



COMMUNICATIONS TECHNOLOGY

Weekly Market Update

21-Aug-2006

- 1. Common Stock Comparisons**
- 2. Waterfall Charts**
- 3. Transaction Comparisons**
- 4. Recent Venture Funding**

Valuation Analysis of Selected CommTech Companies

USD in millions, except per share data

Company	Closing Price 08/18/06	% of 52 Week High	% Above 52 Week Low	Equity Market Cap (1)	Total Cash	Total Debt (2)	Enterprise Value (1)	CY EPS (3)		CY P/E Mults		5-Year EPS CAGR (3)	'07 PE /5Yr CAGR	CY Revenue (3)		EV / Rev Mults		'06-'07 Rev Grth	LTM Gross Margin (4)
								2006	2007	2006	2007			2006	2007	2006	2007		
Broad Systems Companies																			
Alcatel(5)	\$ 12.36	71 %	14 %	\$ 29,276	\$ 9,941	\$ 10,111	\$ 30,058	NA	\$1.12	NA	11.1 x	(1.3)%	(8.3)x	NA	\$ 27,370	NA	1.1 x	NA	38.0 %
Cisco	20.86	95	23	132,278	18,183	6,346	120,449	1.17	1.35	17.9	15.5	15.0	1.0	30,445	34,830	4.0	3.5	14.4	64.7
Ericsson	3.24	76	9	51,540	9,234	3,614	46,052	0.21	0.24	15.7	13.7	5.0	2.7	24,910	26,771	1.8	1.7	7.5	43.9
Motorola	23.80	96	27	61,270	16,055	4,244	49,459	1.34	1.55	17.8	15.4	10.0	1.5	43,459	46,850	1.1	1.1	7.8	31.4
Nokia	21.35	92	38	94,818	11,932	441	83,606	1.28	1.50	16.7	14.2	10.0	1.4	50,765	55,756	1.6	1.5	9.8	34.3
Nortel	2.12	57	10	9,178	2,941	3,913	10,904	0.00	0.11	NM	19.2	8.0	2.4	11,260	11,887	1.0	0.9	5.6	39.9
Siemens(6)	84.40	83	10	79,056	7,440	12,120	84,639	NA	NA	NA	NA	8.0	NM	NA	NA	NA	NA	NA	27.7
Mean		82 %	19 %							17.0 x	14.9 x	7.8 %	0.1 %			1.9 x	1.6 x	9.0 %	40.0 %
Median		83	14							17.2	14.8	8.0	1.5			1.6	1.3	7.8	38.0
Category Leaders																			
CIENA	\$ 4.19	77 %	104 %	\$ 2,514	\$ 1,223	\$ 888	\$ 2,180	\$0.03	\$0.10	132.3 x	41.9 x	10.0 %	4.2 x	\$ 572	\$ 702	3.8 x	3.1 x	22.8 %	41.3 %
Juniper	13.99	57	15	8,141	2,038	400	6,503	0.74	0.87	18.9	16.2	18.0	0.9	2,298	2,574	2.8	2.5	12.0	68.2
Qualcomm	37.32	71	12	64,997	10,167	0	54,830	1.68	1.87	22.2	19.9	20.0	1.0	7,784	8,913	7.0	6.2	14.5	71.3
Redback	18.80	78	119	1,401	59	48	1,391	0.38	0.66	49.5	28.7	21.5	1.3	273	343	5.1	4.1	25.6	54.0
Sonus Networks	4.75	82	34	1,212	314	11	909	0.14	0.20	33.9	23.8	30.0	0.8	261	310	3.5	2.9	18.6	60.2
Mean		73 %	57 %							51.4 x	26.1 x	19.9 %	1.6 %			4.5 x	3.8 x	18.7 %	59.0 %
Median		77	34							33.9	23.8	20.0	1.0			3.8	3.1	18.6	60.2

(1) Source: Latest publicly available financial statements. Equity Market Cap based on diluted shares outstanding.

(2) Excludes minority interest.

(3) Source: IBES mean estimates.

(4) Source: LTM numbers are based upon the latest publicly available financial statements.

(5) Alcatel is shown pro forma for the merger of Lucent Technologies; announced on 02-Apr-2006.

(6) Siemens is shown pro forma for the acquisition of Diagnostics Products; deal closed on 27-Apr-2006.

Valuation Analysis of Selected CommTech Companies

USD in millions, except per share data

Company	Closing Price	% of 52 Week	% Above 52 Week	Equity Market	Total Cash	Total Debt (2)	Enterprise Value (1)	CY EPS (3)		CY P/E Mults		5-Year EPS	'07 PE /5Yr	CY Revenue (3)		EV / Rev Mults		'06-'07 Rev	LTM Gross
	08/18/06	High	Low	Cap (1)				2006	2007	2006	2007	CAGR (3)	CAGR	2006	2007	2006	2007	Grth	Margin (4)
Mid Tier Communications																			
ADC Tel(5)	\$ 14.78	54 %	23 %	\$ 1,733	\$ 491	\$ 400	\$ 1,643	\$0.94	\$1.20	15.7 x	12.3 x	15.0 %	0.8 x	\$ 1,308	\$ 1,428	1.3 x	1.2 x	9.1 %	33.9 %
Adtran	23.72	72	17	1,871	455	50	1,465	1.16	1.32	20.4	18.0	10.0	1.8	508	551	2.9	2.7	8.4	59.5
Avaya	10.26	79	14	4,853	745	29	4,137	0.50	0.63	20.5	16.4	10.0	1.6	5,186	5,384	0.8	0.8	3.8	47.0
Tellabs	10.13	59	18	4,618	1,145	0	3,473	0.54	0.61	18.8	16.7	10.0	1.7	2,145	2,308	1.6	1.5	7.6	46.6
UTStarcom	8.04	90	53	976	511	501	972	(0.71)	(0.43)	NM	NM	30.0	NM	2,428	2,590	0.4	0.4	6.7	17.1
Mean		71 %	25 %							18.9 x	15.9 x	15.0 %	1.5 %			1.4 x	1.3 x	7.1 %	40.8 %
Median		72	18							19.6	16.6	10.0	1.7			1.3	1.2	7.6	46.6
Other Carrier Infrastructure																			
Avici Systems	\$ 8.19	88 %	136 %	\$ 115	\$ 47	\$ 0	68	1.23	(0.22)	6.7 x	NM	20.0 %	NM	80	47	0.8	1.4	(40.9)%	60.4 %
Westell	2.49	51	30	178	47	0	134	0.22	0.28	11.3	8.9	10.0	0.9	285	297	0.5	0.5	4.3	30.1
Mean		69 %	83 %							9.0 x	8.9 x	15.0 %	0.9 %			0.7 x	0.9 x	(18.3)%	45.2 %
Median		69	83							9.0	8.9	15.0	0.9			0.7	0.9	(18.3)	45.2

(1) Source: Latest publicly available financial statements. Equity Market Cap based on diluted shares outstanding.

(2) Excludes minority interest.

(3) Source: IBES mean estimates.

(4) Source: LTM numbers are based upon the latest publicly available financial statements

(5) Not pro forma for the acquisition of Andrew Corp., announced 31-May-2006.

Valuation Analysis of Selected CommTech Companies

USD in millions, except per share data

Company	Closing Price	% of 52 Week	% Above 52 Week	Equity Market	Ent.	CY EPS (3)			CY P/E Mults			5-Year EPS	'07 PE /5Yr	EV / Rev Mults			'06-'07 Rev	LTM Gross
	08/18/06	High	Low	Cap (1)	Value (1)	2006	2007	2008	2006	2007	2008	CAGR (3)	CAGR	2006	2007	2008	Grth	Margin (4)
Enterprise Data Infrastructure																		
3Com	\$ 4.42	79 %	34 %	\$ 1,765	\$ 1,059	\$(0.08)	\$ 0.13	\$ 0.25	NM	34.7 x	18.0 x	7.8 %	4.5 x	0.9 x	0.7 x	0.6 x	37.8 %	39.0 %
Extreme	3.66	70	6	442	197	0.11	0.10	0.13	33.3	37.5	27.6	15.0	2.5	0.6	0.6	0.5	0.6	54.0
F5 Networks	49.77	68	32	2,107	1,687	2.08	2.50	3.13	24.0	19.9	15.9	25.0	0.8	4.1	3.4	2.7	22.6	77.3
Foundry	11.19	62	23	1,689	900	0.47	0.60	0.69	23.8	18.7	16.2	15.0	1.2	2.0	1.8	1.6	10.3	61.3
Netgear	19.81	79	18	691	513	1.25	1.43	1.46	15.8	13.9	13.6	15.0	0.9	0.9	0.8	0.7	13.1	37.8
Packeteer	9.42	66	28	335	200	0.54	0.72	0.86	17.4	13.1	11.0	20.0	0.7	1.4	1.2	1.0	20.6	74.4
Polycom	23.84	99	65	2,178	1,735	1.00	1.17	1.41	24.0	20.4	16.9	15.0	1.4	2.6	2.3	2.0	11.3	61.9
Radware	13.50	63	18	265	100	0.22	0.53	0.67	61.4	25.5	20.1	20.0	1.3	1.2	1.0	0.9	16.1	80.8
SonicWall	10.07	100	81	715	505	0.17	0.28	0.32	59.2	36.0	31.3	15.0	2.4	2.9	2.6	2.2	12.7	69.7
WatchGuard	4.11	79	23	144	71	(0.31)	(0.12)	(0.10)	NM	NM	NM	15.0	NM	1.0	0.9	0.8	12.6	67.7
Mean		76 %	33 %						32.4 x	24.4 x	19.0 x	16.3 %	1.7 x	1.8 x	1.5 x	1.3 x		62.4 %
Median		74	26						24.0	20.4	16.9	15.0	1.3	1.3	1.1	0.9		64.8
Cable Equipment																		
Arris	\$ 11.27	81 %	44 %	\$ 1,223	\$ 1,054	\$ 0.95	\$ 0.73	\$ 0.76	11.9 x	15.5 x	14.8 x	13.5 %	1.2 x	1.2 x	1.1 x	1.3 x	6.6 %	28.0 %
C-Cor	7.65	85	58	372	370	(0.03)	0.28	NA	NM	27.8	NA	25.0	1.1	1.4	1.1	NA	18.5	31.4
Harmonic	5.66	83	46	422	315	0.04	0.23	0.26	NM	24.6	21.4	15.0	1.6	1.3	1.2	1.0	10.5	36.1
Pace Micro	0.88	59	38	203	177	(0.00)	0.11	NA	NM	8.1	NA	NA	NA	0.4	0.3	NA	27.9	20.9
Terayon	1.88	48	7	146	106	0.15	NA	NA	12.5	NA	NA	NA	NA	NA	NA	NA	NA	34.5
Mean		71 %	39 %						12.2 x	19.0 x	18.1 x	17.8 %	1.3 x	1.1 x	0.9 x	1.2 x		30.2 %
Median		81	44						12.2	20.1	18.1	15.0	1.2	1.2	1.1	1.2		31.4

(1) Source: Latest publicly available financial statements. Equity Market Cap based on diluted shares outstanding.

(2) Excludes minority interest.

(3) Source: IBES median estimates.

(4) Sources: LTM numbers are based upon the latest publicly available financial statements. Estimates have been calendarized.

Valuation Analysis of Selected CommTech Companies

USD in millions, except per share data

Company	Closing Price	% of 52 Week	% Above 52 Week	Equity Market	Ent.	CY EPS (3)			CY P/E Mults			5-Year EPS	'07 PE /5Yr	EV / Rev Mults			'06-'07 Rev	LTM Gross
	08/18/06	High	Low	Cap (1)	Value (1)	2006	2007	2008	2006	2007	2008	CAGR (3)	CAGR	2006	2007	2008	Grth	Margin (4)
Optical Infrastructure																		
Adva Optical	\$ 7.29	55 %	11 %	\$ 261	\$ 246	\$ 0.24	\$ 0.53	\$ 0.74	29.9 x	13.7 x	9.8 x	7.6 %	1.8 x	1.0 x	0.7 x	0.6 x	32.0 %	48.4 %
Sycamore	3.82	75	9	1,073	102	0.14	0.17	0.19	26.8	22.7	20.0	15.0	1.5	1.1	1.0	0.9	7.3	53.9
Mean		65 %	10 %						28.4 x	18.2 x	14.9 x	11.3 %	1.7 x	1.0 x	0.9 x	0.8 x		51.2 %
Median		65	10						28.4	18.2	14.9	11.3	1.7	1.0	0.9	0.8		51.2
Optical Components																		
Avanex	\$ 1.57	48 %	153 %	\$ 333	\$ 258	\$(0.14)	\$ 0.01	NA	NM	NM	NA	NA	NA	1.4 x	1.2 x	NA	18.1 %	4.1 %
Bookham	3.74	38	55	217	156	(0.87)	(0.28)	NA	NM	NM	NA	NA	NA	0.6	0.6	NA	8.2	20.4
Corning	20.99	72	20	33,697	33,091	1.04	1.22	1.39	20.2	17.2	15.1	20.0	0.9	6.4	5.6	4.9	15.2	44.4
Finisar	3.63	68	317	1,176	1,320	0.11	0.19	0.24	33.0	18.8	14.9	20.0	0.9	3.1	2.7	2.2	18.1	28.4
JDS Uniphase	2.51	60	66	4,267	3,884	0.02	0.05	0.06	NM	50.2	38.9	15.0	3.3	3.0	2.7	2.4	11.9	28.3
Oplink	18.35	90	89	416	231	0.48	0.72	0.82	38.6	25.7	22.4	21.5	1.2	3.3	2.5	2.1	31.5	29.2
OCPI	1.91	50	11	218	70	0.04	NA	NA	46.3	NA	NA	NA	NA	1.0	NA	NA	NA	37.7
Stratos Lightwave	6.07	75	19	89	58	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	37.7
Mean		66 %	96 %						34.5 x	28.0 x	22.8 x	19.1 %	1.6 x	3.1 x	2.9 x	2.9 x		30.0 %
Median		68	66						35.8	22.2	18.7	20.0	1.1	3.1	2.7	2.3		29.2

(1) Source: Latest publicly available financial statements. Equity Market Cap based on diluted shares outstanding.

(2) Excludes minority interest.

(3) Source: IBES median estimates.

(4) Sources: LTM numbers are based upon the latest publicly available financial statements. Estimates have been calendarized.

Valuation Analysis of Selected CommTech Companies

USD in millions, except per share data

	Closing	% of	% Above	Equity								5-Year	'06 PE	EV / Rev				'06-'07
	Price	52 Wk	52 Wk	Market	Total	Total	Enterp.	CY EPS (3)		CY P/E Mults		EPS	/5Yr	CY Revenue (3)		Mults		Rev
Company	08/18/06	High	Low	Cap (1)	Cash	Debt (2)	Value (1)	2006	2007	2006	2007	CAGR (3)	CAGR	2006	2007	2006	2007	Grth
Wireless																		
Alvarion	\$ 7.15	66.0 %	38.6 %	\$ 460	\$ 109	\$ 0	\$ 350	\$(0.02)	\$ 0.20	NM	35.8 x	22.0 %	NM	\$ 207	\$ 255	1.7 x	1.4 x	22.7 %
Andrew Corp (4)	8.98	65.4	21.0	1,433	155	313	1,592	0.44	0.63	20.5 x	14.2 x	11.2	1.8	2,143	2,293	0.7	0.7	7.0
Ceragon	4.50	81.5	26.4	128	19	0	110	0.20	0.30	22.5	15.0	25.0	0.9	99	121	1.1	0.9	22.2
Endwave	12.65	40.4	39.8	149	22	0	127	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
VYYO, Inc.	4.70	54.3	26.7	85	31	18	73	(1.66)	(0.65)	NM	NM	20.0	NM	15	53	4.8	1.4	NM
Mean		61.5 %	30.5 %							21.5 x	21.6 x	19.5 %	1.4 x			2.1 x	1.1 x	17.3 %
Median		65.4	26.7							21.5	15.0	21.0	1.4			1.4	1.1	22.2
Communications Test and Monitoring																		
Agilent	\$ 31.80	81.2 %	17.4 %	\$ 13,845	\$ 2,657	\$ 1,500	\$ 12,688	\$ 1.74	\$ 1.95	18.3 x	16.3 x	15.0 %	1.2 x	\$ 5,693	\$ 5,625	2.2 x	2.3 x	(1.2)%
Anritsu	5.51	82.7	20.8	703	275	567	995	0.15	0.25	37.9	21.7	NA	NA	839	904	1.2	1.1	7.8
EXFO	5.44	62.6	25.9	381	104	1	278	0.21	0.29	25.5	18.5	35.0	0.7	137	161	2.0	1.7	18.0
GN Great Store Nord	14.52	86.9	36.3	3,223	23	179	3,379	0.49	0.63	29.6	23.0	8.0	3.7	1,318	1,492	2.6	2.3	13.2
Ixia	9.99	54.1	36.7	669	203	0	466	0.30	0.49	33.3	20.4	20.0	1.7	163	187	2.9	2.5	14.8
Newport	17.52	89.2	42.3	715	77	63	701	0.77	0.81	22.8	21.6	13.5	1.7	442	469	1.6	1.5	6.1
Spirent	0.88	85.5	40.3	850	92	141	903	0.03	0.05	32.9	19.1	NA	NA	529	568	1.7	1.6	7.4
Tekelec	13.29	63.4	35.2	910	226	125	809	0.08	0.40	NM	33.2	19.0	NM	535	572	1.5	1.4	7.0
Tektronix	28.66	78.1	26.1	2,453	388	0	2,066	1.49	1.73	19.2	16.6	12.0	1.6	1,092	1,181	1.9	1.7	8.2
Tollgrade	7.41	46.0	0.0	98	59	0	39	0.13	0.30	57.0	24.7	15.0	3.8	68	73	0.6	0.5	7.7
Mean		73.0 %	28.1 %							30.7 x	21.5 x	17.2 %	2.1 x			1.8 x	1.7 x	8.9 %
Median		79.7	30.6							29.6	21.0	15.0	1.7			1.8	1.7	7.8

¹ Source: Latest publicly available financial statements. Equity Market Cap based on diluted shares outstanding.

² Excludes minority interest.

³ Source: IBES mean estimates.

⁴ Financials not pro forma for ADC Telecommunications and CommScope bids that were offered and subsequently withdrawn.

Valuation Analysis of Selected CommSoftware Companies

USD in millions, except per share data

	Closing Price	% of 52 Week	% Above 52 Week	Equity Market	Total	Total	Enterprise	CY EPS (3)		CY P/E Mults (2)		5-Year EPS	2006 PE/5-Year	EV / Rev Mults		'06-'07 Revenue
Company	08/18/06	High	Low	Cap (1)	Cash	Debt (2)	Value (1)	2006	2007	2006	2007	CAGR (2)	EPS CAGR	2006	2007	Growth
Network Management																
NetScout Systems	\$ 7.73	81 %	51 %	\$ 253	\$ 74	\$ 0	\$ 179	\$ 0.24	\$ 0.30	32.9 x	26.1 x	20.0 %	1.6 x	1.7 x	1.6 x	9.0 %
Mean		81 %	51 %							32.9 x	26.1 x	20.0 %	1.6 x	1.7 x	1.6 x	9.0 %
Median		81 %	51 %							32.9 x	26.1 x	20.0 %	1.6 x	1.7 x	1.6 x	9.0 %
Network Applications & CTI																
Captaris	\$ 5.13	100 %	44 %	\$ 149	\$ 56	\$ 0	\$ 94	\$ 0.07	\$ 0.12	73.3 x	44.6 x	12.5 %	5.9 x	1.0 x	1.0 x	7.6 %
InterVoice-Brite	5.87	62	0	229	42	0	187	0.07	0.14	83.9	41.4	20.0	4.2	1.0	0.9	10.2
NMS Communications	2.69	57	18	142	62	0	80	(0.03)	0.10	NM	26.9	25.0	NM	0.7	0.6	14.2
Mean		73 %	21 %							78.6 x	37.6 x	19.2 %	5.0 x	0.9 x	0.8 x	10.7 %
Median		62 %	18 %							78.6 x	41.4 x	20.0 %	5.0 x	1.0 x	0.9 x	10.2 %
Billing & Customer Care																
Amdocs (3)	\$ 36.86	95 %	45 %	\$ 7,701	\$ 1,353	\$ 452	\$ 6,800	\$ 1.91	\$ 2.20	19.3 x	16.7 x	15.0 %	1.3 x	2.6 x	2.3 x	16.4 %
Convergys	19.80	100	45	2,815	208	409	3,016	1.12	1.23	17.7	16.1	11.0	1.6	1.1	1.0	4.1
CSG Systems	26.65	98	39	1,285	385	230	1,131	1.37	1.64	19.5	16.3	7.5	2.6	3.0	2.9	2.8
Lightbridge	11.18	78	51	321	91	0	230	0.60	0.67	18.6	16.7	20.0	0.9	1.8	1.8	2.3
MetaSolv	3.05	89	20	157	56	0	101	0.12	0.18	25.4	17.4	20.0	1.3	1.0	0.9	10.5
Mean		92 %	40 %							20.1 x	16.6 x	14.7 %	1.5 x	1.9 x	1.8 x	7.2 %
Median		95 %	45 %							19.3 x	16.7 x	15.0 %	1.3 x	1.8 x	1.8 x	4.1 %
Communications Enablers																
Converse Technology (4)	\$ 21.24	73 %	22 %	\$ 4,531	\$ 2,325	\$ 96	\$ 2,519	\$ 0.84	\$ 1.10	25.3 x	19.3 x	20.0 %	1.3 x	1.6 x	1.4 x	17.3 %
Infospace	22.13	79	7	737	396	0	342	(0.04)	0.06	NM	NM	20.0	NM	0.9	0.8	14.7
Neustar (5)	27.78	75	4	2,289	113	9	2,185	0.92	1.18	30.2	23.5	25.0	1.2	6.7	5.4	24.5
Syniverse	15.42	64	26	1,050	30	353	1,373	0.90	1.04	17.1	14.8	14.0	1.2	4.1	3.7	11.9
Verisign (6)	19.41	76	14	4,845	759	0	4,127	0.97	1.14	20.0	17.0	15.0	1.3	2.6	2.3	13.5
Mean		73 %	15 %							23.2 x	18.7 x	18.8 %	1.3 x	3.2 x	2.7 x	16.4 %
Median		75 %	14 %							22.6 x	18.2 x	20.0 %	1.2 x	2.6 x	2.3 x	14.7 %

(1) Source: Latest publicly available financial statements. Equity Market Cap based on diluted shares outstanding.

(2) Excludes minority interest.

(3) Not pro forma for acquisition of Qpass, Inc. and Stibo Graphic Software.

(4) Converse has still not filed 10-K for 2005; financials as of 3Q05. Not pro forma for \$251mm purchase of CSG Systems' billing software unit.

(5) Not pro forma for pending \$5.8mm acquisition of NeuLevel and \$61.8mm acquisition of UltraDNS Corp.

(6) Not pro-forma for completed \$250mm acquisition of m-Qube and pending \$125mm acquisition of Geotrust Inc.

Weekly Price Changes

For the Week Ended 18-Aug-2006

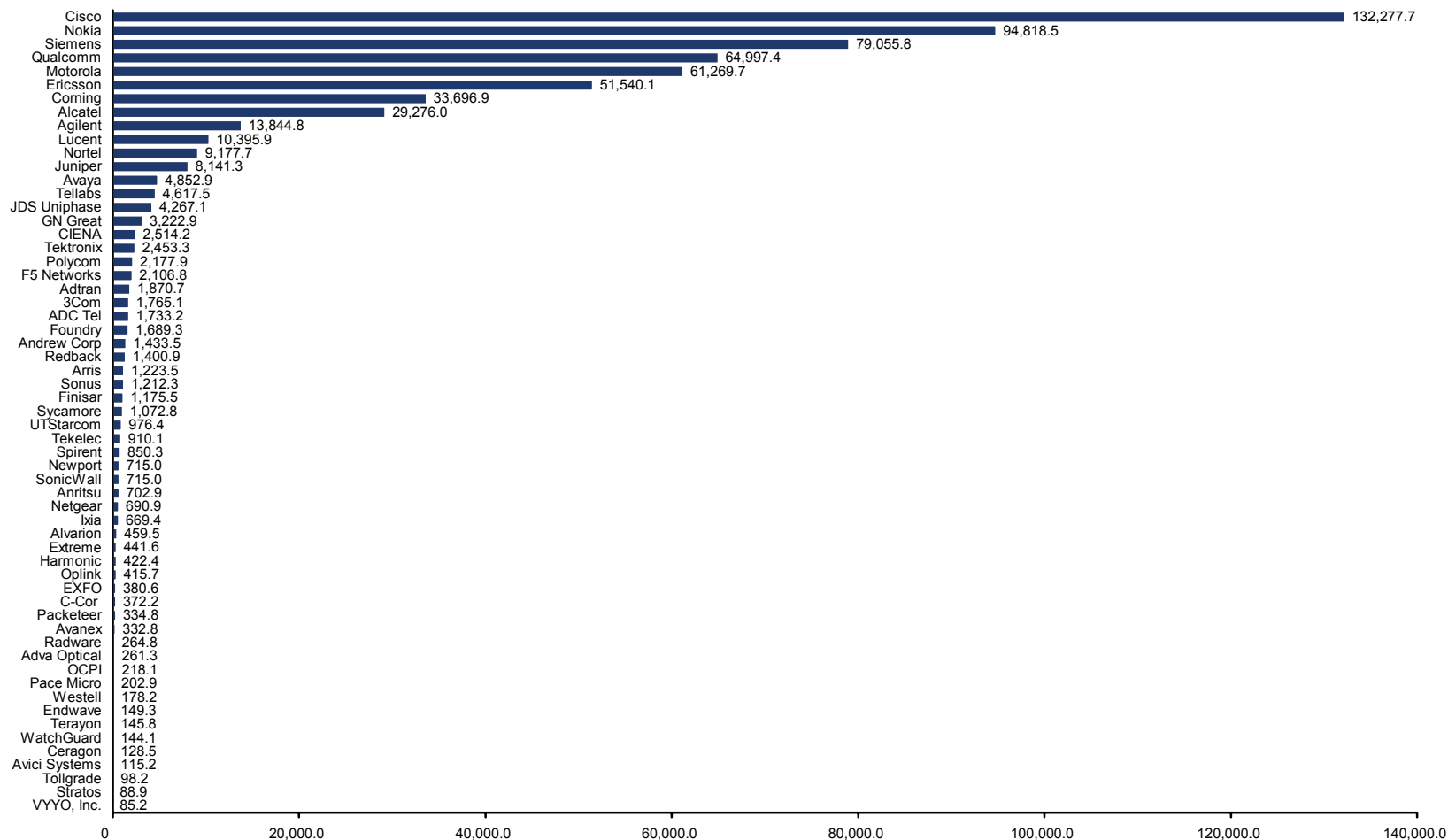
	Prior Week Price	Price as of 08/18/2006	Percent Change
Broad Systems Companies			
Alcatel	\$ 11.14	\$ 12.36	11%
Cisco	19.54	20.86	7%
Ericsson	2.95	3.24	10%
Lucent	2.11	2.31	9%
Motorola	22.69	23.80	5%
Nokia	19.63	21.35	9%
Nortel	1.95	2.12	9%
Siemens(6)	79.76	84.40	6%
Mean			8%
Median			9%
Category Leaders			
CIENA	\$3.72	\$4.19	13%
Juniper	12.20	13.99	15%
Qualcomm	33.31	37.32	12%
Redback	15.13	18.80	24%
Sonus Networks	4.47	4.75	6%
Mean			14%
Median			13%
Mid-Tier Communications			
ADC Tel	\$14.23	\$14.78	4%
Adtran	21.12	23.72	12%
Avaya	9.13	10.26	12%
Tellabs	8.96	10.13	13%
UTStarcom	7.49	8.04	7%
Mean			10%
Median			12%

	Prior Week Price	Price as of 08/18/2006	Percent Change
Other Carrier & Optical Infrastructure			
Avici Systems	\$7.60	\$8.19	8%
Westell	2.33	2.49	7%
Adva Optical	6.79	7.29	7%
Sycamore	3.56	3.82	7%
Mean			7%
Median			7%
Enterprise Data Infrastructure			
3Com	\$4.26	\$4.42	4%
Extreme	3.50	3.66	5%
F5 Networks	41.01	49.77	21%
Foundry	9.81	11.19	14%
Netgear	18.97	19.81	4%
Packeteer	8.21	9.42	15%
Polycm	22.07	23.84	8%
Radware	12.94	13.50	4%
SonicWall	9.57	10.07	5%
WatchGuard	4.12	4.11	(0)%
Mean			8%
Median			5%
Optical Components			
Avanex	\$1.32	\$1.57	19%
Corning	18.95	20.99	11%
Finisar	3.12	3.63	16%
JDS Uniphase	2.13	2.51	18%
Oplink	16.70	18.35	10%
OCPI	1.93	1.91	(1)%
Stratos International	5.99	6.07	1%
Mean			11%
Median			11%

	Prior Week Price	Price as of 08/18/2006	Percent Change
Cable Equipment			
Arris	\$10.42	\$11.27	8%
C-Cor.Net	6.95	7.65	10%
Harmonic	5.09	5.66	11%
Pace Micro	0.87	0.88	2%
Teravon	1.88	1.88	0%
Mean			6%
Median			8%
Wireless			
Alvarion	\$6.79	\$7.15	5%
Andrew Corp	8.39	8.98	7%
Ceragon	4.36	4.50	3%
Endwave	12.02	12.65	5%
VYVO, Inc.	4.32	4.70	9%
Mean			6%
Median			5%
Communications Test & Monitoring			
Agilent	\$27.20	\$31.80	17%
Anritsu	5.24	5.51	5%
EXFO	4.96	5.44	10%
GN Great Store Nord	14.07	14.52	3%
Ixia	9.61	9.99	4%
Newport	16.64	17.52	5%
Spirent	0.85	0.88	4%
Tekelec	12.11	13.29	10%
Tektronix	26.86	28.66	7%
Tollgrade	8.12	7.41	(9)%
Mean			6%
Median			5%

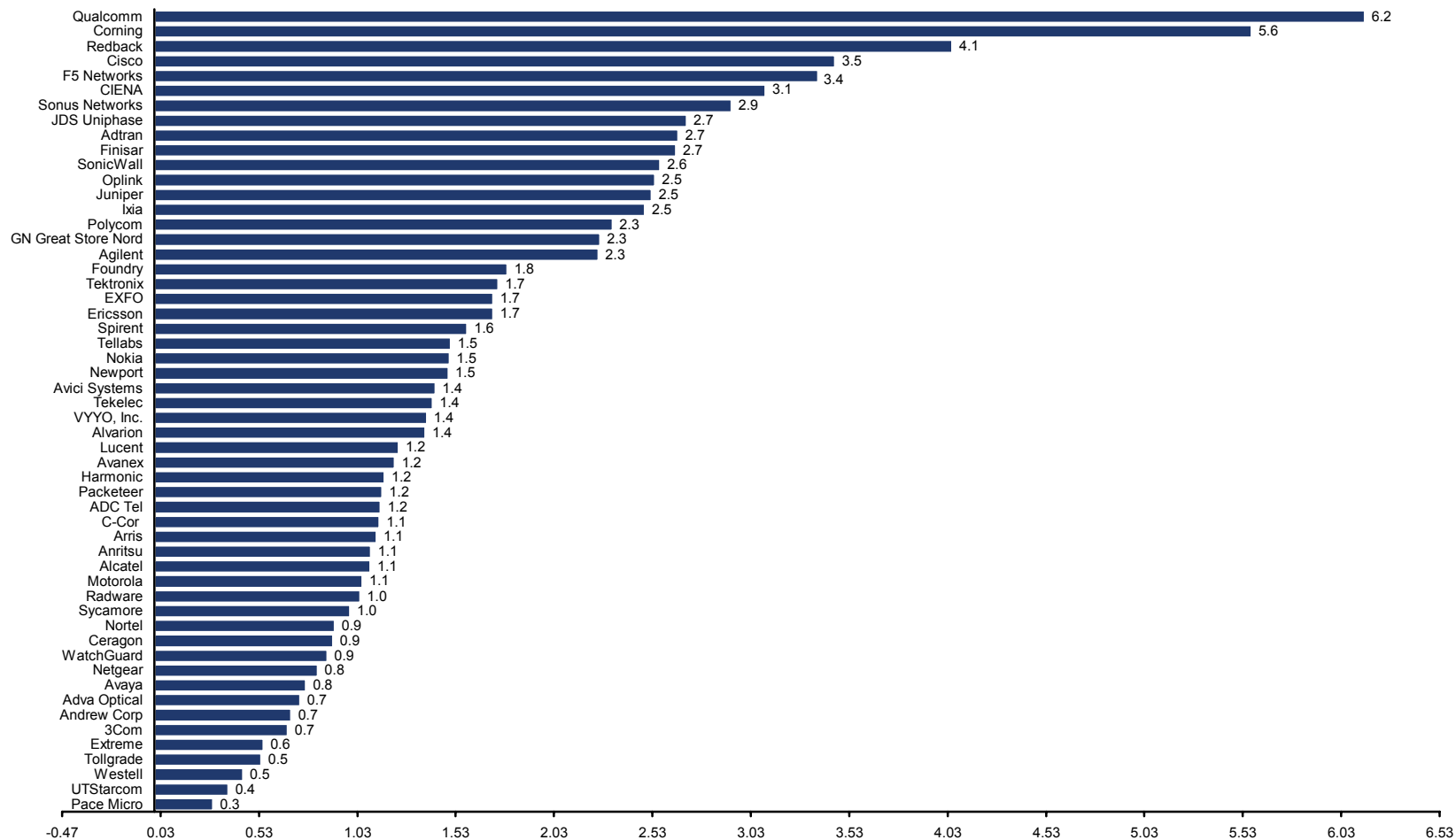
Communications Technology Landscape

Market Capitalization as of 18-Aug-2006



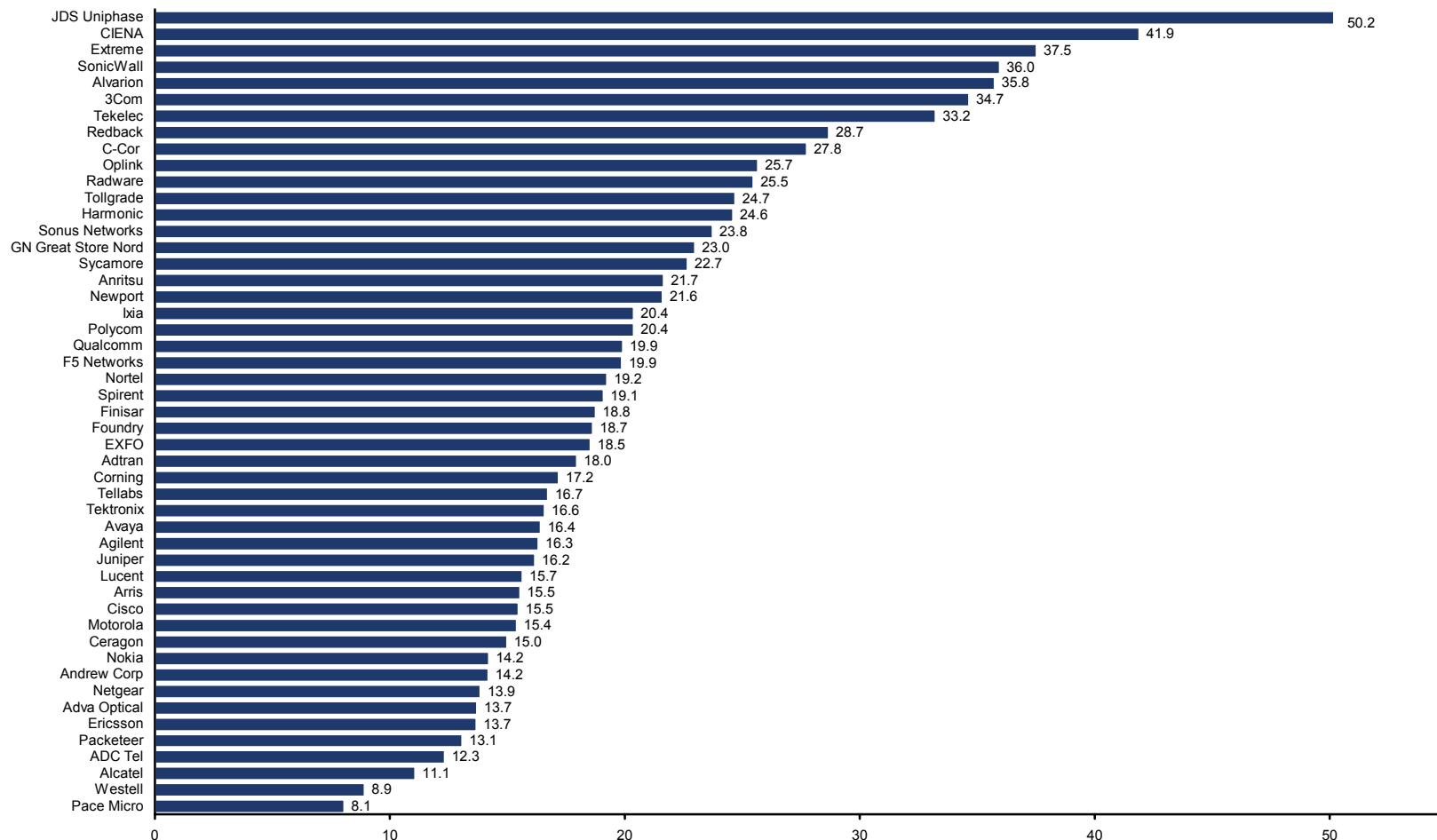
Communications Technology Landscape

2007 Revenue Multiples



Communications Technology Landscape

2007 P/E Multiples



Selected Transactions in Communications Equipment

Deals Since 01-Jan-2001

Announce Date	Acquiror	Target		Levered	Levered Multiple of:		Equity Multiple of:		Premium to Market Value (1 week) (c)	Target Value % of	
				Value (\$mm)	LTM Sales	Forward Sales	LTM Net Income	Forward Net Income		Acquirer's Equity Market Cap	
			Mean	\$ 605.1	4.0 x	3.7 x	38.4 x	83.0 x	29.5 %		13.9%
			Median	240.0	2.7	3.9	31.8	27.6	23.5%		3.7%
			High	16,708.0	16.5	10.6	83.6	518.6	97.7%		157.4%
			Low	25.5	0.1	0.2	13.6	6.2	(6.8)%		0.0%
31-May-2006	(b)	ADC Telecommunications	Andrew Corporation	\$ 2,200.3	1.1 x	1.0 x	52.4 x	29.5 x	32.9 %		83.4%
28-Apr-2006		Nice Systems	IEX Corp (Tekelec Division)	200.0	-	-	-	-	-		20.1%
10-Apr-2006		Comverse Technology	Netcentrex S.A.	180.0	3.6 x	-	-	-	-		3.7%
24-Mar-2006	(a)	Alcatel	Lucent Technologies	16,708.0	1.8 x	1.7 x	14.8 x	16.7 x	3.8 %		75.7%
7-Feb-2006		Lucent Technologies	Riverstone Networks	207.0	-	-	-	-	-		1.7%
27-Dec-2005		Nortel Networks	Tasman Networks	99.5	-	-	-	-	-		0.7%
2-Dec-2005		Alcatel, AT&T, Telmex	2Wire	240.0	-	-	-	-	-		1.5%
18-Nov-2005		Cisco Systems	Scientific-Atlanta	5,324.0	2.7 x	2.6 x	31.8 x	23.3 x	10.5 %		5.0%
16-Nov-2005		Nokia	Intellisync	488.4	7.6 x	6.0 x	-	518.6 x	1.2 %		0.6%
14-Nov-2005		Juniper Networks	Funk Software	122.0	-	-	-	-	-		0.9%
11-Nov-2005		GTG, Tennenbaum, and other	Enterasys Networks	278.2	0.8 x	0.9 x	13.6 x	-	28.4 %		NA
26-Oct-2005		Ericsson	Marconi Corporation Assets	2,123.6	1.2 x	1.3 x	-	76.5 x	-		3.8%
7-Oct-2005		Comverse Technology	CSG Systems - GSS Division	251.0	1.4 x	1.5 x	39.2 x	-	-		6.3%
26-Sep-2005		Openwave	Musiwave	138.3	0.4 x	-	-	-	-		10.7%
11-Aug-2005		Qualcomm	Flarion Technologies	600.0	-	-	-	-	-		0.9%
26-Jul-2005		Cisco Systems	Sheer Networks	97.0	-	-	-	-	-		0.1%
22-Jul-2005		ADC Telecommunications	Fiber Optic Network Solutions	172.0	3.1 x	1.8 x	28.7 x	14.3 x	-		5.9%
8-Jul-2005		Zhone Technologies	Paradyne Networks	154.3	1.4 x	1.3 x	-	61.4 x	-		44.9%
7-Jun-2005		BenQ Corporation	Siemens AG-Mobile Phone Division	311.3	0.1 x	-	-	6.2 x	-		13.6%
2-Jun-2005		Citrix Systems	NetScaler	323.0	12.9 x	7.0 x	-	-	-		7.2%
23-May-2005		JDS Uniphase	Acterna	760.0	1.7 x	-	-	-	-		33.5%
9-May-2005		ScanSoft	Nuance Communications	119.0	2.1 x	2.0 x	-	-	97.7 %		24.4%
26-Apr-2005		Juniper Networks	Peribit Networks	337.0	10.5 x	5.5 x	-	-	-		2.3%
26-Apr-2005		Juniper Networks	Redline Networks	132.0	10.0 x	6.5 x	-	-	-		0.9%
14-Apr-2005		Cisco Systems	Topspin Communications	250.0	-	6.0 x	-	-	-		0.2%
14-Mar-2005		Powerwave Technologies	REMEC Wireless Systems Product Lines	118.0	0.5 x	-	-	-	-		14.6%
12-Jan-2005		Cisco Systems	Airespace	450.0	-	-	-	-	-		0.3%
10-Jan-2005		VeriSign	LightSurf	270.0	9.8 x	6.8 x	-	-	-		3.5%

Source: Company filings, Wall Street research, Securities Data Company, FactSet and Bloomberg

(a) Pending.

(b) Withdrawn.

(c) One week premium calculated as premium to 5 trading days prior to announcement.

Selected Transactions in Communications Equipment

Deals Since 01-Jan-2001

Announce Date	Acquiror	Target	Levered Value (\$mm)	Levered Multiple of:		Equity Multiple of:		Premium to Market Value (1 week) (b)	Target Value % of Acquirer's Equity Market Cap
				LTM Sales	Forward Sales	LTM Net Income	Forward Net Income		
20-Dec-2004	Chelton Microwave	REMEC Defense & Space	\$ 260.0	2.8 x	-	26.0 x	-	-	56.6%
13-Dec-2004	3Com	TippingPoint Technologies	380.3	16.5 x	6.4 x	-	227.5 x	19.9 %	22.6%
9-Dec-2004	Cisco Systems	BCN Systems	156.0	-	-	-	-	-	0.1%
5-Oct-2004	Avaya	Tenovis GmbH & Co.	635.0	0.6 x	0.6 x	-	-	-	10.1%
17-Sep-2004	Alcatel	Spatial Wireless	250.0	-	4.0 x	-	-	-	1.6%
9-Sep-2004	Qualcomm	Iridigm Display Corporation	170.0	-	-	-	-	-	0.2%
9-Sep-2004	Cisco Systems	NetSolve	95.4	2.2 x	2.3 x	-	-	39.2 %	0.1%
23-Aug-2004	Cisco Systems	P-Cube	200.0	-	4.0 x	-	-	-	0.1%
3-Aug-2004	Avaya	Spectel	103.0	-	3.0 x	-	-	-	1.6%
7-Jul-2004	Emerson Electric Co.	Marconi - Outside Plant & Power Business	406.0	-	-	-	-	-	1.6%
29-Jun-2004	Tektronix	Inet	325.4	3.0 x	2.4 x	42.6 x	25.6 x	18.6 %	10.6%
29-Jun-2004	Cisco Systems	Actona	82.0	-	5.0 x	-	-	-	0.0%
17-Jun-2004	Cisco Systems	Procket Networks	89.0	4.5 x	-	-	-	-	0.1%
14-Jun-2004	UTStarcom	Audiovox Handset Division	165.1	0.2 x	0.2 x	-	-	-	4.0%
24-May-2004	Lucent Technologies	Telica	302.0	10.4 x	5.0 x	-	-	-	2.0%
20-May-2004	Tellabs	Advanced Fibre Communications	1,906.1	5.5 x	3.3 x	55.5 x	38.2 x	27.7 %	49.2%
25-Mar-2004	ADC Telecommunications	Krone Group	350.0	1.1 x	-	-	-	-	17.2%
25-Feb-2004	Tekelec	Taqua	85.0	-	4.3 x	-	-	-	7.6%
20-Feb-2004	Cisco Systems	Andiamo	934.0	6.2 x	6.2 x	-	-	-	0.6%
19-Feb-2004	Ciena	Catena Networks	486.7	8.8 x	4.9 x	-	-	-	16.3%
19-Feb-2004	Ciena	Internet Photonics	153.2	7.7 x	3.8 x	-	-	-	5.1%
9-Feb-2004	Juniper Networks	NetScreen Technologies	3,968.1	16.2 x	10.6 x	83.6 x	77.8 x	58.8 %	34.5%
5-Jan-2004	Advanced Fibre	Marconi's North American Access Division	240.0	3.9 x	-	-	-	-	13.9%

Source: Company filings, Wall Street research, Securities Data Company, FactSet and Bloomberg

(a) Transaction ultimately terminated.

(b) One week premium calculated as premium to 5 trading days prior to announcement.

Selected Transactions in Communications Equipment

Deals Since 01-Jan-2001 (Cont'd)

Announce Date	Acquiror	Target	Levered Value (\$mm)	Levered Multiple of:		Equity Multiple of:		Premium to Market Value (1 week) (b)	Target Value % of Acquirer's Equity Market Cap
				LTM Sales	Forward Sales	LTM Net Income	Forward Net Income		
15-Dec-2003	Check Point Software	Zone Labs	\$ 205.0	7.3 x	4.9 x	-	-	-	4.8%
30-Oct-2003	Avaya	Exp@nets	152.0	-	-	-	-	-	2.7%
27-Oct-2003	CommScope	Avaya Connectivity Solutions	337.9	-	-	-	-	-	0.2%
6-Oct-2003	NetScreen Technologies	Neoteris	295.0	-	6.0 x	-	-	-	16.2%
25-Aug-2003	McDATA	Sanera	102.0	-	-	-	-	-	7.0%
4-Jun-2003	Palm	Handspring	120.1	0.7 x	0.9 x	-	-	25.3 %	50.9%
16-May-2003	Alcatel	TiMetra	150.0	-	-	-	-	-	1.4%
13-May-2003	Tellabs	Vivace	135.0	-	4.5 x	-	-	-	4.6%
12-May-2003	Avanex	Corning Optical	25.5	0.6 x	-	-	-	-	32.9%
12-May-2003	Avanex	Alcatel Optronics	41.9	0.4 x	-	-	-	-	54.0%
15-Apr-2003	Motorola	Winphoria Networks	195.0	-	4.5 x	-	-	-	1.1%
9-Apr-2003	CIENA	WaveSmith Networks	168.8	-	4.2 x	-	-	-	8.3%
27-Mar-2003	SR Telecom	Netro	121.0	7.1 x	-	-	-	22.7 %	NA
20-Mar-2003	Cisco Systems	Linksys Group	500.0	1.2 x	-	-	-	-	0.5%
4-Mar-2003	UTStarcom	3Com's CommWorks Division	100.0	0.8 x	0.8 x	-	-	-	4.9%
18-Feb-2003	Andrew	Allen Telecom	498.6	1.3 x	-	-	-	23.5 %	56.3%
24-Jan-2003	Cisco Systems	Okena	154.0	-	-	-	-	-	0.1%
5-Nov-2002	Brocade Communications	Rhapsody Networks	174.8	-	-	-	-	-	10.0%
7-Jun-2002	Infineon	Ericsson (Wireless microelectronics)	377.0	-	-	-	-	-	3.3%
29-May-2002	Alcatel (Genesys)	Telera	136.0	-	-	-	-	-	0.9%
23-May-2002	Symmetricon	Datum	111.5	1.3 x	-	-	-	-	157.4%
20-May-2002	Juniper	Unisphere Networks (Siemens)	734.5	-	-	-	-	-	22.5%
20-May-2002	Remec	Spectrian	161.0	-	-	-	-	-	43.7%
1-May-2002	Cisco Systems	Hammerhead	173.0	-	-	-	-	-	0.2%
18-Mar-2002	Soletron	Lucent (Network Equip)	100.0	-	-	-	-	-	1.3%
18-Mar-2002	(a) Avanex	Oplink	287.2	3.7 x	-	-	-	-	94.1%
19-Feb-2002	Andrew	Celiant	470.1	-	-	-	-	-	35.1%
18-Feb-2002	Ciena	ONI	539.5	2.8 x	-	-	-	21.3 %	18.8%
22-Jan-2002	Alcatel	Astral Point	141.2	-	-	-	-	-	0.7%
22-Jan-2002	Platinum Equity	Alcatel (Wireless Equipment)	707.0	-	-	-	-	-	0.0%

Source: Company filings, Wall Street research, Securities Data Company, FactSet and Bloomberg

(a) Transaction ultimately terminated.

(b) One week premium calculated as premium to 5 trading days prior to announcement.

Selected Transactions in Communications Equipment

Deals Since 01-Jan-2001 (Cont'd)

Announce Date	Acquiror	Target	Levered Value (\$mm)	Levered Multiple of:		Equity Multiple of:		Premium to Market Value (1 week) (a)	Target Value % of Acquirer's Equity Market Cap
				LTM Sales	Forward Sales	LTM Net Income	Forward Net Income		
22-Dec-2001	CSG Systems	Kenan Systems (Lucent)	\$ 300.0	-	-	-	-	-	14.8%
19-Dec-2001	JDS Uniphase	IBM (Optical Transceiver Business)	340.0	-	-	-	-	-	2.9%
30-Nov-2001	Tellabs	Ocular	355.0	-	4.7 x	-	-	-	5.6%
19-Nov-2001	Motorola	Synchronous	260.0	-	-	-	-	-	0.6%
12-Nov-2001	Scientific Atlanta	BarcoNet NV	152.0	1.4 x	-	18.9 x	-	-	4.4%
12-Nov-2001	Juniper	Pacific Broadband	200.0	-	-	-	-	-	2.6%
2-Oct-2001	Amdocs Limited	Nortel (Clarify)	200.0	-	-	-	-	-	3.7%
6-Aug-2001	General Dynamics	Motorola (Integrated Info. Systems)	825.0	-	-	-	-	-	5.0%
30-Jul-2001	Alcatel Optonics	Kymata Limited	117.3	-	-	-	-	-	79.4%
30-Jul-2001	Motorola Inc.	RiverDelta Networks	300.0	-	-	-	-	-	0.7%
27-Jul-2001	Cisco Systems	Allegro Systems	181.0	-	-	-	-	-	0.1%
25-Jul-2001	Nokia	Amber Networks	421.0	-	-	-	-	-	0.5%
24-Jul-2001	Furukawa, Corning	Lucent Optical Fiber Division	2,750.0	1.4 x	-	-	-	-	NA
17-Jul-2001	Alcatel SA	Shanghai Bell	312.0	-	-	-	-	-	1.5%
11-Jul-2001	Cisco Systems	AuroraNetics	150.0	-	-	-	-	-	0.1%
6-Jul-2001	Centerpoint	Zaffire	-	-	-	-	-	-	0.0%
2-Jul-2001	Adaptec	Platys Communications	150.0	-	-	-	-	-	15.2%
4-Jun-2001	Vitesse Semiconductor	Versatile Optical Networks	250.4	-	-	-	-	-	5.5%
24-Apr-2001	Intel	LightLogic	400.0	-	-	-	-	-	0.2%
24-Apr-2001	Intel	Cognet	100.0	-	-	-	-	-	0.0%
5-Apr-2001	BreezeCOM Ltd.	Floware Wireless Systems	109.3	2.8 x	-	-	-	(6.8)%	64.8%
26-Feb-2001	Intel	VxTel	550.0	-	-	-	-	-	0.3%
22-Feb-2001	Siemens AG	Efficient Networks	1,457.9	3.7 x	2.8 x	-	-	69.4 %	2.0%
21-Feb-2001	Motorola	Blue Wave	128.0	3.8 x	2.8 x	64.5 x	25.6 x	7.1 %	0.3%
6-Feb-2001	Nortel Networks	JDS Uniphase - Zurich	2,849.4	-	-	-	-	-	2.6%
5-Feb-2001	ADC Telecommunications	CommTech	185.5	-	-	-	-	-	1.7%
15-Jan-2001	Intel Corp.	Xircom	592.4	1.2 x	0.9 x	28.2 x	20.8 x	60.0 %	0.3%
12-Jan-2001	Jabil Circuit	Marconi communications assets	390.0	-	-	-	-	-	7.4%
8-Jan-2001	Avaya	VpNet Technologies	120.0	-	-	-	-	-	3.9%

Source: Company filings, Wall Street research, Securities Data Company, FactSet and Bloomberg

(a) One week premium calculated as premium to 5 trading days prior to announcement.

Recent Selected CommTech Venture Funding

Company	Date of Announce	Amount Raised (\$mm)	Prior Funding (\$mm)	Round	Lead Investor(s)	Investors in Latest Round	Commentary
Boingo Wireless	8/16/2006	\$65.0	\$31.1	D	Mitsui & Co.	New Enterprise Associates, Red Rock Ventures, Steelpoint Capital Partners, Sternhill Partners	Provider of Wi-Fi network aggregators. The company's wireless Internet service is available in locations such as hotels, airports, cafes, and other public places throughout the world. Through its Wi-Fi software and roaming system, the company securely finds and connects to Wi-Fi networks.
Amimon	8/14/2006	14.0	7.7	C	Stata Venture Partners	Argonaut Private Equity, Cedar Fund, Evergreen Venture Partners, Walden Israel Funds	Developer of wireless communications technology. The fabless semiconductor company develops wireless video transmission solutions and a wireless modem for high-definition video, targeting high-definition TVs and displays.
Motricity	8/11/2006	32.0	121.6	J	Advanced Equities	Intel Capital, New Enterprise Associates, Noro-Moseley Partners, Qualcomm, Technology Crossover Ventures, Wakefield Group	Provider of mobile content and mobile content infrastructure solutions to the wireless industry. The company provides a spectrum of mobile content delivery solutions for consumers and business partners, including games, business applications, ringtones, and e-books.
Digium	8/09/2006	13.8	NA	A	Matrix Partners		Developer of an open-source software platform for business phone systems that's based on Linux and Internet Protocol. The company provides hardware and software products that enable telephony applications including legacy PBX, IVR, auto attendant, next generation gateways, media servers and application servers
Tendril	8/07/2006	5.3	0.5	C	Vista Ventures	Appian Ventures and Access Venture Partners	Developer of a wireless sensor network middleware platform for Java and .NET programmers. The company's solution handles functions that are common to all wireless sensor networks such as recognizing and authenticating new sensors or controls on the network, cataloging their capabilities, assigning programmer property names to each capability, applying simple event-based rules to each property, issuing reliable commands to controls based on those events, and handling other "house-keeping" chores like multi-gateway routing, power management, and health and status heartbeats.
sentiO Networks	8/03/2006	6.0	78.9	I	Columbus Nova Investments	Core Capital Partners, Inflection Point Ventures, Kodiak Venture Partners, Mid-Atlantic Venture Funds, Technology Venture Partners	Provider of carrier-grade, distributed VoIP switching and service delivery solutions for global telecommunications service providers. The company's mission is to enable the migration of circuit switching networks to packet networks and the creation of an open and secure voice application layer for the delivery of innovative SIP services from the multi-service edge.

Source: Venture Source