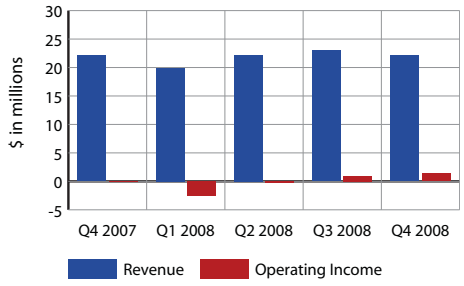
All Other - Commercial Laser Fact Sheet

Revenue and Operating Income



Commercial Lasers

Overview

JDSU's All Other - Commercial Laser business segment contributed $22.1 million, or 6% of total non-GAAP revenue in Q4 2008.

Commercial Lasers

For more than 20 years, JDSU has provided laser components and subsystems for a broad range of applications including semiconductor, biotechnology, materials processing, graphics and imaging, remote sensing and instrumentation. With the acquisition of Lightwave Electronics in 2005, JDSU's expertise and offering dramatically expanded and now includes core technical competencies ranging from ultraviolet to infrared wavelengths. Commercial Laser products include solid-state, diode, fiber, and gas lasers.

Laser Marketplace

Most laser manufacturers today produce low-volume, highly customized laser designs. These designs tend to be time-consuming in manufacturing and expensive to maintain. Many companies have successfully found their niche in the academic, scientific, and small-market industry. Small batch processing precludes the ability to gain real, statistical control over manufacturing processes. This deficiency ultimately leads to time and expense incurred through production and adds an unacceptable level of risk to the project and product plans of large clients that require reliable, long-term laser solutions.

The demand for cost-effective, high-volume, reliable lasers is leading toward a new way of thinking about lasers. Technologies with roots in the Telecommunications markets are rising as the next generation in laser technology. Fiber lasers, and Telecomm-grade Diode lasers are driving the industry to new levels of performance and reliability, while simultaneously opening new market-space to laser manufacturers.

A Uniquely JDSU Approach to Lasers

The Commercial Lasers Group concentrates its efforts on long-term partnerships with OEM customers. JDSU has developed core competencies in producing optimized-performance lasers to meet the specific needs of OEM clients particularly with regard to reliability and volume manufacturability. JDSU lasers are designed for ease of integration, consistent reproduction, and total cost savings.

From within JDSU, the Commercial Laser Group has access to industry-leading engineering expertise across the company ranging from telecommunications, to optical coatings, materials processing, and other leading photonic components. These company-wide strengths enable Commercial Lasers to meet the global needs of its OEM clients.

Diversified OEM Portfolio

JDSU commercial laser products are used in a wide variety of OEM applications including:

- Biotechnology instrumentation
- Precision machining of semiconductor and micro-electronic materials
- Materials processing
- Semiconductor wafer inspection, optical alignment and thin film measurement
- Printing and imaging
- Remote sensing
- Optical pumping

Photonic Power Products

Photonic Power

JDSU is implementing photonic power, a revolutionary method of power delivery that uses lasers and fiber optics to produce electric power. Photonic power can replace copper cabling and batteries for driving sensors, gauges, actuators and communication devices. It offers many benefits:

- environmental—the solution is impervious to RF and magnetic fields, lightning strikes or EM pulses
- emissions—it provides an interference-free power source
- physical—the solution is far lighter and less cumbersome than copper cabling, especially over longer distances
- safety—it is safer than copper in applications where excess heat or sparking may cause harm.

Competition

JDSU's competitors in the laser market include: Coherent (COHR), IPG Photonics (IPGP), Rofin-Sinar (RSTI), CVI-Melles, and the Spectra-Physics division of Newport Corporation (NEWP)

For more information on JDSU lasers, please visit our website at www.jdsu.com.

JDSU
Investor Relations
430 North McCarthy Boulevard
Milpitas, CA 95035

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