 9,494	--- 767,561
Khurram Sheikh	Termination without Cause Change of Control	--- 637,500	--- 23,946	--- ---	--- 25,782	--- 687,228
Basem Anshasi	Termination without Cause Change of Control	--- 477,000	--- 23,946	--- ---	--- ---	--- 500,946

⁽¹⁾ Messrs. Buschur and Michaels are entitled to the benefits specified in this table if their employment is terminated without cause or if they voluntarily resign for "good reason." In the case of a "change of control," Messrs. Buschur and Michaels are entitled to the benefits specified in this table if in anticipation of, in connection with or within two years following a "change of control," their employment is terminated without cause or if they voluntarily resign for "good reason." In the case of a "change of control" Messrs. MaGee, Sheikh and Anshasi are entitled to the benefits specified in this table if in anticipation of, in connection with or within eighteen months following a "change of control," their employment is terminated without cause or if they voluntarily resign for good reason.

⁽²⁾ Represents three times annual 2008 salary and target bonus for 2008 in the case of Mr. Buschur. Represents two times annual 2008 salary and target bonus for 2008 in the case of Mr. Michaels. Represents one and a half times annual 2008 salary for Messrs. MaGee, Sheikh and Anshasi.

⁽³⁾ Represents the cost of continuing medical benefits via COBRA for three years in the case of Mr. Buschur and two years in the case of Mr. Michaels. Represents the cost of continuing medical benefits via COBRA for one and a half years for Messrs. MaGee, Sheikh and Anshasi. For purposes of this calculation, expected costs have not been adjusted for any actuarial assumptions related to mortality or increases in costs.

⁽⁴⁾ Represents the aggregate value of the accelerated vesting of the executive officers' unvested stock options if their employment is terminated for cause or if they voluntarily resign for "good reason" in connection with, in anticipation of or within two years following a "change of control". The amounts shown as the value of the accelerated stock options are based on the intrinsic value of the options as of December 28, 2008. This was calculated by multiplying (i) the difference between the fair market value of the options as of December 28, 2008 (based on a closing market price of \$0.50 per share on December 28, 2008) and the applicable exercise price by (ii) the assumed number of option shares vesting on an accelerated basis on December 28, 2008.

⁽⁵⁾ In case of a change of control, if in anticipation of, in connection with, or within two years following a change of control, the employment of Mr. Buschur or Mr. Michaels is terminated without cause or if they voluntarily resign for good reason, then their options would accelerate. At December 28, 2008, their options had no intrinsic value because the exercise price of each outstanding option was greater than the closing price of our Common Stock.

Independent Director Compensation

The following table sets forth compensation for the fiscal year ended December 28, 2008 for the Company's independent directors:

Name	Fees Earned or Paid in Cash ⁽¹⁾	Stock Awards	Option Awards ⁽²⁾	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
Moiz M. Beguwala	\$ 59,000	\$ ---	\$30,438	\$ ---	\$ ---	\$ ---	\$89,438
Ken J. Bradley	60,000	---	30,438	---	---	---	90,438
John L. Clendenin	62,500	---	32,384	---	---	---	94,884
David L. George	59,000	---	32,384	---	---	---	91,384
Eugene L. Goda	66,500	---	32,384	---	---	---	98,884
Carl W. Neun	90,000	---	32,384	---	---	---	122,384

⁽¹⁾ Consists of the annual board retainer, board and committee meeting fees, and committee chair retainers. These amounts do not include amounts paid to independent directors to reimburse them for expenses of travel, lodging and other reasonable out-of-pocket expenses which are related to service on the Company's Board of Directors.

⁽²⁾ Reflects the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 28, 2008, in accordance with SFAS 123R, without giving effect to estimated forfeitures, and thus includes amounts from options granted in prior years. Includes stock options for 10,000 shares of Common Stock that are granted to each independent director annually on December 5. Assumptions used in the calculation of these amounts are included in Note 13 to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended December 28, 2008. As of December 28, 2008, each director had the following number of stock options outstanding:

Mr. Clendenin	50,000
Mr. George	50,000
Mr. Goda	50,000
Mr. Neun	50,000
Mr. Beguwala	40,000
Mr. Bradley	40,000

See also "How Were Directors Compensated" for a discussion of non-employee director compensation.

PROPOSAL 2 - RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITORS

The Board of Directors, acting upon the recommendation of the Audit Committee, has appointed the independent accounting firm of Deloitte & Touche, certified public accountants, to audit the consolidated financial statements of Powerwave and its subsidiaries for the 2008 fiscal year. Deloitte and Touche has audited the accounts and records of Powerwave and its subsidiaries since 1995. If the shareholders do not ratify the appointment of Deloitte & Touche, the Board will reconsider the appointment of independent public auditors.

Representatives of Deloitte & Touche are expected to be present at the Annual Meeting and will have the opportunity to make a statement if they so desire and will also be available to respond to appropriate questions.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSAL TO RATIFY THE APPOINTMENT OF DELOITTE & TOUCHE AS INDEPENDENT AUDITORS OF THE COMPANY FOR THE 2009 FISCAL YEAR.

ANNUAL REPORT

Powerwave's 2008 Annual Report, including Form 10-K (without exhibits), is being forwarded to each shareholder with this Proxy Statement. The Annual Report is not to be regarded as proxy soliciting material or as a communication by means of which any solicitation is to be made.

Submitted by:
Kevin T. Michaels
Chief Financial Officer and Secretary

Dated: July 13, 2009

