CIENA CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Quarter Ended July 31,		Nine Months Ended July 31,	
	2008	2009	2008	2009
Revenues:				
Products	$ 223,661	$ 139,903	$ 641,632	$ 398,469
Services	29,518	24,855	81,162	77,890
Total revenue	253,179	164,758	722,794	476,359
Cost of goods sold:				
Products	107,953	72,842	295,381	214,628
Services	19,595	17,251	57,617	54,503
Total cost of goods sold	127,548	90,093	352,998	269,131
Gross profit	125,631	74,665	369,796	207,228
Operating expenses:				
Research and development	47,809	44,442	127,881	140,624
Selling and marketing	39,440	31,468	111,639	98,582
General and administrative	14,758	11,524	54,036	35,724
Amortization of intangible assets	8,671	6,224	23,901	18,852
Restructuring cost	-	3,941	-	10,416
Goodwill impairment	-	-	-	455,673
Total operating expenses	110,678	97,599	317,457	759,871
Income (loss) from operations	14,953	(22,934)	52,339	(552,643)
Interest and other income, net	5,342	999	32,911	9,167
Interest expense	(1,855)	(1,856)	(11,074)	(5,552)
Realized loss due to impairment of marketable debt investments	(5,114)	-	(5,114)	-
Loss on cost method investments	-	(2,193)	-	(5,328)
Income (loss) before income taxes	13,326	(25,984)	69,062	(554,356)
Provision for income taxes	1,603	470	4,772	139
Net income (loss)	$ 11,723	$ (26,454)	$ 64,290	$ (554,495)
Basic net income (loss) per common share	$ 0.13	$ (0.29)	$ 0.72	$ (6.10)
Diluted net income (loss) per potential common share	$ 0.12	$ (0.29)	$ 0.63	$ (6.10)
Weighted average basic common shares outstanding	90,216	91,364	88,871	90,970
Weighted average dilutive potential common shares outstanding	111,681	91,364	110,654	90,970