



Virtual Analyst Event

Communications Test and Measurement
Wednesday, March 7, 2007

Safe Harbor Statement

Certain statements in this presentation constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1934. “Forward-looking” statements are all statements made by us, other than those dealing specifically with historical matters and any statements we make about the conduct of our business or finances up to this moment. All other statements made by us are forward-looking statements which include any information provided on future business operations and guidance regarding our future financial performance. Actual results may differ materially from those projected in the forward-looking statements. Factors that could cause actual results to materially differ from those in the forward-looking statements are discussed in the Company’s Securities and Exchange Commission Filings, particularly the risk factors section of our form 10-Q for the quarter ended December 31, 2006.

This presentation includes Non-GAAP financial measures where indicated. These non-GAAP financial measures complement the Company’s consolidated financial statements presented in accordance with GAAP. However, these non-GAAP financial measures are not intended to supercede or replace the Company’s GAAP results. A detailed reconciliation of historical GAAP results to the historical non-GAAP results is provided in the “Non-GAAP Condensed Consolidated Statement of Operations” schedule to our news release announcing the financial results of the second quarter of fiscal 2007. A discussion of the GAAP measures excluded from the forward-looking non-GAAP measures is provided in the “Business Outlook” paragraph of the news release. The news release is located in the Investor Relations section of our web site at www.jdsu.com.



Communications Test & Measurement

Introduction by Kevin Kennedy

JDSU's Journey

	Q205	Q207	Near-Term Targets	Longer-Term Targets
Revenue	\$180.5M	\$366.4M	-	-
Gross Margin	16.8%	40.6%	≥40%	≥45%
Operating Expenses	36.6%	35.3%	35 to 38%	≤35%
Operating Margin	(11.4)%	5.3%	2 to 5%	≥10%
EBITDA	(14.2)%	9.3%	6 to 9%	~14%

All numbers are non-GAAP. For a detailed reconciliation, please see the press release announcing our Q207 results, available at www.jdsu.com/investors.

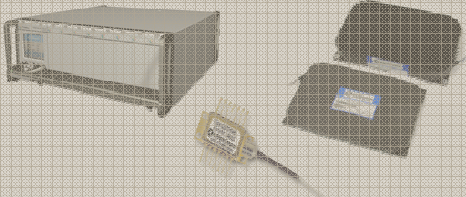

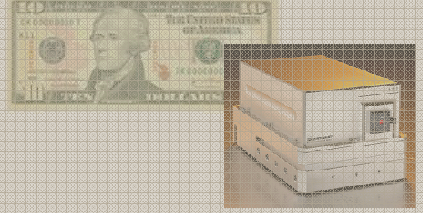
Objective of Today's Webcast

To highlight how JDSU's Communications Test & Measurement business is contributing to revenue growth and the achievement of these business model targets.

Near-Term Targets	Longer-Term Targets
-	-
≥40%	≥45%
35 to 38%	≤35%
2 to 5%	≥10%
6 to 9%	~14%

All numbers are non-GAAP. For a detailed reconciliation, please see the press release announcing our Q207 results, available at www.jdsu.com/investors.

Enabling Broadband & Optical Innovation

Market Segments	Optical Communications	Communications T&M	Commercial and Consumer
			
Total Market Size (Annual)*	\$3.9B	\$2.6B	\$2.0B
Estimated Market Growth Rate*	5-15%	6-12%	5-10%
JDSU Annual Rev*	≥ \$525M	≥ \$550M	≥ \$250M
JDSU Market Position*	#1	#1-3	#1-3
Markets	Telecom, Datacom, Undersea, LH, Metro, FTTx	Telecom, Cable, LH, Metro, Triple Play	Biotech, Semicon, Defense, Currency, Security, Decor
Execution	Fair and improving	Very good for margin structure	CO in transition; Flex very good; Lasers strong
Trends	Device integration	Physical --> service test	Gas lasers, Flex tech sol'ns

* Sources: Ovum-RHK, Prime Data, Frost & Sullivan, Infonetics Research, Optics Coating: A Strategic Business Report, January 2005, and internal analysis

Expectations for Today's Webcast

Previous Disclosures

- Market growing at 6-12%; JDSU Communications Test & Measurement expected to grow 8-12% FY07 from FY06
- Seasonal business, with December peak associated with year-end carrier spending
- Non-GAAP gross margin ranges from 55 – 59%, depending on mix

Today's Webcast

- Sub-segments of Communications Test & Measurement, as we view it internally
- Approximate revenue breakdown by sub-segment
- Portfolio overview, strategy & highlights
- Margin expansion potential



Communications Test & Measurement

John Peeler

What's Our Value Proposition?



We provide:

- Lab & Production Instruments
- Field Service Instruments
- Service Assurance Systems
- Services



For:

- Telecom and Cable Network Operators
- Equipment Manufacturers



Of:

- Broadband / IP networks & services
- Fixed and mobile
- xDSL, FTTx, VoIP, IPTV



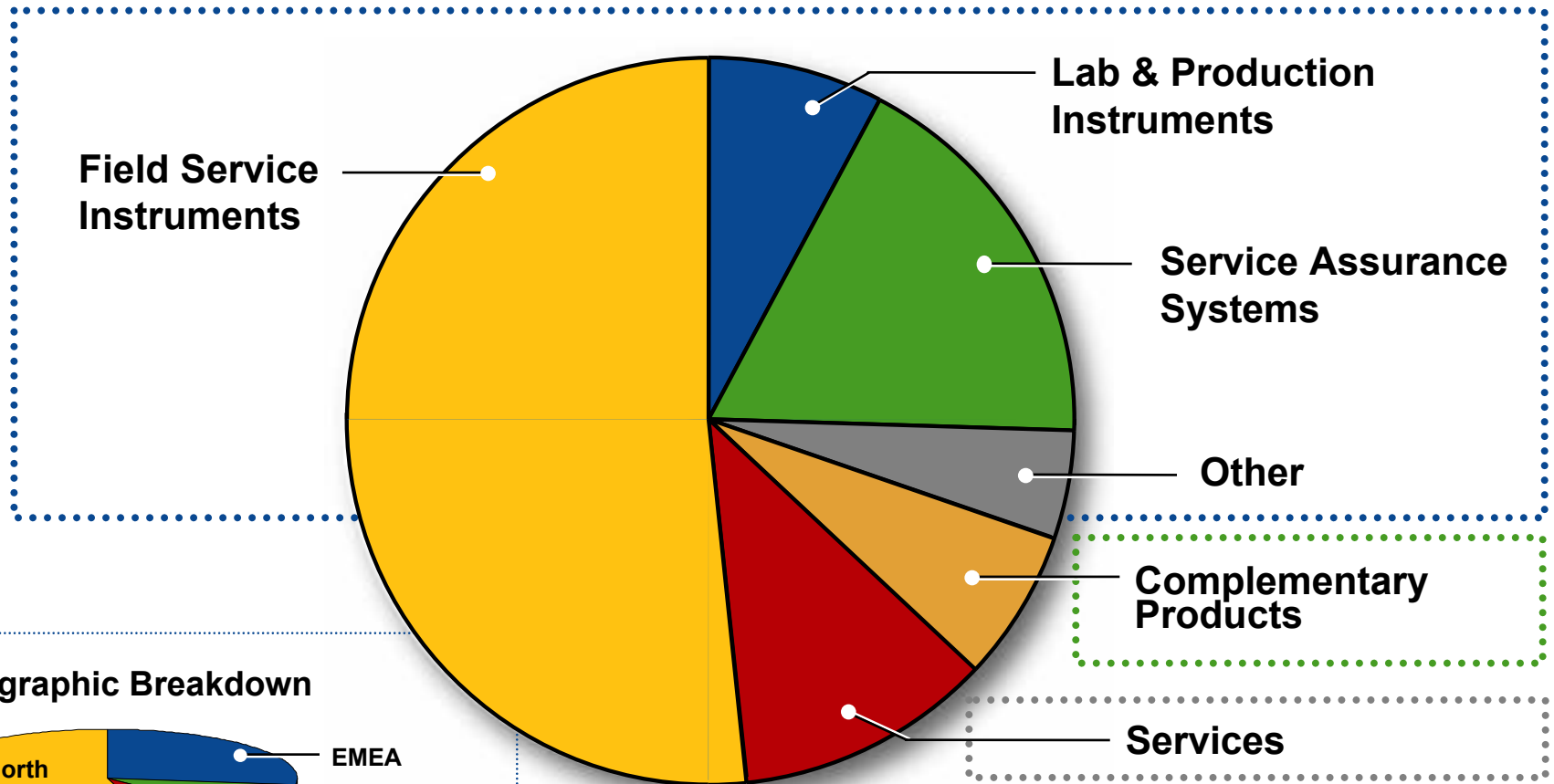
That:

- Accelerate deployment of new services
- Increase productivity and reduce operating expenses
- Improve quality and reduce customer churn

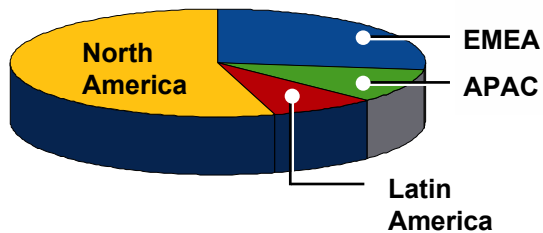


CommTest Revenue Profile

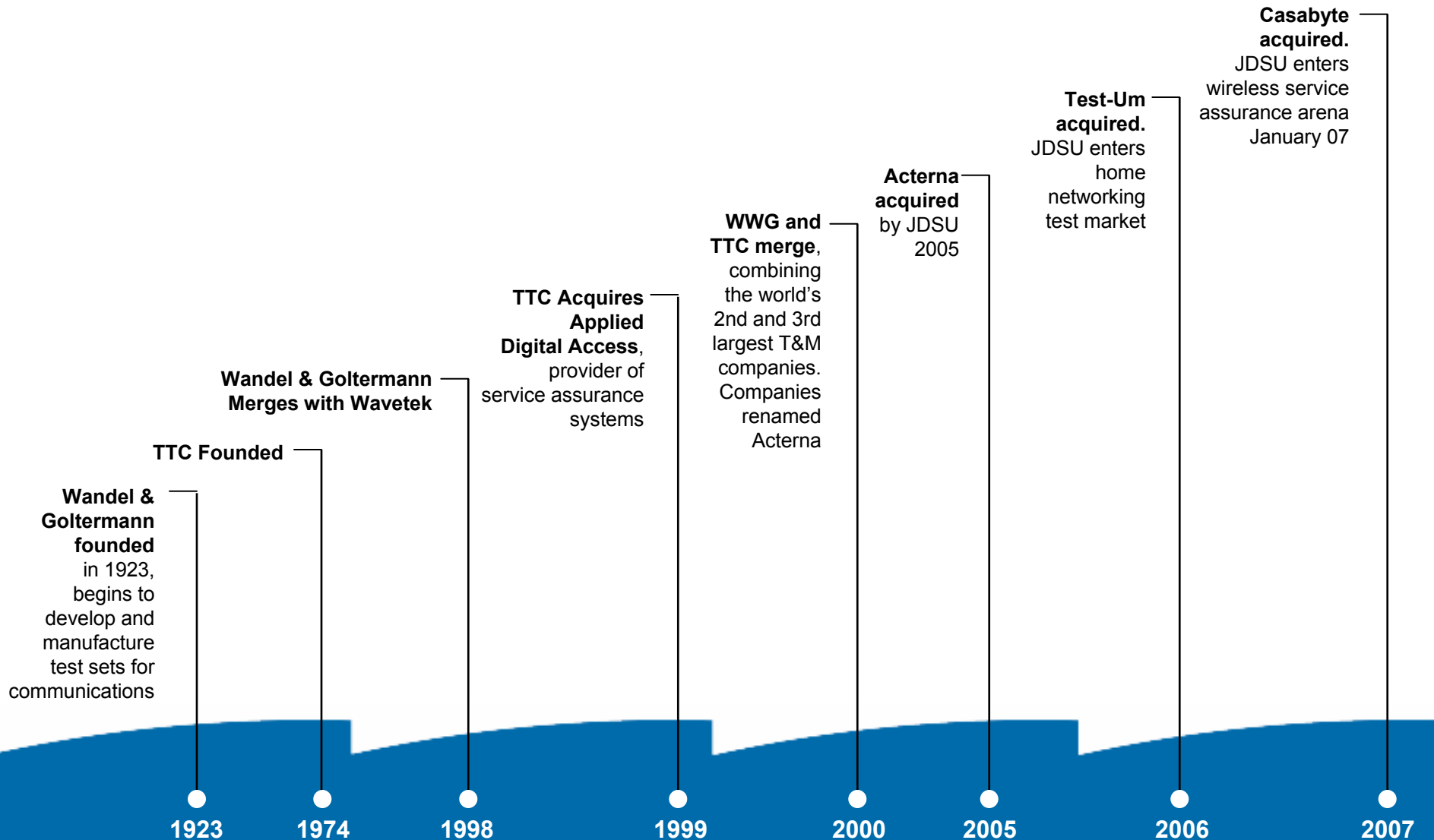
(CY 06 Total: \$539 Million)



Geographic Breakdown



A Long History of Industry Leadership

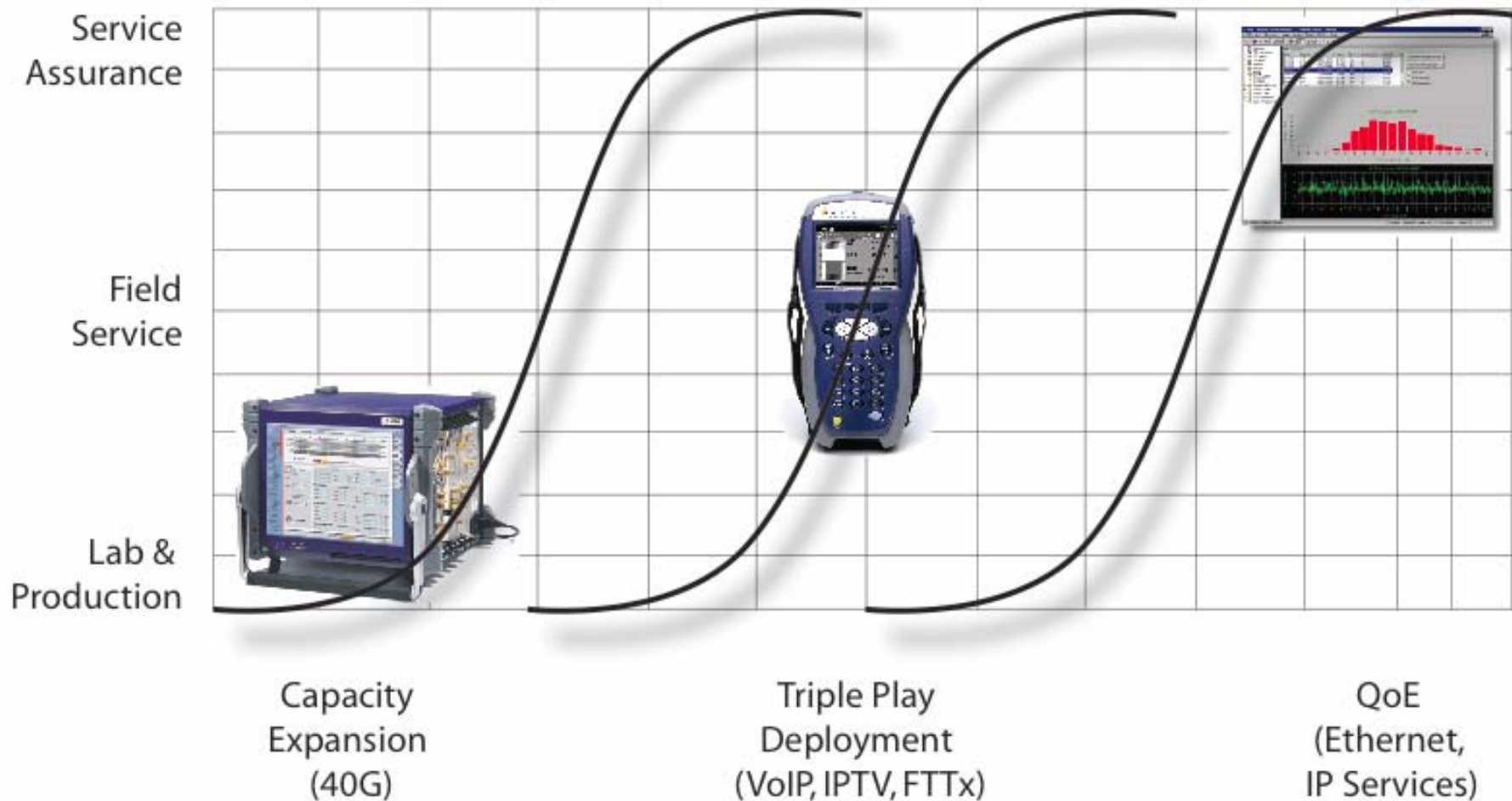


Unique Strengths

- Great products for every stage of network deployment
- Industry's best, most technically skilled worldwide sales & support organization
- Strong relationships and large installed base
- Ability to leverage synergies of combined T&M and optical communications expertise



Test Solutions for Every Stage of Network & Service Deployment



Breadth of Portfolio – Ethernet Example

Ethernet Example

ONT-506/512

Service Verification/Lab Technician



SmartClass, HST-3000, FST-2802 and TB/MTS-8000

Tier 1/Tier 2 - Field Technician



DA-3400, QT-600 and QT-50 Software Agent

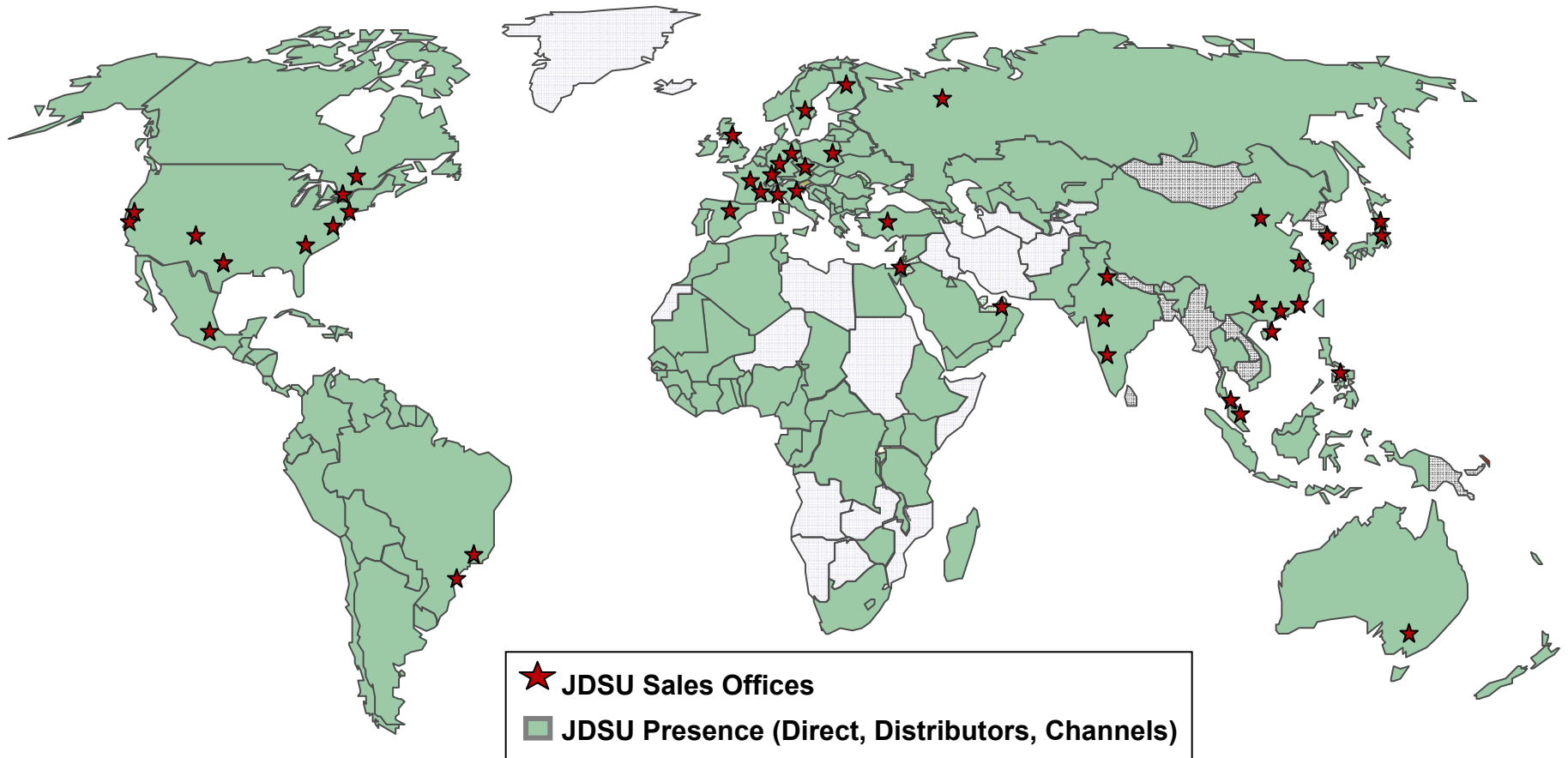
Tier 2/3 Ethernet Expert, NOC Technician



Industry's Best Worldwide Sales and Support Organization



- Global, technically skilled sales organization
- Strong customer intimacy; close to unique challenges of each customer
- Global footprint facilitates customer service and support



Deep Relationships with Key Customers



Together with NEXTEL



- **Over 4,000 customers worldwide:**
 - Pathtrak – 150,000 nodes monitored
 - DSAM -- 25,000 units
 - HST-3000 – 21,000 units
 - T-BERD/MTS fiber field testers – 170,000 units

More than 350,000 Test Instruments Shipped Over the Last 12 Years!

CommTest & Optical Communications Synergies

CommTest-OC Synergies

- Equipment manufacturer market penetration (bookings up 50%+)
- Cross pollinization of talent
- Sales channel
- Infrastructure sharing
- Product innovation & development efficiencies



JDSU's new OSA for its widely deployed T-BERD/MTS 8000 addresses the specific test requirements of ROADM networks.

Synergy Example

Enabling the Agile Optical Network

Market Requirement

- More flexible, dynamically reconfigurable broadband networks to efficiently meet demand for new, high-bandwidth consumer/business services and applications (i.e. IPTV, gaming, VoD, etc.).

Challenge

- ROADMs, key building blocks of the AON, introduce new network test challenges to ensure reliable performance/service
- Specifically, "noise" that can degrade performance becomes harder to detect and accurately measure

JDSU Solution

- A new Optical Spectrum Analyzer developed from JDSU's combined test and optical networking expertise
- OSA enables accurate noise measurements on a live network without interruption of service, a market innovation



JDSU CommTest Growth Strategy

Exploiting the best growth opportunities in Field Service test.

Address QoS challenges through Service Assurance solutions for telecom, cable and mobile network operators.

Expanding presence in Lab and Production market.



Field Service

What: Broadband triple play service installation and troubleshooting

For: Telecom and cable field technicians -- core network to home wiring



Total Market Size (telecom & cable networks): **\$1.2B***

Addressed Market: **\$1.2B**

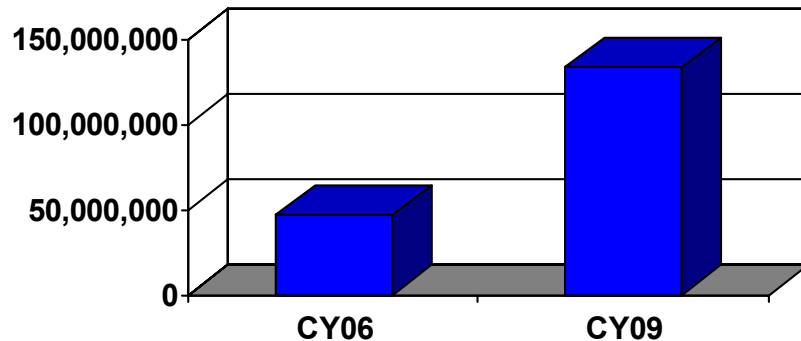
JDSU CommTest Market Position: **#1**

Competitors: **Sunrise, Exfo, and Fluke**

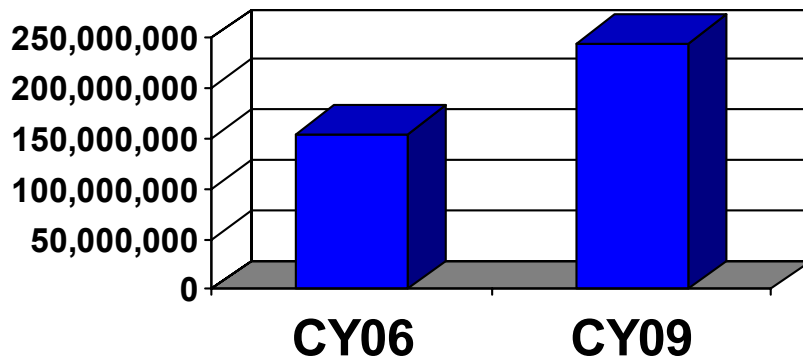
*Source: company reports, IDC, Frost & Sullivan, Prime Data

Field Service – Trends, Strengths & Opportunities

Worldwide VoIP Subscriber Growth



xDSL Worldwide Subscriber Growth



Source: Infonetics

- Market Trends
 - Intense service provider competition
 - Drive to increase revenue per subscriber
- Strengths
 - Widely adopted triple play test products
 - Market leader for broadband access (telecom and cable) and metro network test
 - Industry's most comprehensive portfolio
- Opportunities
 - FTTx network expansion
 - IPTV and VoIP deployments
 - Home network test

HST-3000

Product Description

- An all-in-one solution for testing FTT-X networks & Triple Play service delivery
- Targeted customers are service providers who are deploying next generation DSL and FTT-X networks for Triple Play service offerings
- Leading solution for all-in-one copper, DSL & Triple Play services testing
- Ahead in the early VDSL2 market
- Standardized in AT&T I&R for U-Verse service roll-out (Q2)



Key Features

- **FTT-X Network Testing:** Copper (twisted pair) and extended range WB2 copper testing (for VDSL), ADSL, ADSL2+, VDSL, G.SHDSL, IPTV, VoIP, IP data testing and PON power measurements.
- **Ethernet Testing:** 10/100 & Gigabit Ethernet Testing
- **Legacy Access Network Testing:** Copper (twisted pair), T1, DS3, E1, Datacom, ISDN, Frame Relay

HIGHLIGHTS

- Widely adopted triple play test instrument – AT&T, Telefonica, DT, BT, KPN, etc.
- First-to-market with most IPTV and VoIP turn-up and troubleshooting features.
- More than 21,000 units in use worldwide.

DSAM – Digital Service Activation Meter

Product Description

- The DSAM provides an all-in-one solution for testing HFC networks & Triple Play service installations
- Targeted customers are cable network operators deploying VoIP, HSD, and/or Digital Video
- Leading solution for all-in-one HFC and VoIP, Video, and HSD services testing
- Supported by unique productivity software tool – TechComplete – that has significantly increased the value of the DSAM
- The leader with top U.S. MSOs – Comcast, Time Warner, Cox, etc.



Key Features

- **HFC Network Test:** Frequency response (Sweep) testing, spectrum analysis, digital QAM MER/BER/level, analog video level/carrier-to-noise/hum
- **Advanced Services Testing:** IP and DOCSIS: through-put, packet loss, ping. VOIP: loss, jitter, delay, MOS
- **Systems and Software Integration:** DSAM is integrated with PathTrak and RSAM for dramatically improved field troubleshooting time. DSAM is integrated with unique TechComplete TPP and Home Certification software to drive consistency and efficiency in field testing.

HIGHLIGHTS

- Most ubiquitously deployed cable triple play hand held field test meter.
- “Household name” and “industry standard”...27 years of performance.
- First-half FY’07 revenue growth of 145%.
- For operators scaling from thousands of VoIP subscribers to millions, drastically improving efficiency and call quality.

MTS/T-BERD 8000 Scalable Field Optical Test Platform

Product Description

- Scalable multi-application platform for Fiber Characterization, xWDM, SONET/SDH, Ethernet and IP testing
- Applications include: OTDR, Dispersion, BER, Data, Storage, IP, Photonics, DWDM and AON test
 - Market leading position within all segments
 - #1 in the Transport segment, #2 in the Fiber Optics segment
 - Innovative integrated and compact platform
- Target customer groups include:
 - Service provider installation, maintenance and support teams (tier 2 & 3 techs)
 - System vendor field services groups for network turn-up, AON developments and trials in provider/vendors (ex. Alcatel, Huawei)



Key Features

Fiber Optic Application:

- All-in one fiber characterization solution
- Over 50 modules (OTDR, OSA, CD, PMD, DWDM, etc.)

Transport Application:

- All in one Ethernet, IP, SONET/SDH, and Storage solution
- Supports up to the IP layer (connectivity, throughput, QoS testing) for Ethernet/IP deployments and maintenance

HIGHLIGHTS

- CY06 growth of 209% to reach \$50M+ milestone
- Platform in use by every major telecommunications operator worldwide.
- Most innovative fiber field test platform available – easy-to-use, compact, lightweight.

Tri-Porter IVT600 Triple Play Home Wiring Tester

Product Description

- First triple-play tester that replaces six traditional testers, including over 50 separate features and capabilities.
- Combines a speakerphone butt set with a full Ethernet network tester that has active network negotiation capabilities, as well as line testing at 100 MB/second to qualify VoIP.
- Target customer groups: Network installers, contractors/installers/system integrators for telecoms, federal, and enterprise networks



Key Features

- Over 50 combined features and benefits
- *Voice Telephony Testing* - Testing and verifying proper operation of each telephone outlet assures adequate signal levels for all offered services.
- *Data Testing Ethernet Networks* – Test newly-installed network cables on un-powered systems or check active working networks to detect any physical layer or configuration problems.
- *Video RF Detection and Testing* – Testing to ensure signal quality for the reliable delivery of HDTV, video-on-demand, cable modems, etc.

HIGHLIGHTS

- First product from combined JDSU/ Test-Um expertise.
- Extends high-bandwidth test capabilities into the home or business network.
- Accurate, convenient and easy-to-use installation meter for triple-play.



JDSU

Service Assurance Solutions

What: Ensuring QoS via network and service monitoring across physical, transmission & services layers

For: NOC technicians: telecom, cable and mobile



Total Market Size: \$2 Billion*

Addressed Market: \$900 Million

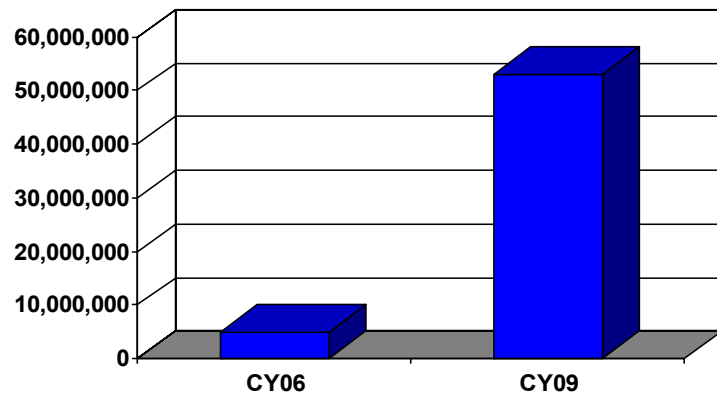
Leader in probe test systems for fixed and mobile networks

Competitors: Agilent, Tektronix, and Spirent

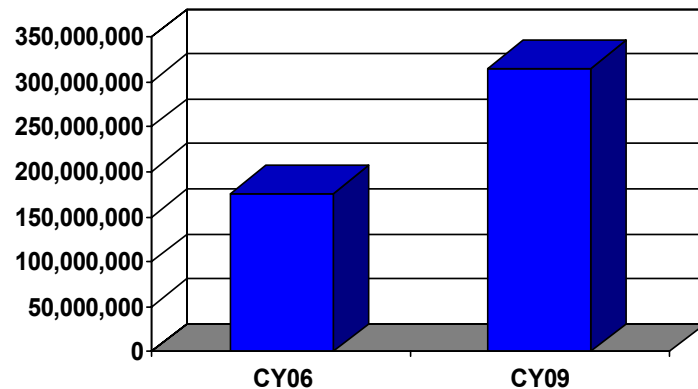
*Source: OSS Observer

Service Assurance – Trends, Strengths & Opportunities

IPTV Worldwide Subscriber Growth



3G Worldwide Subscriber Growth



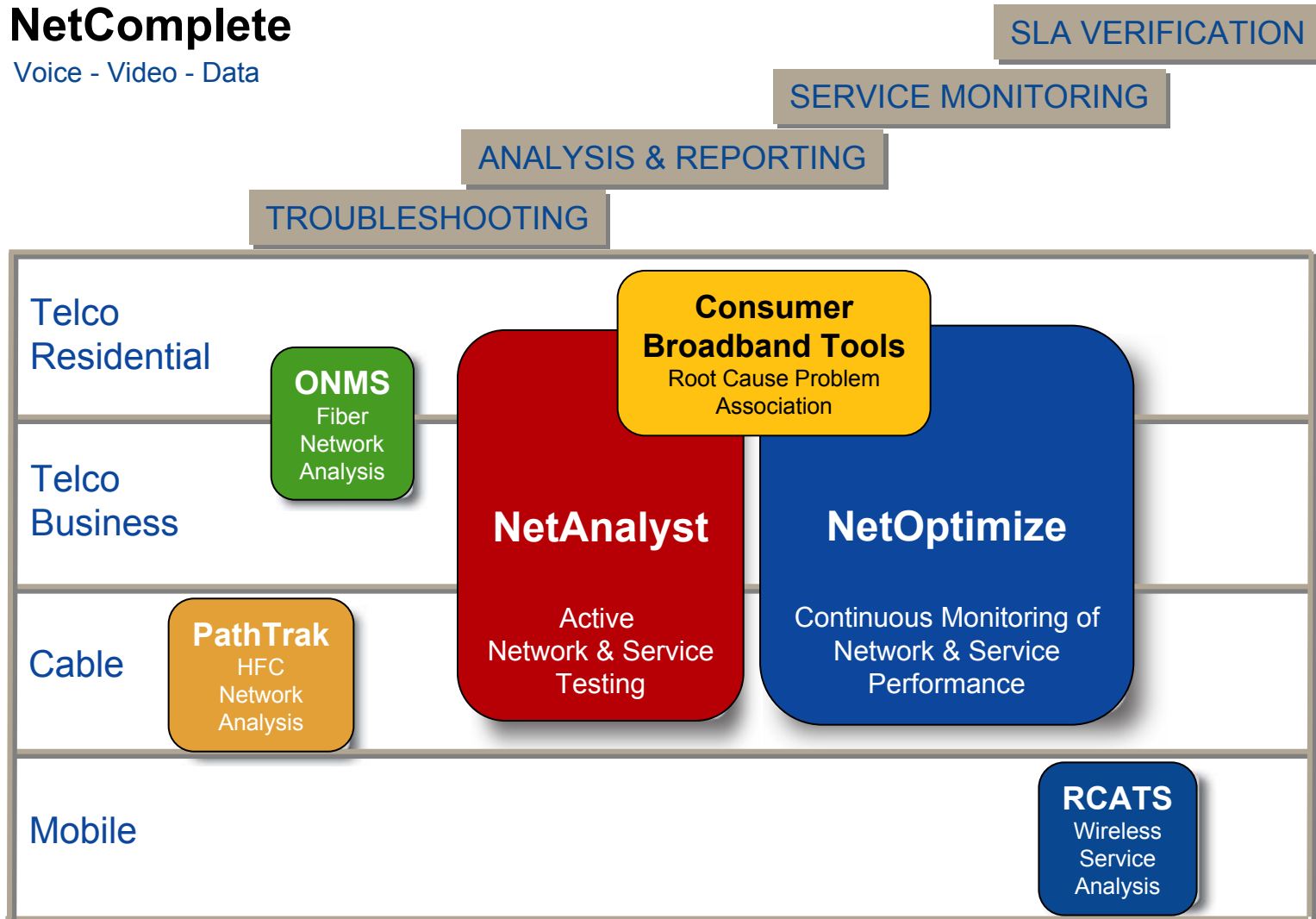
Source: Infonetics

- Market trends
 - Complexities of the “quad play” over converged fixed-mobile networks
 - Need to reduce OPEX while scaling services and subscribers
 - Competition demands QoS/QoE
- Strengths
 - IP broadband solutions for telecom, cable and mobile operators
 - Measurement domain spans physical to applications layer
 - Field service instruments enable probe technology and integrate with OSS
- Opportunities
 - IPTV and VoIP deployments
 - SLA management for complex value chains
 - 3G mobile growth

Service Assurance Solutions

NetComplete

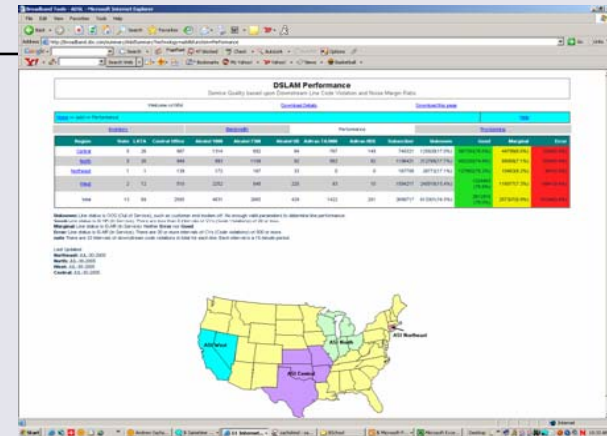
Voice - Video - Data



NetComplete Consumer Broadband Tools

Product Description

Developed in collaboration with AT&T, JDSU NetComplete CBT offers a set of software-based utilities and analytics for proactively managing QoS of consumer broadband triple play services.



Key Features

- Enables true end-to-end service visibility when coupled with our probes and OSS technology
- Attractive cost/line...critical for residential business case

HIGHLIGHTS

- AT&T's Broadband Tools allow them to profitably deploy and maintain the 12 million DSL lines it has in service today.
- JDSU's robust NetComplete allows the successful functioning of AT&T's technology in other telecom networks.
- Combined, NetComplete and AT&T Consumer Broadband Tools help providers solve "multi-million dollar problems."

NetComplete QT-600 VoIP and IPTV

Product Description

Test probe solution providing triple-play services turn-up testing, troubleshooting, performance monitoring, and reporting capabilities.

Application: detects patterns of QoS degradation and, from a centralized location, quickly segments the network to identify the source of the problem.



Key Features

- Triple-play probe that combines active testing and passive monitoring in a single probe
- Multi-service and multi-application
- IPTV Monitoring QoS Analysis of 500+ channels simultaneously
- Configurable Automated Test Access Control
- Centralized Administration with QT-EMS
- Combines Active and Passive capabilities in a single test head

HIGHLIGHTS

- Powerful triple-play probe and test head, monitor 16,000 VoIP streams, 1,000 video streams for quality.
- Trusted by major triple-play deployment leaders: Time Warner, AT&T, France Telecom, among others.
- Invaluable component of JDSU's NetComplete service assurance for IPTV; quickly resolves threats to IPTV quality of viewing experience.



Lab & Production

What: Network equipment testing for development, system verification and production

For: Network equipment manufacturer engineers & technicians



Total Market Size: \$1 Billion (w/ wireless segment = \$2.95 Billion)*

Addressed Market: \$390 Million

Leader in Optical Transport & Fiber Optic Production

Competitors: Agilent, Anritsu, Ixia, Spirent

*Source: company reports, IDC, Frost & Sullivan, Prime Data

Lab & Production – Trends, Strengths & Opportunities

	Network Equipment Manufacturers' Revenues (\$M USD)	
Business Opportunity	2005	CAGR '05-'08
Optical Transport	\$10,900	7.5%
Metro Ethernet	\$3,837	25%
Passive Optical Networks (PON)	\$547	52%
ROADM	\$329	72%

Sources: Infonetics and Ovum-RHK

Market trends

- Faster transmission speeds driven by new, bandwidth intensive consumer & business applications
- NEMs and operator labs require test solutions for next generation network elements and systems

Strengths

- Jitter test leadership
- Proven ability to innovate up the transmission speed curve
- Global Sales and Service infrastructure serves NEMs worldwide and facilitates their outsourcing to lower cost regions

Opportunities

- Expansion into next generation network testing
- Leverage of proven technology and product platforms for optical component and module manufacturers

Lab & Production Innovation: the ONT-506/512 40/43G

Product Description

- A modular platform for testing design and conformance of NextGen transport networks
- Targeted customers are network equipment manufacturers (NEMs), provider labs and independent labs
- Leading solution for 40/43G Jitter test






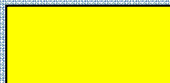


Key Features



- 40/43G optical and electrical interfaces in a single instrument
 - Opnext transponder manufacturer R&D
 - Ciena in R&D and production
- 40/43G Jitter/Wander generation and analysis
 - Opnext transponder testing R&D and production
 - Ciena, Cisco, Nortel system engineering and line card testing
 - Deutsche Telekom, AT&T operator labs
- SDH STM-256 and SONET OC-768 concatenated and fully structured signals (with alarm, error, overhead and pointer generation and analysis)
 - Ciena, Cisco, Nortel, Lucent system verification
 - Deutsche Telekom, AT&T operator labs

HIGHLIGHTS

- Latest in line of innovations up the network transmission speed curve.
- Industry's first all-in-one portable tester for 40/43G networks.
- Most accurate jitter solution on the market.

Gross Margin and Growth Trajectory

	JDSU Market Position	JDSU Growth vs. Target	Current GM vs. Target
JDSU Products	1-3		
Services & Complementary Products	N/A		
Overall	1-3		

	Performing At or Above Targets		Performing Within Few Points of Targets
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Conclusion

Key Takeaways



- World leader in quad play test and measurement solutions
- Strong contributor to JDSU's industry leadership
- One of industry's most complete T&M portfolios
 - From headend to end-user
 - Physical to services layer
 - Throughout the network lifecycle
- Best Sales and Service organization
- Well positioned with strategies to capitalize on industry's best growth opportunities





Questions?
