



# Fiscal Q2 2013 Earnings Call

*January 30, 2013*

## Cautionary Language Concerning Forward-Looking Statements

Certain statements in this presentation are forward-looking statements under Section 27A of the Securities Act of 1934. “Forward-looking” statements are all statements we make other than those dealing specifically with historical matters. Actual results may differ materially from those we project. Please refer to our SEC filings, particularly the risk factors section in Part 1, Item 1A of our current report on 8-K filed December 14, 2012 for factors that could cause actual results to materially differ from those we project.

This presentation includes non-GAAP financial measures where indicated, which complement the Company’s consolidated GAAP financial statements. These non-GAAP financial measures are not intended to supersede or replace the Company’s GAAP results. We provide a detailed reconciliation of historical GAAP results to the historical non-GAAP results in the “Non-GAAP Condensed Consolidated Statement of Operations” schedule to our earnings release issued today, which includes a discussion of the GAAP measures excluded from the non-GAAP measures. The news release is located in the Investor Relations section of our web site at [www.jdsu.com](http://www.jdsu.com).

# Fiscal Q2 2013 Financial Highlights

*(Amounts non-GAAP unless specified)*

- **Revenue:** \$429.4 million, at the high end of management guidance.
  - Sequential revenue growth driven by CommTest, which exceeded its guidance range with no contribution from service provider budget flush spending.
  - Products less than 2 years old generated 54% of core network markets revenue, over 50% for the seventh consecutive quarter.
- **Gross margin:** 48.0%, JDSU's highest gross margin since December 2010.
  - Record high gross margin reported by CommTest and sequential improvement reported by CCOP.
- **Operating margin:** 11.4%, JDSU's highest operating margin since June 2011.
  - Each business segment exceeded management guidance.
  - Total operating expenses of \$157.2 million only increased \$3.2 million from the prior quarter, and was below management guidance.
- **Net income:** \$42.3 million or \$0.18 per share, compared to \$35 million or \$0.15 in the previous quarter and \$36.3 million or \$0.16 in the previous year.
- **Cash from operations:** strong at \$59.4 million.
- **Book to bill:** overall less than 1.
  - OSP greater than 1; CommTest at 1; CCOP less than 1.

# Income Statement

*(Amounts non-GAAP unless specified)*

	<b>FQ2 2013</b>	<b>FQ1 2013</b>	<b>FQ2 2012</b>
<b>Revenue</b>	\$429.4	\$420.9	\$409.6
<b>Gross Margin</b>	48.0%	45.8%	47.1%
<b>Operating Expenses</b>	\$157.2	\$154.0	\$152.9
<b>Operating Margin</b>	11.4%	9.2%	9.8%
<b>Net Income</b>	\$42.3	\$35.0	\$36.3
<b>EPS</b>	\$0.18	\$0.15	\$0.16

# Revenue by Segment

(Amounts non-GAAP unless specified)

	FQ2 2013	FQ1 2013	FQ2 2012
<b>Revenue</b>			
CommTest	\$195.4	\$169.5	\$196.2
CCOP	\$185.8	\$194.9	\$163.2
OSP	\$48.2	\$56.5	\$50.2
<b>Total</b>	<b>\$429.4</b>	<b>\$420.9</b>	<b>\$409.6</b>
<b>% of Total Revenue</b>			
CommTest	45.5%	40.3%	47.9%
CCOP	43.3%	46.3%	39.8%
OSP	11.2%	13.4%	12.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

# Revenue by Geographic Region

(Amounts non-GAAP unless specified)

	FQ2 2013	FQ1 2013	FQ2 2012
<b>Revenue</b>			
Americas	\$214.1	\$209.8	\$206.6
EMEA	\$102.3	\$97.0	\$100.0
Asia-Pacific	\$113.0	\$114.1	\$103.0
<b>Total</b>	<b>\$429.4</b>	<b>\$420.9</b>	<b>\$409.6</b>
<b>% of Total Revenue</b>			
Americas	49.9%	49.8%	50.4%
EMEA	23.8%	23.1%	24.4%
Asia-Pacific	26.3%	27.1%	25.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

## Segment Results – CommTest

*(Amounts non-GAAP unless specified)*

	FQ2 2013	FQ1 2013	FQ2 2012
Revenue	\$195.4	\$169.5	\$196.2
Gross Margin	64.4%	62.1%	60.2%
Operating Income	\$35.3	\$16.8	\$28.0
Operating Margin	18.1%	9.9%	14.3%

# Segment Highlights – CommTest (1/2)

*(Amounts non-GAAP unless specified)*

## Fiscal Q2 Results

- **Revenue:** \$195.4 million with no seasonal budget flush activity.
  - Sequential improvement driven by demand for Ethernet, mobility, 100G and cloud solutions.
  - Revenue grew sequentially in all three geographic regions.
  - Year-on-year revenue decline of less than \$1 million as organic growth in key areas and small acquisitions offset product pruning and lack of year-end budget flush.
- **Gross margin:** 64.4%, highest reported gross margin by CommTest in a single quarter.
  - Resulted from favorable product mix and cost reductions driven by outsourcing of production and repair, and inventory management.
- **Operating margin:** 18.1%, highest since December 2010.
  - Resulted from gross margin leverage combined with effective cost management.
  - Year-on-year operating income grew 26.1% on essentially flat revenue.
- **Book to bill:** at 1.



# Segment Highlights – CommTest (2/2)

*(Amounts non-GAAP unless specified)*

## Fiscal Q2 Results

- **Innovation/product updates:**

### **Software**

- Announced StrataSync, a hosted, cloud-based asset, configuration and test-data management platform that leverages and builds upon JDSU's market-leading installed base of field test instruments.
- Continued traction with PacketPortal; 11 customers and 23 completed customer trials to date.

### **Mobility**

- Grew total mobility revenue more than 10% year-on-year.
- Leveraging recent acquisitions in RF test and capacity test across our installed base, including Tier 1 LTE instruments.

## Segment Results – CCOP

(Amounts non-GAAP unless specified)

	FQ2 2013	FQ1 2013	FQ2 2012
<b>CCOP</b>			
Revenue	\$185.8	\$194.9	\$163.2
Gross Margin	30.9%	30.1%	30.5%
Operating Income	\$21.2	\$23.8	\$16.6
Operating Margin	11.4%	12.2%	10.2%
<b>Optical Communications</b>			
Revenue	\$155.6	\$163.0	\$138.1
Gross Margin	28.3%	27.5%	29.0%
<b>Lasers</b>			
Revenue	\$30.2	\$31.9	\$25.1
Gross Margin	44.4%	43.3%	38.8%

# Segment Highlights – CCOP

*(Amounts non-GAAP unless specified)*

## Fiscal Q2 Results

- **Revenue:** \$185.8 million, down 4.7% sequentially and up 13.8% year-on-year.
  - Sequential decline reflects expected impact of customer transitions to vendor-managed inventory (VMI), particularly in Optical Communications.
  - Revenue in the previous year was impacted by floods in Thailand.
- **Gross margin:** 30.9%, improved from 30.1% sequentially on lower revenue
  - Both Optical Communications and Lasers gross margins improved sequentially on lower revenue.
- **Operating margin:** 11.4%, exceeded management guidance
  - Benefited from initiatives in supply chain optimization, multi-sourcing and design cost reductions.
- **Book to bill:** less than 1 for both Optical Communications and Lasers, reflecting timing of orders related to year-end price negotiations. Bookings expected to normalize in the current quarter.

# CCOP Highlights – Optical Communications

*(Amounts non-GAAP unless specified)*

## Fiscal Q2 Results

- **Revenue:** \$155.6 million, down 4.5% sequentially as expected due to VMI
  - Revenue associated with VMI programs grew to 46% of optical revenue.
- **Gross margin:** 28.3%, compared to 27.5% in the previous quarter
  - Sequential improvement on lower revenue due primarily to cost improvements throughout the quarter.
  - Sequential ASP decline was 1.2%, below the historical 2-4% range.
- **Innovation/product updates:**
  - Total ROADM revenue accounted for 20% of optical revenue compared to 24% in the previous quarter as a result of the VMI transition and timing of key customer programs.
    - TrueFlex line of ROADMs on plan, with Twin 1x20 ROADM scheduled for release soon.
    - New design pipeline of line cards is at its highest level in years.
  - Tunable XFP revenue was flat sequentially, accounting for 14% of optical revenue.
  - 40G and 100G coherent components and modules are ramping.
  - Pluggables growth initiative continues to make excellent progress.
  - Gesture recognition to resume volume production this spring on our initial customer's next-gen gaming platform; signed a fourth customer.

# CCOP Highlights – Lasers

*(Amounts non-GAAP unless specified)*

## Fiscal Q2 Results

- **Revenue:** \$30.2 million, down \$1.7 million sequentially
  - Softer demand for gas and solid state lasers compared to the previous quarter
  - Fiber laser revenue grew slightly to \$7.0 million compared to \$6.7 million last quarter.
  - Customers evaluating our new higher-power solid state lasers for high-speed precision cutting and micro-machining applications.
  
- **Gross margin:** 44.4%, up sequentially from 43.3% on lower revenue
  - Sequential improvement due to cost improvement initiatives.

## Segment Results – OSP

*(Amounts non-GAAP unless specified)*

	FQ2 2013	FQ1 2013	FQ2 2012
<b>Revenue</b>	\$48.2	\$56.5	\$50.2
<b>Gross Margin</b>	47.9%	51.0%	49.6%
<b>Operating Income</b>	\$16.2	\$21.2	\$16.8
<b>Operating Margin</b>	33.6%	37.5%	33.5%

# Segment Highlights – OSP

*(Amounts non-GAAP unless specified)*

## Fiscal Q2 Results

- **Revenue:** \$48.2 million, declined 14.7% sequentially as expected
  - Sequential decline largely due to calendar year-end inventory adjustments for anti-counterfeiting solutions.
  - Our optically variable magnetic pigments (OVMP) are now either used or designed into currencies used by 38 countries; most recently featured on the 5 new Euro banknote to be released in May.
- **Gross margin:** declined to 47.9% from 51.0% in the prior quarter on lower revenue.
- **Operating margin:** 33.6%, exceeded management guidance
- **Book to bill:** greater than 1.

## Quarterly Operating Model Targets\*

(Amounts non-GAAP unless specified)

	Revenue	Gross Margin	Operating Margin
<b>CommTest</b>	> \$215	64%-66%	20%-23%
<b>CCOP</b>	> \$210	> 35%	16%-20%
<b>OSP</b>	> \$52	NA	34%-37%
<b>Total JDSU</b>	≥ \$477	> 49%	14%-17%*

\* Includes unallocated corporate expenses of approximately 5-6% of revenue



# Fiscal Q2 2013 Balance Sheet and Operating Metrics

(Amounts non-GAAP unless specified)

## As of December 29, 2012

<b>Total Cash Balance*</b>	<b>\$740.2</b>
<b>Cash from Operations</b>	<b>\$59.4</b>
<b>Capital Expenditures</b>	<b>\$15.5</b>
<b>Short-Term Debt (Carrying Value)**</b>	<b>\$205.6</b>
<b>DSO</b>	<b>60</b>
<b>Inventory Turns</b>	<b>5</b>
<b>Head Count</b>	<b>4,805</b>

\* Includes cash and cash-equivalents, short-term investments and restricted cash.

\*\* Carrying amount equals outstanding principal amount less the unamortized debt discount. An additional repurchase of \$50 million of convertible debt was made after quarter end.

# Fiscal Q3 2013 Guidance

(Amounts non-GAAP)

## Q3 2013 Guidance

Taking into consideration the factors below, we expect second quarter revenue to be between **\$405 million and \$425 million** and non-GAAP operating margin to be between **6.5% and 8.5%**.

### Points to Consider

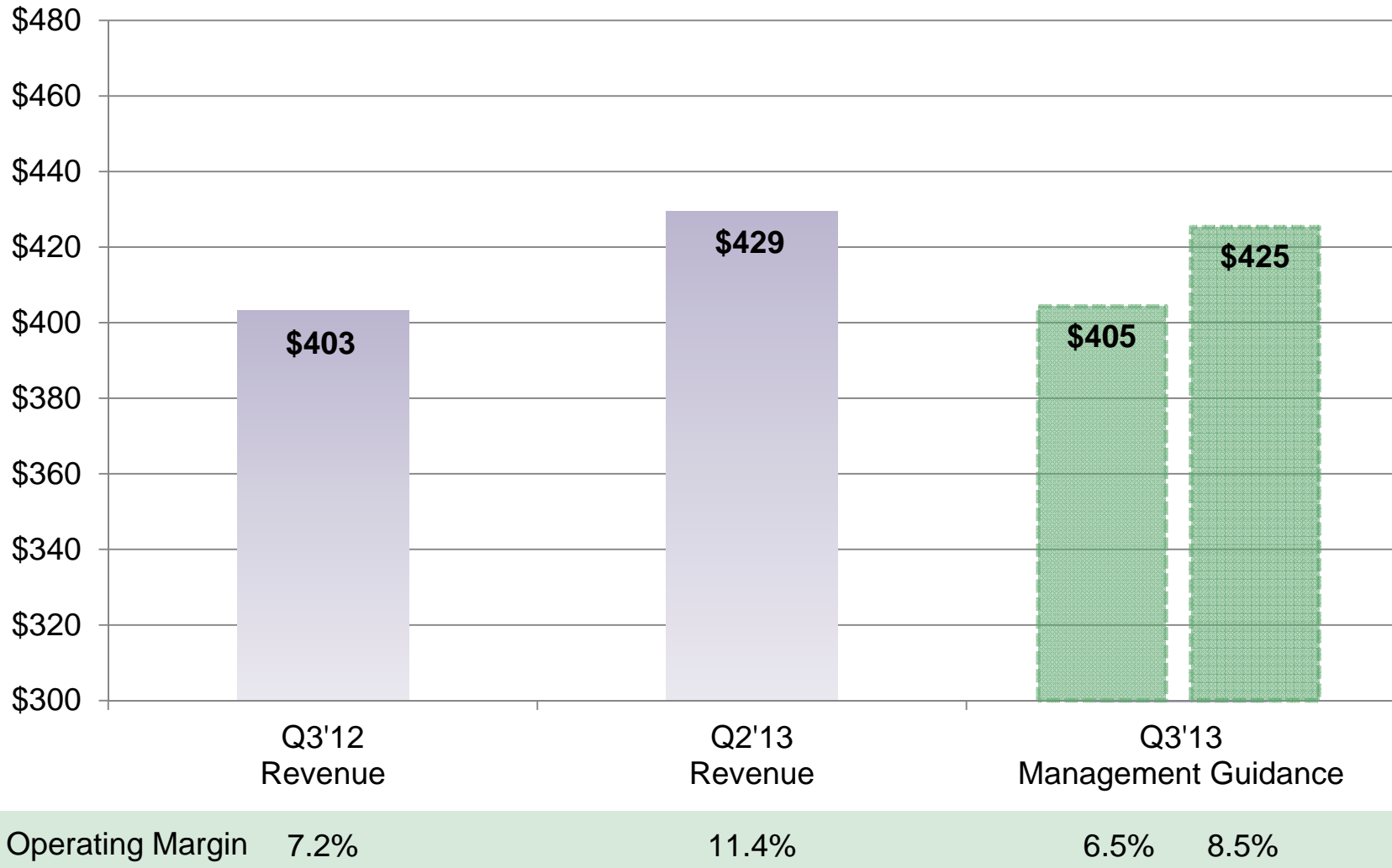
- Based on normal seasonality, we would expect some decline in revenue from our fiscal second to fiscal third quarter.
- We expect our customers to begin releasing their capital budgets in earnest in March, and thus expect the positive impact of increased network investments in our June quarter.
- With these factors in mind, in CommTest we expect lighter revenue and corresponding impacts on gross margin and operating margin. In CCOP, we expect a flattish quarter, with a slight increase in optical components being offset by a decline in Lasers. And for OSP, we expect a slight increase in revenue, and a consistent performance on profitability.
- Specifically, then on a sequential basis:
  - For CommTest, we expect revenue to be down by 6% to 10%.
  - For CCOP, we expect revenue to flat +/- 3%.
  - For OSP, we expect revenue to be up 2% to 6%.
- The company's operating expenses are expected to be flat to up \$4 million, primarily reflecting higher taxes and other beginning of calendar year payroll impacts.
- Looking at the operating margins for the segments:
  - CommTest operating margin is expected to be 8% to 10%.
  - CCOP operating margin is expected to be 8% to 10%.
  - OSP operating margin is expected to be 32% to 34%
- Taxes, interest and other income are expected to result in a net expense of approximately \$5 to 6 million.
- Share count for calculating EPS is expected to be approximately 240 million shares.
- We expect capital equipment purchases to be 4% to 5% of revenue.

# Fiscal Q3 2013 Guidance

(Amounts non-GAAP unless specified)

Total Revenue Y/Y Increase/(Decline)  
Total Revenue Q/Q Increase/(Decline)

0.5%      5.5%  
(5.6%)    (-0.9%)



# Upcoming Investor Events

<b>Feb 14</b>	JDSU 2013 Analyst Day	San Francisco, CA
<b>Feb 26</b>	Morgan Stanley TMT Conference	San Francisco, CA
<b>Mar 12</b>	Piper Jaffray (1x1 meetings only)	New York City, NY
<b>Mar 19-20</b>	OFC-NFOEC (booth tours only)	Anaheim, CA

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## Historical Financials



# GAAP Income Statement

<b>Unaudited GAAP Income Statement</b>	Q211 Dec-10	Q311 Mar-11	Q411 Jun-11	FY11 Jun-11	Q112 Sep-11	Q212 Dec-11	Q312 Mar-12	Q412 Jun-12	FY12 Jun-12	Q113 Sep-12	Q213 Dec-12
<i>(\$ in millions, except per share amounts)</i>											
Revenue	\$ 468.1	\$ 448.5	\$ 465.3	\$ 1,781.9	\$ 415.8	\$ 409.3	\$ 403.3	\$ 434.0	\$ 1,662.4	\$ 420.9	\$ 429.4
Cost of sales	241.6	235.6	248.1	939.3	219.9	219.4	221.4	237.6	898.3	231.2	225.8
Amortization of acquired developed technology	14.1	14.3	14.4	56.9	14.3	15.4	14.1	14.8	58.6	17.1	14.6
Gross profit	212.4	198.6	202.8	785.7	181.6	174.5	167.8	181.6	705.5	172.6	189.0
Operating expenses:											
Research and development	59.6	60.2	62.3	238.0	59.3	58.9	62.0	63.8	244.0	61.6	63.5
Selling, general and administrative	108.5	109.7	108.6	433.0	109.8	105.1	104.3	106.6	425.8	103.4	105.3
Amortization of other intangibles	6.5	6.4	5.9	25.9	5.1	5.4	5.7	5.5	21.7	3.5	2.2
(Gain) Loss and impairment of long-lived assets	-	0.2	1.3	1.5	0.5	0.2	0.2	0.3	1.2	1.3	0.1
Restructuring charges	2.5	7.6	4.4	14.8	1.5	4.0	2.0	4.9	12.4	2.7	3.0
Total operating expenses	177.1	184.1	182.5	713.2	176.2	173.6	174.2	181.1	705.1	172.5	174.1
Income (loss) from operations	35.3	14.5	20.3	72.5	5.4	0.9	(6.4)	0.5	0.4	0.1	14.9
Interest/other income, net	(4.9)	(6.2)	(6.1)	(23.2)	(6.7)	(5.7)	(6.8)	3.1	(16.1)	(6.6)	(7.5)
Impairment of investments	-	-	-	-	-	-	-	-	-	-	-
Gain (loss) on sale of investments	0.1	0.1	-	3.4	1.1	0.1	0.1	0.3	1.6	0.1	-
Income (loss) before income taxes	30.5	8.4	14.2	52.7	(0.2)	(4.7)	(13.1)	3.9	(14.1)	(6.4)	7.4
Income tax expense (benefit)	5.2	(32.1)	3.0	(26.0)	3.4	3.0	3.1	2.5	12.0	3.4	4.1
Gain/(Loss) from continuing operations, net of taxes	25.3	40.5	11.2	78.7	(3.6)	(7.7)	(16.2)	1.4	(26.1)	(9.8)	3.3
Gain/(Loss) from discontinued operations, net of tax	(1.7)	(1.9)	(1.9)	(7.1)	(2.2)	(2.5)	(1.2)	(23.6)	(29.5)	(1.8)	0.8
Net (Loss)/Income	\$ 23.6	\$ 38.6	\$ 9.3	\$ 71.6	\$ (5.8)	\$ (10.2)	\$ (17.4)	\$ (22.2)	\$ (55.6)	\$ (11.6)	\$ 4.1
Net (loss)/gain per share - basic from:											
Continuing operations	\$ 0.12	\$ 0.18	\$ 0.05	\$ 0.35	\$ (0.02)	\$ (0.03)	\$ (0.07)	\$ 0.01	\$ (0.11)	\$ (0.04)	\$ 0.02
Discontinued operations	(0.01)	(0.01)	(0.01)	(0.03)	(0.01)	(0.01)	(0.01)	(0.11)	(0.13)	(0.01)	-
Net (loss)/gain	\$ 0.11	\$ 0.17	\$ 0.04	\$ 0.32	\$ (0.03)	\$ (0.04)	\$ (0.08)	\$ (0.10)	\$ (0.24)	\$ (0.05)	\$ 0.02
Net (loss)/gain per share - diluted from:											
Continuing operations	\$ 0.11	\$ 0.17	\$ 0.05	\$ 0.34	\$ (0.02)	\$ (0.03)	\$ (0.07)	\$ 0.01	\$ (0.11)	\$ (0.04)	\$ 0.02
Discontinued operations	(0.01)	(0.01)	(0.01)	(0.03)	(0.01)	(0.01)	(0.01)	(0.11)	(0.13)	(0.01)	-
Net (loss)/gain	\$ 0.10	\$ 0.16	\$ 0.04	\$ 0.31	\$ (0.03)	\$ (0.04)	\$ (0.08)	\$ (0.10)	\$ (0.24)	\$ (0.05)	\$ 0.02
Shares used in per-share calculation (basic)	222.9	225.6	227.2	224.4	228.4	229.4	230.6	231.7	230.0	232.8	234.4
Shares used in per-share calculation (diluted)	229.1	235.4	235.7	232.6	228.4	229.4	230.6	231.7	230.0	232.8	237.1
<b>Unaudited % Total GAAP Revenue</b>											
Gross margin	45.4%	44.3%	43.6%	44.1%	43.7%	42.6%	41.6%	41.8%	42.4%	41.0%	44.0%
Research and development	12.7%	13.4%	13.4%	13.4%	14.3%	14.4%	15.4%	14.7%	14.7%	14.6%	14.8%
Selling, general and administrative	23.2%	24.5%	23.3%	24.3%	26.4%	25.7%	25.9%	24.6%	25.6%	24.6%	24.5%
Total operating expenses	37.8%	41.0%	39.2%	40.0%	42.4%	42.4%	43.2%	41.7%	42.4%	41.0%	40.5%
Operating margin	7.5%	3.2%	4.4%	4.1%	1.3%	0.2%	-1.6%	0.1%	0.0%	0.0%	3.5%

# Non-GAAP Income Statement

<b>Unaudited Non-GAAP Income Statement</b>	Q111 Sep-10	Q211 Dec-10	Q311 Mar-11	Q411 Jun-11	FY11 Jun-11	Q112 Sep-11	Q212 Dec-11	Q312 Mar-12	Q412 Jun-12	FY12 Jun-12	Q113 Sep-12	Q213 Dec-12
<i>(\$ in millions, except per share amounts)</i>												
Revenue	\$406.1	\$471.8	\$449.9	\$465.8	\$1,793.6	\$416.1	\$409.6	\$403.3	\$434.0	\$1,663.0	\$420.9	\$429.4
Cost of sales	212.4	240.3	234.1	246.6	933.4	218.1	216.7	219.2	237.4	891.4	228.2	223.2
Gross profit	193.7	231.5	215.8	219.2	860.2	198.0	192.9	184.1	196.6	771.6	192.7	206.2
Operating expenses:												
Research and development	53.9	57.5	57.9	59.9	229.2	56.7	55.8	58.9	61.0	232.4	58.7	60.1
Selling, general and administrative	95.4	100.9	102.7	101.0	400.0	94.9	97.1	96.0	97.3	385.3	95.3	97.1
Total operating expenses	149.3	158.4	160.6	160.9	629.2	151.6	152.9	154.9	158.3	617.7	154.0	157.2
Operating income (loss)	44.4	73.1	55.2	58.3	231.0	46.4	40.0	29.2	38.3	153.9	38.7	49.0
Interest/other income, net	(1.7)	(0.9)	(1.2)	(1.3)	(5.1)	(1.8)	(0.7)	(1.5)	(0.4)	(4.4)	(0.3)	(2.6)
Income (loss) before income taxes	42.7	72.2	54.0	57.0	225.9	44.6	39.3	27.7	37.9	149.5	38.4	46.4
Income tax expense (benefit)	(2.1)	5.2	2.8	3.0	8.9	3.4	3.0	3.1	2.5	12.0	3.4	4.1
Net income (loss)	\$ 44.8	\$ 67.0	\$ 51.2	\$ 54.0	\$ 217.0	\$ 41.2	\$ 36.3	\$ 24.6	\$ 35.4	\$ 137.5	\$ 35.0	\$ 42.3
Earnings (loss) per share, basic	\$ 0.20	\$ 0.30	\$ 0.23	\$ 0.24	\$ 0.97	\$ 0.18	\$ 0.16	\$ 0.11	\$ 0.15	\$ 0.60	\$ 0.15	\$ 0.18
Earnings (loss) per share, diluted	\$ 0.20	\$ 0.29	\$ 0.22	\$ 0.23	\$ 0.93	\$ 0.18	\$ 0.16	\$ 0.10	\$ 0.15	\$ 0.59	\$ 0.15	\$ 0.18
Shares used in per-share calculation (basic)	221.8	222.9	225.6	227.2	224.4	228.4	229.4	230.6	231.7	230.0	232.8	234.4
Shares used in per-share calculation (diluted)	227.5	229.1	235.4	235.7	232.6	233.4	232.7	235.2	235.0	234.3	236.0	237.1
<b>Unaudited % Total Non-GAAP Revenue</b>	Q111 Sep-10	Q211 Dec-10	Q311 Mar-11	Q411 Jun-11	FY11 Jun-11	Q112 Sep-11	Q212 Dec-11	Q312 Mar-12	Q412 Jun-12	FY12 Jun-12	Q113 Sep-12	Q213 Dec-12
Gross margin	47.7%	49.1%	48.0%	47.1%	48.0%	47.6%	47.1%	45.6%	45.3%	46.4%	45.8%	48.0%
Research and development	13.3%	12.2%	12.9%	12.9%	12.8%	13.6%	13.6%	14.6%	14.1%	14.0%	13.9%	14.0%
Selling, general and administrative	23.5%	21.4%	22.8%	21.7%	22.3%	22.8%	23.7%	23.8%	22.4%	23.2%	22.6%	22.6%
Total operating expenses	36.8%	33.6%	35.7%	34.5%	35.1%	36.4%	37.3%	38.4%	36.5%	37.1%	36.6%	36.6%
Operating margin	10.9%	15.5%	12.3%	12.5%	12.9%	11.2%	9.8%	7.2%	8.8%	9.3%	9.2%	11.4%
<b>Unaudited GAAP to Non-GAAP Reconciliation</b>	Q111 Sep-10	Q211 Dec-10	Q311 Mar-11	Q411 Jun-11	FY11 Jun-11	Q112 Sep-11	Q212 Dec-11	Q312 Mar-12	Q412 Jun-12	FY12 Jun-12	Q113 Sep-12	Q213 Dec-12
GAAP net income (loss)	\$ 0.1	\$ 23.6	\$ 38.6	\$ 9.3	\$ 71.6	\$ (5.8)	\$ (10.2)	\$ (17.4)	\$ (22.2)	\$ (55.6)	\$ (11.6)	\$ 4.1
Deferral of revenues related to acquisition activities	6.1	3.7	1.4	0.5	11.7	0.3	0.3	-	-	0.6	0.8	0.5
Other acquisition-related expenses	0.1	-	-	-	0.1	-	-	-	(0.9)	(0.9)	-	-
Stock-based compensation expenses	8.9	9.8	10.8	11.4	40.9	11.5	12.3	13.3	11.5	48.6	12.6	13.6
Other non-recurring charges	5.4	1.2	-	0.1	6.7	7.8	1.5	0.3	1.7	11.3	0.6	0.1
Acquired developed technologies impairment	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of intangibles	21.2	20.6	20.7	20.3	82.8	19.4	20.8	19.8	20.3	80.3	20.6	16.8
Acquired in-process research and development	-	-	-	-	-	-	-	-	-	-	-	-
Impairment of goodwill	-	-	-	-	-	-	-	-	-	-	-	-
Loss and impairment of long-lived assets	-	-	0.2	1.3	1.5	0.5	0.2	0.2	0.3	1.2	1.3	0.1
Restructuring charges	0.3	2.5	7.6	4.4	14.8	1.5	4.0	2.0	4.9	12.4	2.7	3.0
Other realignment charges	-	-	-	-	-	-	-	-	-	-	-	-
Interest and other income	(0.2)	(0.7)	-	-	(0.9)	-	-	-	(8.6)	(8.6)	2.1	1.3
Non-cash interest expense	4.5	4.7	4.8	4.8	18.8	4.9	5.0	5.0	5.1	20.0	4.2	3.6
Gain, loss, or impairment of investments	(3.2)	(0.1)	0.1	-	(3.2)	(1.1)	(0.1)	0.2	(0.3)	(1.3)	(0.1)	-
Discontinued operation	1.6	1.7	1.9	1.9	7.1	2.2	2.5	1.2	23.6	29.5	1.8	(0.8)
Non-GAAP net income (loss)	\$ 44.8	\$ 67.0	\$ 51.2	\$ 54.0	\$ 217.0	\$ 41.2	\$ 36.3	\$ 24.6	\$ 35.4	\$ 137.5	\$ 35.0	\$ 42.3

# Financial Information by Segment and Geography

Unaudited Segment	Q211 Dec-10	Q311 Mar-11	Q411 Jun-11	FY11 Jun-11	Q112 Sep-11	Q212 Dec-11	Q312 Mar-12	Q412 Jun-12	FY12 Jun-12	Q113 Sep-12	Q213 Dec-12
<b>Net revenue:</b>											
Communications Test & Measurement	\$ 231.4	\$ 189.2	\$ 211.3	\$ 814.7	\$ 185.2	\$ 196.2	\$ 177.8	\$ 196.2	\$ 755.4	\$ 169.5	\$ 195.4
Communications and Commercial Optical Products	191.1	209.5	202.3	770.9	180.3	163.2	173.1	185.0	701.6	194.9	185.8
Optical Securities and Performance Products	49.3	51.2	52.2	208.0	50.6	50.2	52.4	52.8	206.0	56.5	48.2
Deferred revenue related to purchase accounting adjustment	(3.7)	(1.4)	(0.5)	(11.7)	(0.3)	(0.3)	-	-	(0.6)	-	-
Net revenue	\$ 468.1	\$ 448.5	\$ 465.3	\$ 1,781.9	\$ 415.8	\$ 409.3	\$ 403.3	\$ 434.0	\$ 1,662.4	\$ 420.9	\$ 429.4
<b>Operating income (loss)</b>											
Communications Test & Measurement	\$ 44.8	\$ 22.6	\$ 30.3	\$ 119.4	\$ 24.1	\$ 28.0	\$ 20.1	\$ 26.1	\$ 98.3	\$ 16.8	\$ 35.3
Communications and Commercial Optical Products	34.0	39.7	32.1	130.0	25.6	16.6	14.1	15.7	72.0	23.8	21.2
Optical Securities and Performance Products	17.7	18.0	20.1	77.7	17.7	16.8	18.5	19.5	72.5	21.2	16.2
Corporate	(23.4)	(25.1)	(24.2)	(96.1)	(21.0)	(21.4)	(23.5)	(23.0)	(88.9)	(23.1)	(23.7)
Total segment operating income (loss)	\$ 73.1	\$ 55.2	\$ 58.3	\$ 231.0	\$ 46.4	\$ 40.0	\$ 29.2	\$ 38.3	\$ 153.9	\$ 38.7	\$ 49.0
Unallocated amounts:											
Stock based compensation	(9.8)	(10.8)	(11.4)	(40.9)	(11.5)	(12.3)	(13.3)	(11.5)	(48.6)	(12.6)	(13.6)
Acquisition-related charges and amortization of intangibles	(24.3)	(22.1)	(20.8)	(94.6)	(19.7)	(21.1)	(19.8)	(19.4)	(80.0)	(21.4)	(17.3)
Reduction of other long-lived assets	-	(0.2)	(1.3)	(1.5)	(0.5)	(0.2)	(0.2)	(0.3)	(1.2)	(1.3)	(0.1)
Restructuring charges	(2.5)	(7.6)	(4.4)	(14.8)	(1.5)	(4.0)	(2.0)	(4.9)	(12.4)	(2.7)	(3.0)
Other realignment charges	(1.2)	-	(0.1)	(6.7)	(7.8)	(1.5)	(0.3)	(1.7)	(11.3)	(0.6)	(0.1)
Interest and other income (expense), net	1.5	0.2	0.4	2.4	(0.1)	0.9	0.1	10.3	11.2	(0.5)	(2.4)
Interest expense	(6.4)	(6.2)	(6.5)	(25.4)	(6.6)	(6.6)	(6.9)	(7.2)	(27.3)	(6.1)	(5.0)
Gain on sale of investments	0.1	0.1	-	3.4	1.1	0.1	0.1	0.3	1.6	0.1	-
Impairment of investment	-	(0.2)	-	(0.2)	-	-	-	-	-	-	-
Income (loss) before income taxes and discontinued operations	\$ 30.5	\$ 8.4	\$ 14.2	\$ 52.7	\$ (0.2)	\$ (4.7)	\$ (13.1)	\$ 3.9	\$ (14.1)	\$ (6.4)	\$ 7.5
<b>Unaudited Non-GAAP Revenue by Segment (%)</b>											
Communications Test & Measurement	49.0%	42.1%	45.4%	45.4%	44.5%	47.9%	44.1%	45.2%	45.4%	40.3%	45.5%
Communications and Commercial Optical Products	40.5%	46.6%	43.4%	43.0%	43.3%	39.8%	42.9%	42.6%	42.2%	46.3%	43.3%
Optical Securities and Performance Products	10.4%	11.4%	11.2%	11.6%	12.2%	12.3%	13.0%	12.2%	12.4%	13.4%	11.2%
<b>Unaudited Non-GAAP Revenue by Region (\$ in millions)</b>											
Americas	\$ 239.5	\$ 204.7	\$ 225.1	\$ 871.1	\$ 208.0	\$ 206.6	\$ 187.0	\$ 232.1	\$ 833.7	\$ 209.8	\$ 214.1
EMEA	\$ 121.1	\$ 126.6	\$ 122.0	\$ 473.8	\$ 100.9	\$ 100.0	\$ 101.1	\$ 98.7	\$ 400.7	\$ 97.0	\$ 102.3
Asia-Pacific	\$ 111.2	\$ 118.6	\$ 118.7	\$ 448.7	\$ 107.2	\$ 103.0	\$ 115.1	\$ 103.2	\$ 428.5	\$ 114.1	\$ 113.0
Total	\$ 471.8	\$ 449.9	\$ 465.8	\$ 1,793.6	\$ 416.1	\$ 409.6	\$ 403.2	\$ 434.0	\$ 1,662.9	\$ 420.9	\$ 429.4
(% of total Non-GAAP revenue)											
Americas	50.8%	45.5%	48.3%	48.6%	50.0%	50.4%	46.4%	53.5%	50.1%	49.8%	49.9%
EMEA	25.7%	28.1%	26.2%	26.4%	24.2%	24.4%	25.1%	22.7%	24.1%	23.0%	23.8%
Asia-Pacific	23.6%	26.4%	25.5%	25.0%	25.8%	25.1%	28.5%	23.8%	25.8%	27.1%	26.3%



# Balance Sheet

Unaudited Balance Sheet	Q211 Dec-10	Q311 Mar-11	Q411 Jun-11	Q112 Sep-11	Q212 Dec-11	Q312 Mar-12	Q412 Jun-12	Q113 Sep-12	Q213 Dec-12
<b>ASSETS</b>									
Current assets:									
Cash and cash equivalents	\$ 408.6	\$ 407.8	\$ 395.4	\$ 366.9	\$ 415.2	\$ 414.0	401.1	\$ 332.6	\$ 305.5
Short-term investments	212.3	256.7	297.4	320.0	306.1	303.2	320.5	366.2	403.8
Restricted cash	34.4	36.0	35.9	36.4	34.3	32.6	31.1	31.5	30.9
Accounts receivable, net	339.2	334.5	334.0	283.5	287.5	300.1	305.8	275.7	278.8
Inventories, net	145.1	163.8	171.2	186.7	186.9	192.1	174.5	177.3	179.3
Other current assets	72.6	63.9	70.2	73.5	72.9	74.2	77.2	79.3	78.4
Total current assets	1,212.2	1,262.7	1,304.1	1,267.0	1,302.9	1,316.2	1,310.2	1,262.6	1,276.7
Property, plant and equipment, net	214.6	231.9	248.9	253.3	262.0	259.1	252.9	252.5	250.3
Goodwill	66.4	66.4	67.4	67.0	66.8	69.1	68.7	75.0	75.3
Other intangibles, net	316.4	296.7	275.4	255.8	232.2	220.9	178.8	162.3	139.9
Other non-current assets	21.1	56.3	54.9	51.0	51.6	54.7	58.9	70.9	70.7
Total assets	\$ 1,830.7	\$ 1,914.0	\$ 1,950.7	\$ 1,894.1	\$ 1,915.5	\$ 1,920.0	1,869.5	\$ 1,823.3	\$ 1,812.9
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>									
Current liabilities:									
Accounts payable	\$ 147.3	\$ 154.4	\$ 145.4	\$ 131.9	\$ 126.6	\$ 127.7	117.6	\$ 113.8	\$ 116.1
Accrued payroll and related expenses	81.9	59.9	76.7	57.7	74.5	56.6	68.6	63.0	80.2
Income taxes payable	22.9	21.2	21.5	21.0	20.3	20.8	20.7	21.6	22.9
Deferred revenue	64.9	89.3	83.5	70.7	73.3	88.0	81.2	69.4	59.9
Accrued expenses	59.4	41.3	50.5	55.6	52.0	50.1	35.3	38.0	37.4
Short-term debt	-	-	-	-	-	-	292.8	249.9	205.6
Other current liabilities	37.6	40.3	41.0	29.1	35.9	33.9	37.9	35.0	33.1
Total current liabilities	414.0	406.4	418.6	366.0	382.6	377.1	654.1	590.7	555.2
Long-term debt	276.3	281.1	285.8	290.7	295.7	300.8	-	-	-
Other non-current liabilities	183.2	189.7	180.9	172.3	172.6	170.9	176.6	190.2	192.5
Total stockholders' equity	957.2	1,036.8	1,065.4	1,065.1	1,064.6	1,071.2	1,038.8	1,042.4	1,065.2
Total liabilities and stockholders' equity	\$ 1,830.7	\$ 1,914.0	\$ 1,950.7	\$ 1,894.1	\$ 1,915.5	\$ 1,920.0	1,869.5	\$ 1,823.3	\$ 1,812.9