



Annual Meeting of Stockholders

Tuesday, November 14, 2006



Chief Financial Officer's Update

Dave Vellequette

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 September 30, 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 first quarter of fiscal 2006. 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.

Fiscal 2006 Recap

- Revenue Increased ~\$500 million
- Non-GAAP EBITDA Improved >\$85 million
 - Three consecutive quarters of non-GAAP positive EBITDA
- Achieved Targeted Cost Savings
 - More than \$90 million on annualized basis
- Aligned Product Portfolio to Enable Profitability
 - Impacted revenue by more than \$100 million
- Acquisitions Strengthened Product Portfolio
 - Agility, Acterna & Test-Um; First Full Year of Lightwave
- Executed Convertible Offering to Extend Maturity Profile of Existing Debt

Fiscal 2005 to Fiscal 2006 Comparison

Non-GAAP Results

	FY05	FY06	Δ
Revenue \$ millions	\$712.2	\$1,208.3	+70%
Gross Margin % revenue	18.4%	35.0%	+\$291.4
EBITDA \$ millions	\$(70.4)	\$17.2	+\$87.6
Net Loss \$ millions	\$(86.9)	\$(23.9)	+\$63.0
Loss Per Share \$	\$(0.48)	\$(0.12)	+\$0.36

Operating Margin by Segment % revenue, & \$ millions

Optical Communications	-9%	-6%	+\$9.4
Comm. Test & Measurement	-	+14%	-
Advanced Optical Technologies	+12%	+22%	+\$8.2
All Other (Commercial Lasers)	-7%	+0%	+\$4.1

Fiscal 2006 Achievements Set the Stage for Non-GAAP Profitability in Q107

All historical Earnings Per Share Results have been restated to reflect JDSU's recent reverse stock split

Fiscal 2005 to Fiscal 2006 Comparison

Non-GAAP Results

	FY05	FY06	Δ
Revenue \$ millions	\$712.2	\$1,208.3	+70%
Gross Margin % revenue	18.4%	35.0%	+\$291.4
EBITDA \$ millions	\$(70.4)	\$17.2	+\$87.6
Net Loss \$ millions	\$(86.9)	\$(23.9)	+\$63.0
Loss Per Share \$	\$(0.48)	\$(0.12)	+\$0.36

Operating Margin by Segment % revenue, & \$ millions

Optical Communications	-9%	-6%	+\$9.4
Comm. Test & Measurement	-	+14%	-
Advanced Optical Technologies	+12%	+22%	+\$8.2
All Other (Commercial Lasers)	-7%	+0%	+\$4.1

Fiscal 2006 Achievements Set the Stage for Non-GAAP Profitability in Q107

All historical Earnings Per Share Results have been restated to reflect JDSU's recent reverse stock split

Fiscal 2005 to Fiscal 2006 Comparison

Non-GAAP Results

	FY05	FY06	Δ
Revenue \$ millions	\$712.2	\$1,208.3	+70%
Gross Margin % revenue	18.4%	35.0%	+\$291.4
EBITDA \$ millions	\$(70.4)	\$17.2	+\$87.6
Net Loss \$ millions	\$(86.9)	\$(23.9)	+\$63.0
Loss Per Share \$	\$(0.48)	\$(0.12)	+\$0.36

Operating Margin by Segment % revenue, & \$ millions

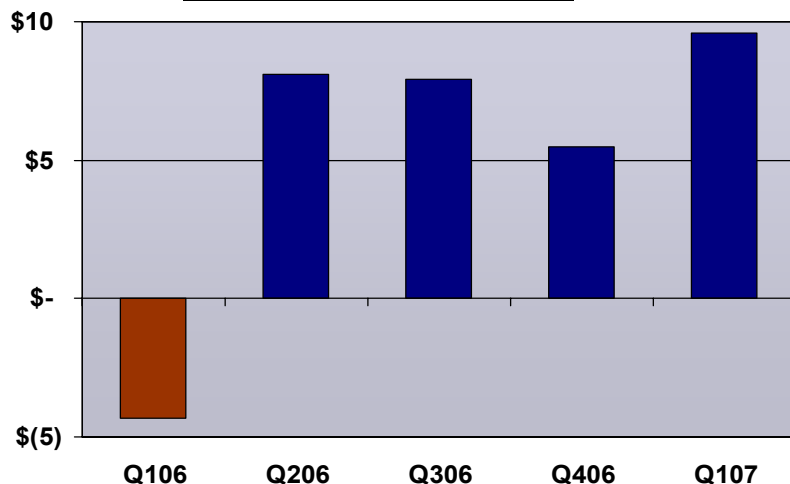
Optical Communications	-9%	-6%	+\$9.4
Comm. Test & Measurement	-	+14%	-
Advanced Optical Technologies	+12%	+22%	+\$8.2
All Other (Commercial Lasers)	-7%	+0%	+\$4.1

Fiscal 2006 Achievements Set the Stage for Non-GAAP Profitability in Q107

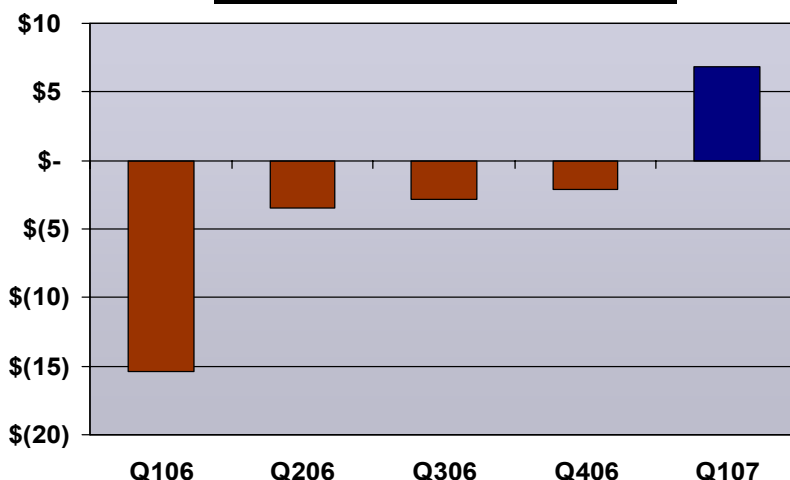
All historical Earnings Per Share Results have been restated to reflect JDSU's recent reverse stock split

Q107 Results Show Continued Progress

Non-GAAP EBITDA



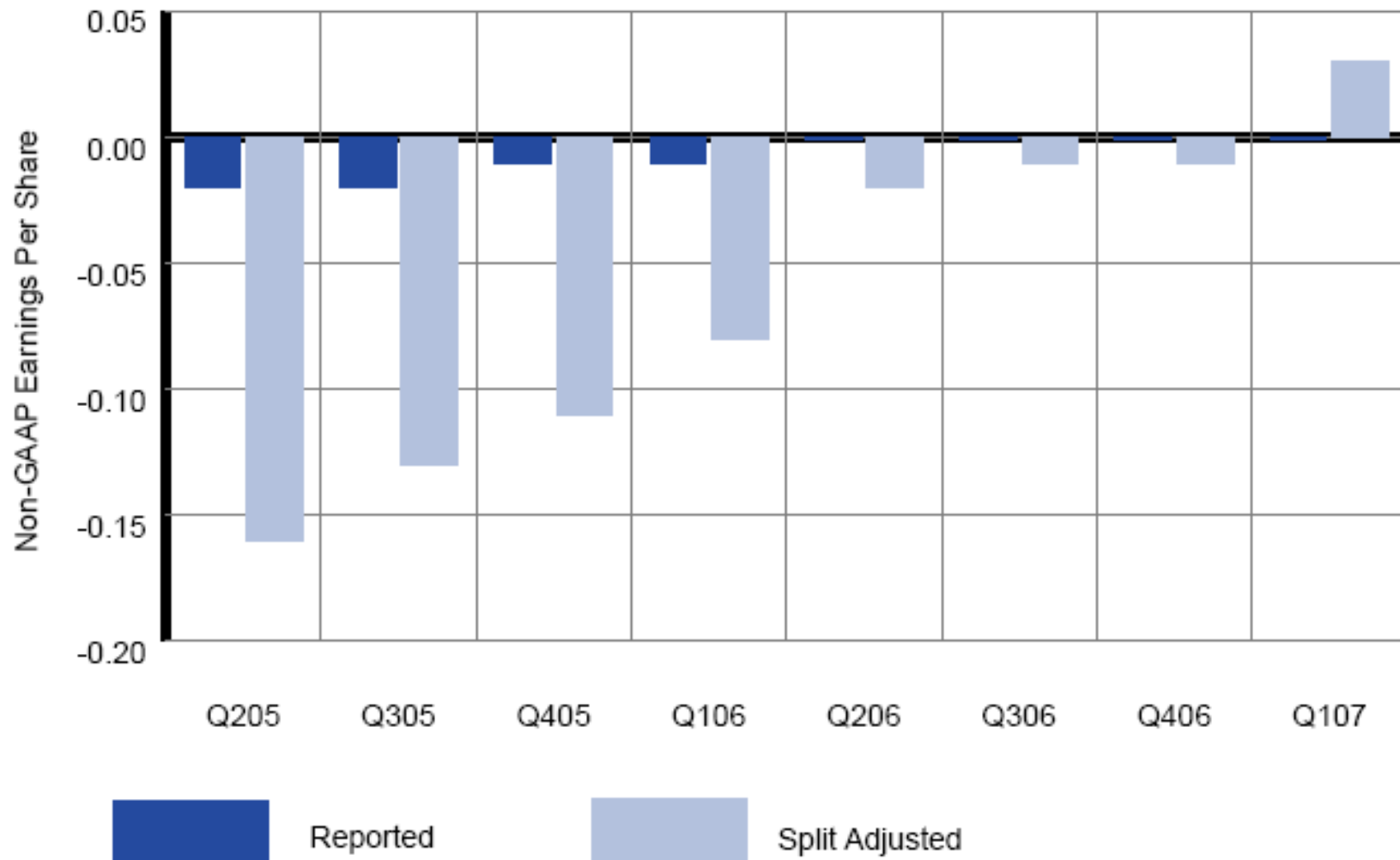
Non-GAAP Net Income



- Fourth consecutive quarter of positive EBITDA
- First positive net income in more than 5 years
- Non-GAAP earnings per share improved:

Q106	Q406	Q107
\$(0.08)	\$(0.01)	\$0.03

Reverse Stock Split Highlights Progress



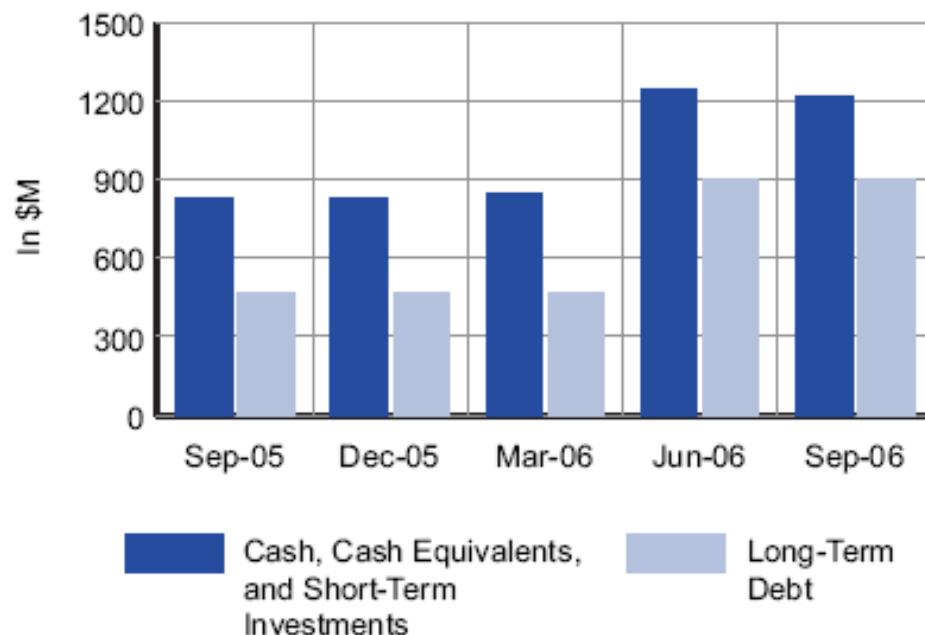
Cash Continues to be a JDSU Strength

- Cash, Cash Equivalents and Short Term Investments > \$1.2 billion

- Financial strength to restructure our legacy and invest in our future.

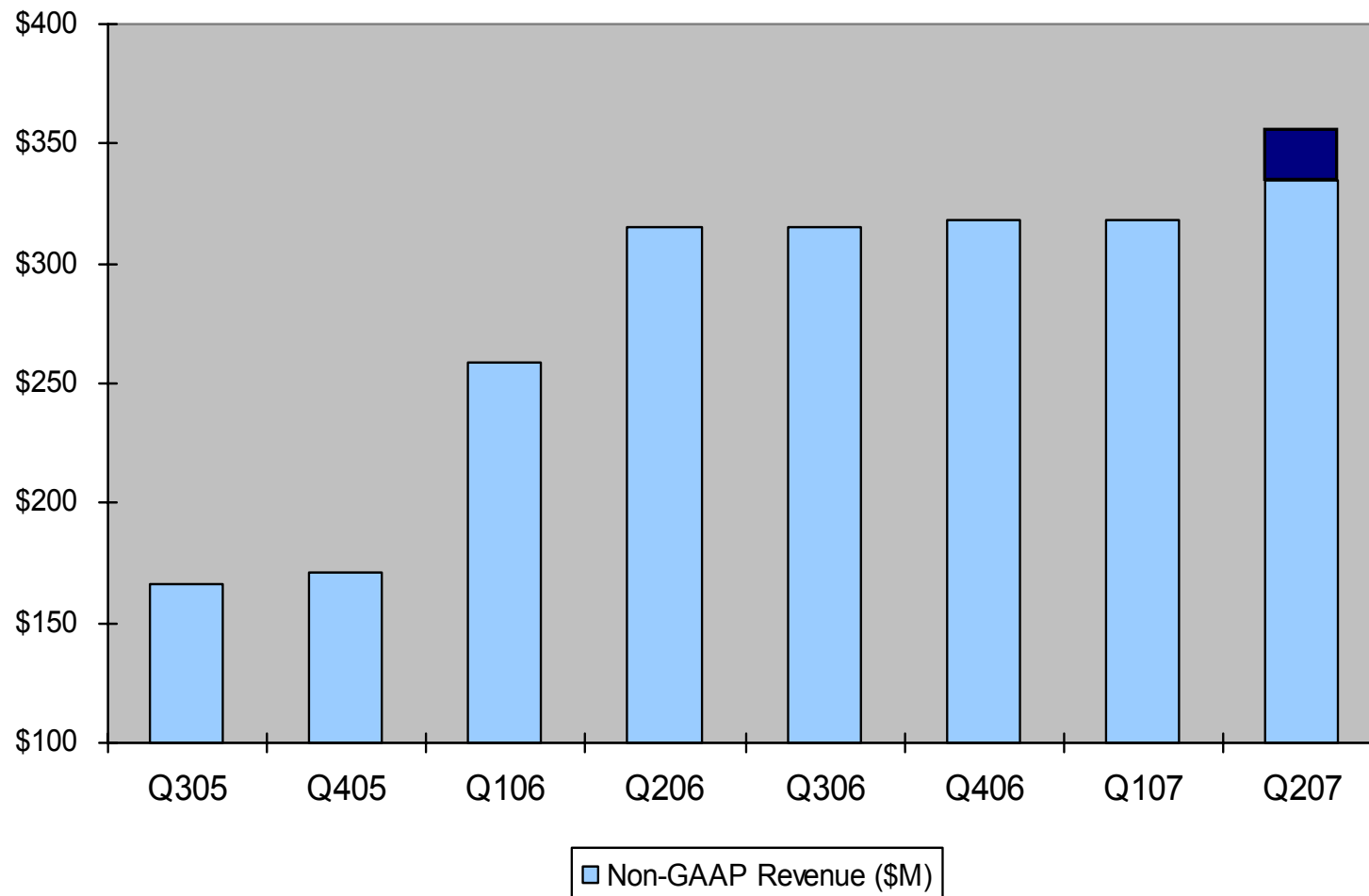
- Convertible Notes

- \$475 million issued in 2003;
 - Holders may redeem in 2008.
- \$425 million issued in 2006;
 - Net share settlement feature reduces stockholder dilution.



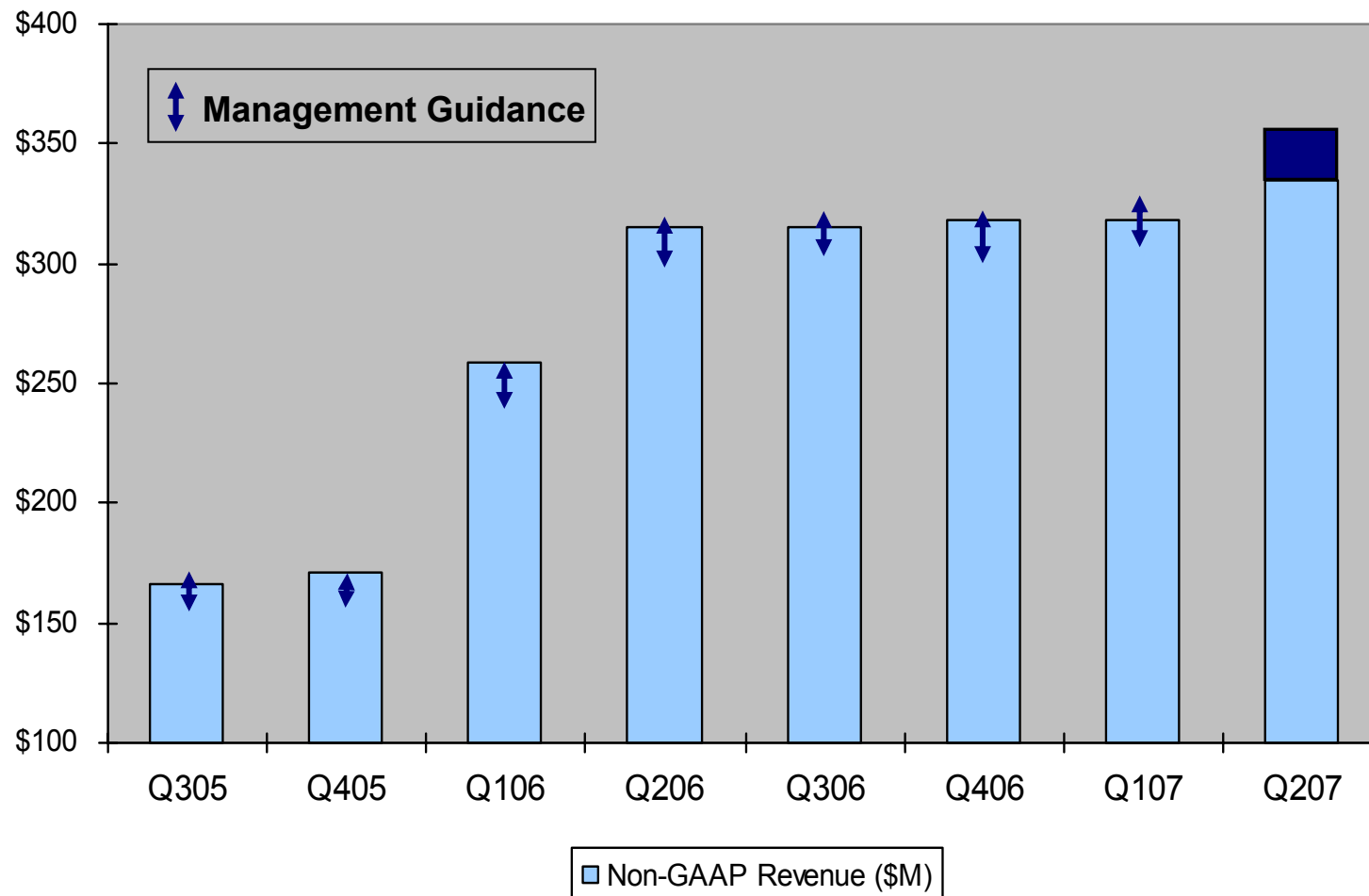
Guided to +4 to +11% Revenue Growth in Q207

- FY07 second quarter revenue expected to be between \$332 and \$352M



Guided to +4 to +11% Revenue Growth in Q207

- FY07 second quarter revenue expected to be between \$332 and \$352M



Fiscal 2007 – CFO Priorities

- Execution of Ongoing Cost Saving Initiatives
 - \$4mn in Q207, \$7mn in Q307, and \$8mn in Q407
 - Transitioning from ‘Heavy Lifting’ to Execution Based Improvements
- Operating Expense Controls
- System & Process Integration
- Progress Towards Near Term Business Model

	Q107 Actual	Quarterly Model
Gross Margin	34.7%	~40%
Operating Expenses	36.9%	35 to 38%
Operating Margin	-2.2%	2 to 5%
EBITDA	3.0%	6 to 9%



Chief Executive Officer's Update

Kevin Kennedy

Our Purpose, Our Journey

- JDSU Mission:

Turn the company to a **profitable, sustainable asset**

- JDSU Vision:

To be valued for **enabling dramatic business improvements** in our customers' deployments of optical products and broadband services

- Enable customers' innovation in **broadband** and optical markets
- Shape product portfolio on **profitability** followed by **revenue growth**
- **Diversify** our **customer base** and product portfolio
- **Reduce legacy** operating **complexity** and manufacturing costs

Priorities Shared at Last Year's ASM

Fiscal 2006 Priorities

- Profitability Acceleration
- Optimize Capital Structure
- New Product Introduction Focus
- Manufacturing Strategy Execution
- Company Integration



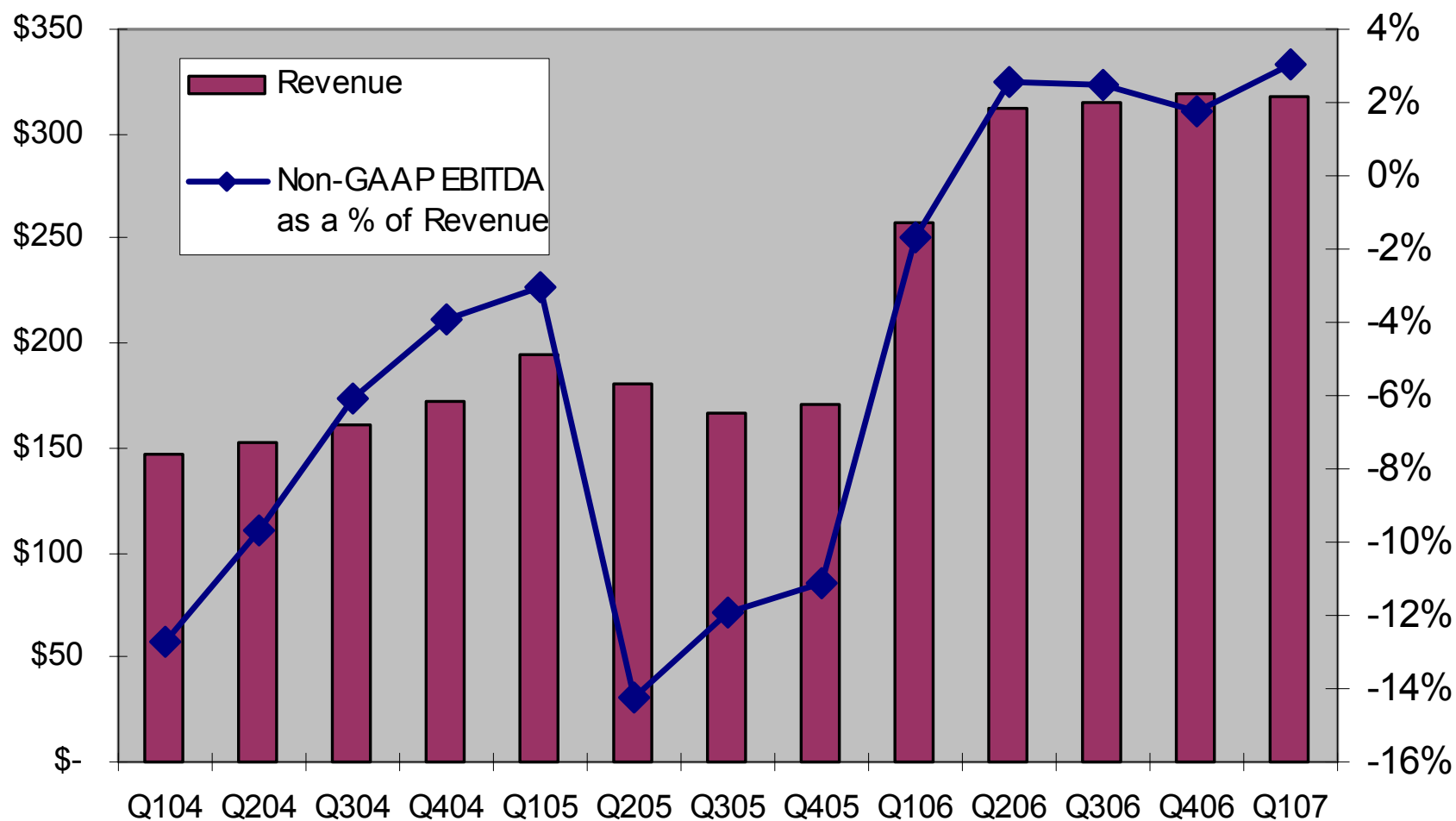
© 2006 JDSU. All rights reserved.



Review of Fiscal 2006 Priorities: Summary

Achieve Non-GAAP EBITDA Breakeven	Achieved • 3 consecutive quarters in fiscal 2006 • Q107 highest non-GAAP EBITDA in > 5 years
Return to Non-GAAP Profitability	Achieved in Q107 • Non-GAAP earnings per share of \$0.03
Optimize Capital Structure	Achieved • Opportunistic convertible note offering • Reverse stock split executed
Manufacturing Strategy Execution	Action Taken/Results Being Realized • ~ \$90 million cost savings achieved during FY06 • Consolidated North American manufacturing facilities
New Product Introduction Focus	Action Taken / Results Being Realized • AON portfolio grew >100% year-over-year
Company Integration	Action Taken / Results Being Realized

Revenue and EBITDA Momentum



Enabling Broadband & Optical Innovation

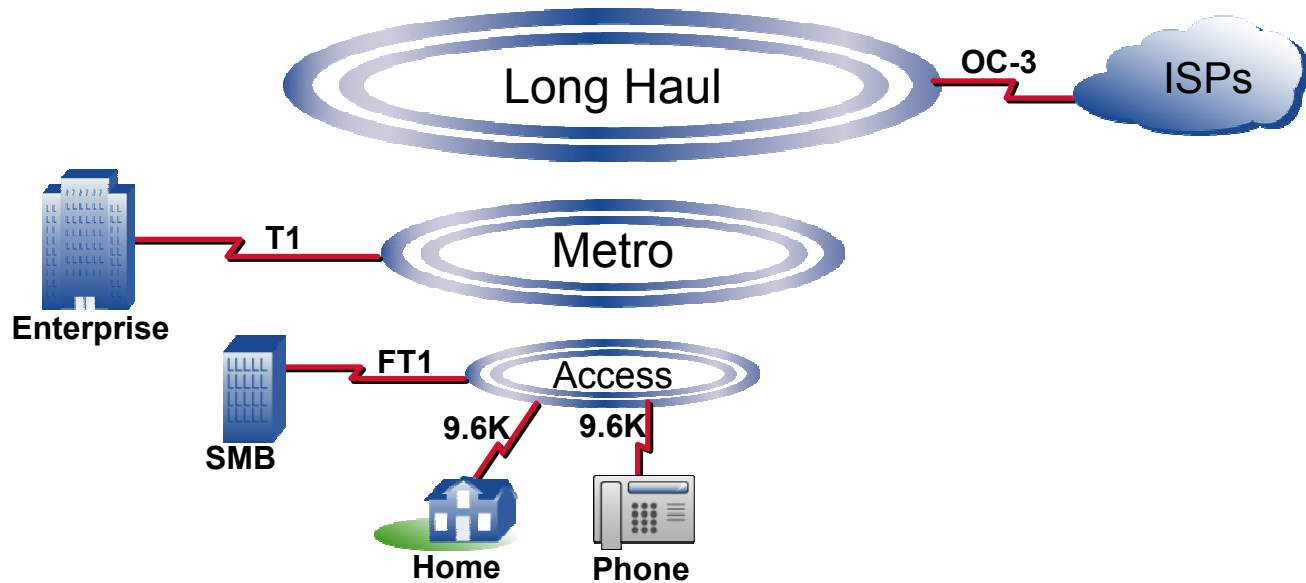
Market Segments	Optical Communications	Communications T&M	Commercial and Consumer
			
Total Market Size (Annual)*	\$3.9B	\$2.6B	\$2.0B
Annual Growth Rate*	5-15%	6-12%	5-10%
JDSU Annual Rev*	≈ \$470M	≈ \$520M	≈ \$250M
JDSU Market Position*	#1	#1-3	#1-3
Markets	Telecom, Datacom, Undersea, LH, Metro, FTTx	Telecom, Datacom, 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

The History of the Optical Network

The “Pin Drop Era” 1990-1995

Services = Voice, FAX, dial-up Internet, Enterprise 56K – T1

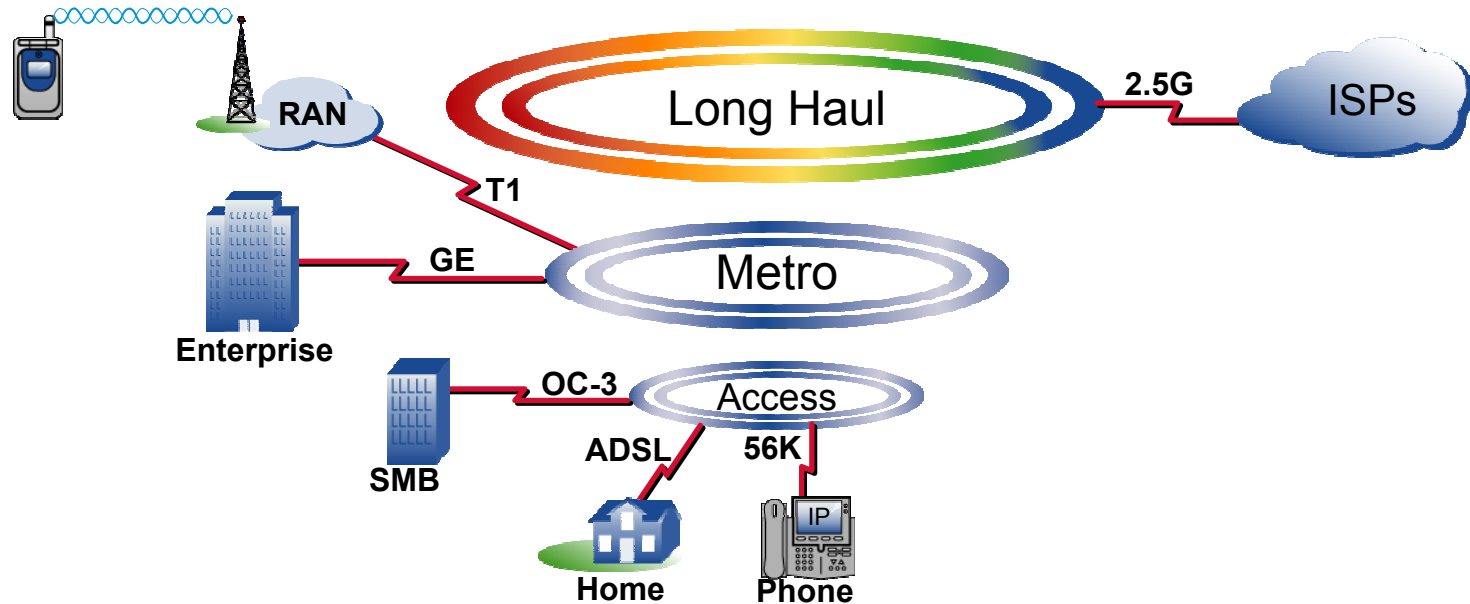


	Long Haul	Metro	Access
Bandwidth	• Technology = SONET/SDH & Asynchronous • Bandwidth = 1.7G & 2.5G @ 1 λ	• Technology = SONET/SDH & Asynchronous • Bandwidth = 400-622M @ 1λ	• Technology = Analog phone, FT1, 56K, X.25, Switched 56, T1/E1 • Bandwidth = 9.6K = 1.5M
What JDSU Sells	• Passives • Source Lasers • Modulators	• Passives • Source Lasers	

The History of the Optical Network

The “Broadband Era” 1996-2002

Services = Voice, Internet, Enterprise 56K – OC-3, VoIP

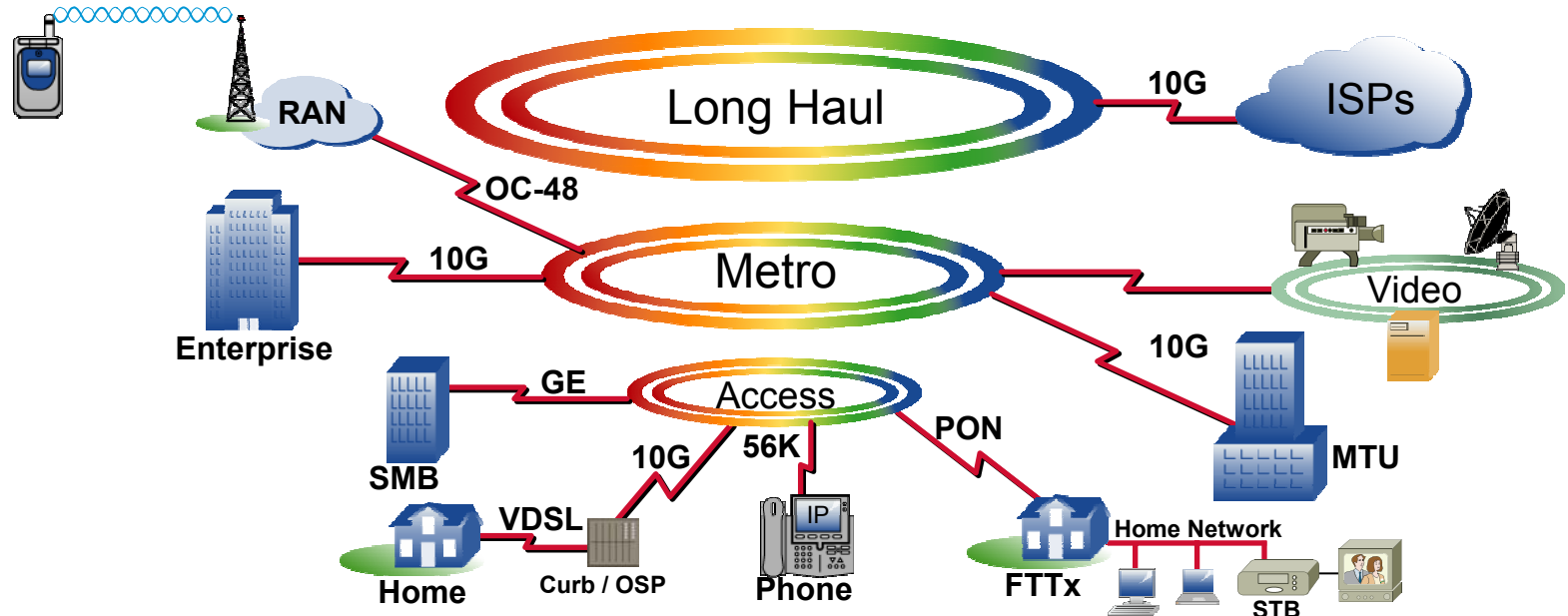


	Long Haul	Metro	Access
Bandwidth	- Technology = SONET/SDH & WDM - Bandwidth = 2.5G @ 80λ & 10G @ 40 λ = 200-400G	- Technology = SONET/SDH - Bandwidth = 2.5G @ 1λ & 10G @ 1λ = 2.5-10G	- Technology = 56Kbps – T3, ISDN, ADSL, G.SHDSL, FE, 1GE - Bandwidth = 9.6K – 10G
What JDSU Sells	- Passives - Source Lasers - Receivers - Modulators - WDM TFF - AWG - EDFA	980 Pumps - Passives - Source Lasers - Receivers - Modulators	

The History of the Optical Network

The “Triple and Quad Play Era” 2003 +

Services = Voice, Internet, Enterprise, VoIP, IP Video, Rich Media (iTunes, youtube, ...)

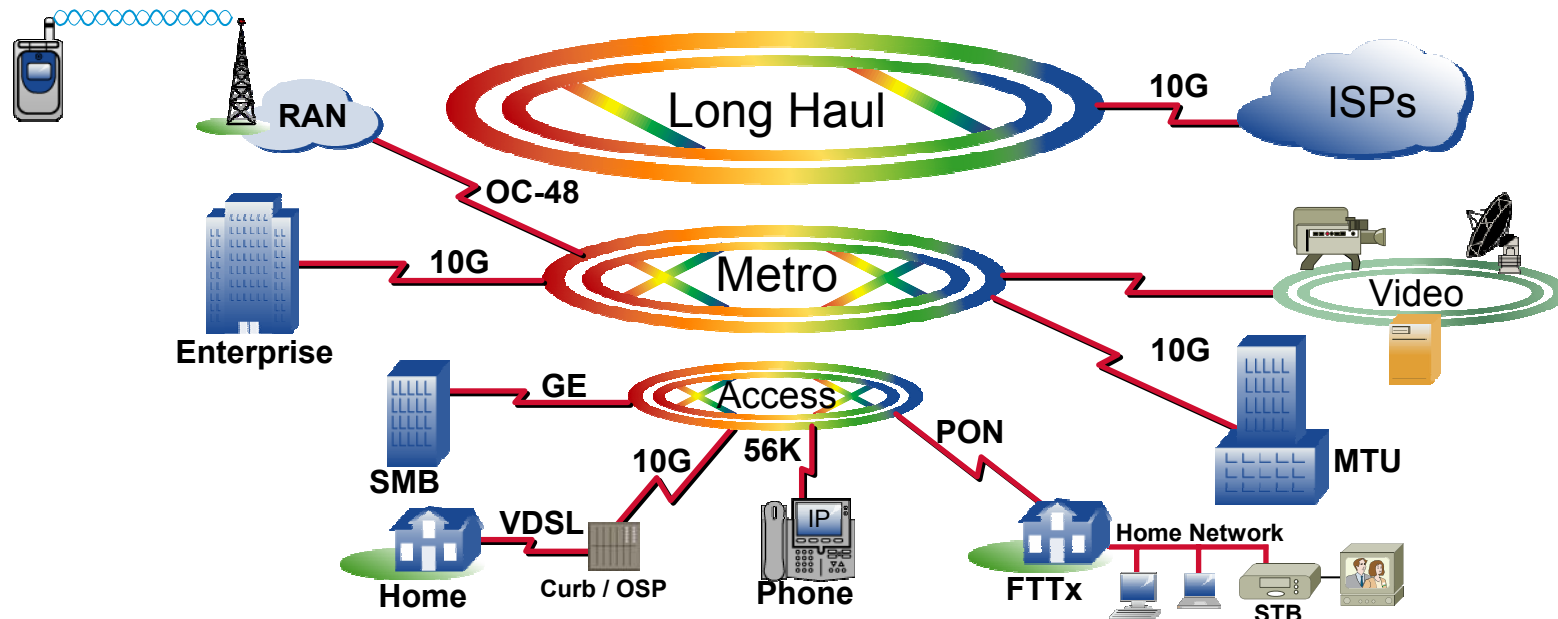


	Long Haul	Metro	Access
Bandwidth	- Technology = WDM+ Legacy SONET/SDH - Bandwidth = 10G @ 80-160λ & 40G @ 1-40λ = 0.8 – 1.6 T	- Technology = WDM+ Legacy SONET/SDH - Bandwidth = 10G @ 40λ = 400G	- Technology = ADSL2, VDSL, Cable, FTTx, GE, 10G - Bandwidth = up to 10G
What JDSU Sells	- Passives - Source Lasers - Receivers - Modulators - WDM TFF - AWG - EDFA	980 Pumps - ODM / ODM+ - ROADM	- Passives - Source Lasers - Receivers - Modulators - WDM TFF - AWG - EDFA

The History of the Optical Network

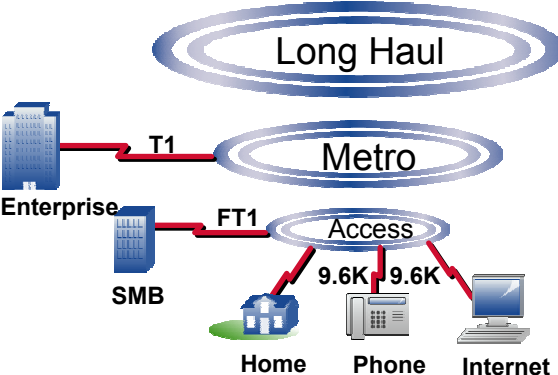
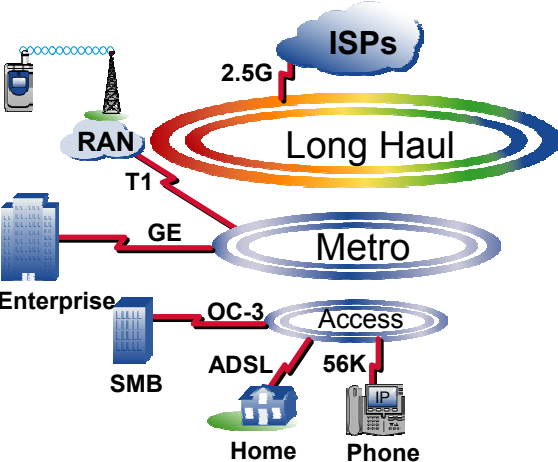
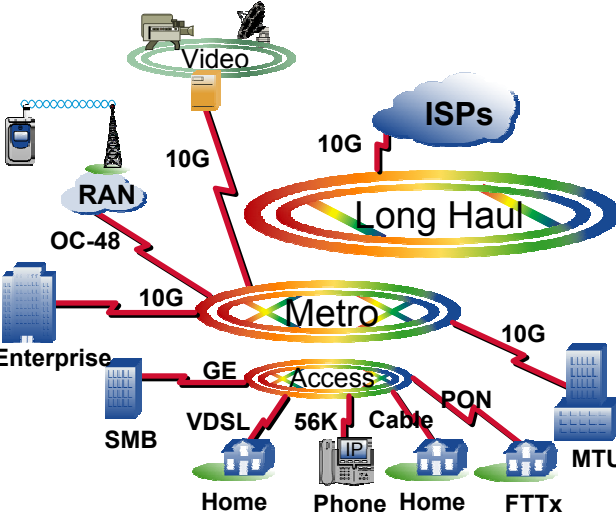
The “Triple and Quad Play Era” 2003 +

Services = Voice, Internet, Enterprise, VoIP, IP Video, Rich Media (iTunes, youtube, ...)

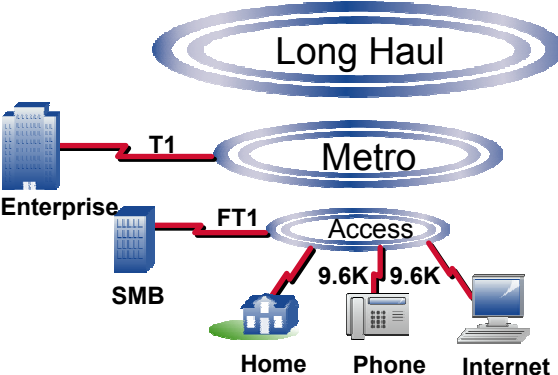
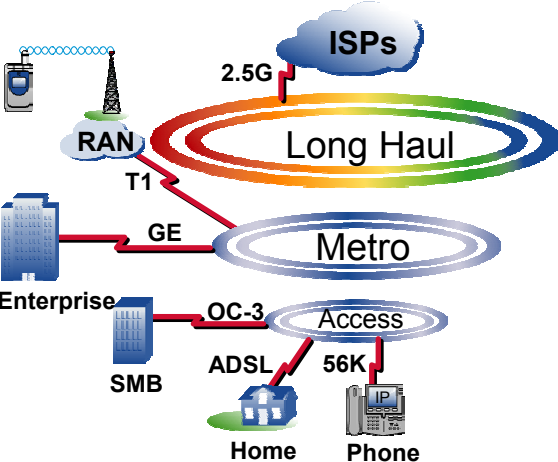
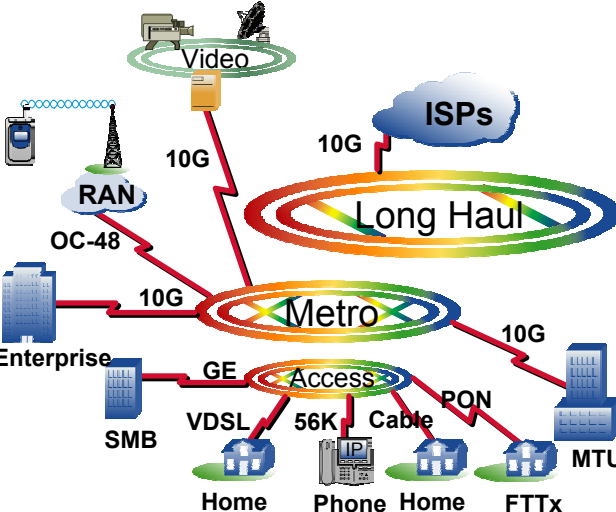
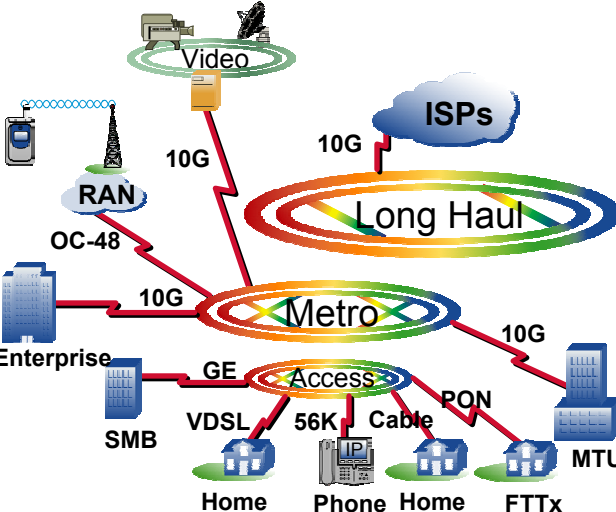


	Long Haul		Metro		Access	
Bandwidth	- Technology = WDM+ Legacy SONET/SDH - Bandwidth = 10G @ 80-160λ & 40G @ 1-40λ = 0.8 – 1.6 T		- Technology = WDM+ Legacy SONET/SDH - Bandwidth = 10G @ 40λ = 400G		- Technology = ADSL2, VDSL, Cable, FTTx, GE, 10G - Bandwidth = up to 10G	
What JDSU Sells	- Passives - Source Lasers - Receivers - Modulators - WDM TFF - AWG - EDFA	980 Pumps - ODM / ODM+ - ROADM SAS T&M	- Passives - Source-L - Receivers - Modulators - WDM TFF - AWG - EDFA	980 Pumps - ODM / ODM+ - ROADM SAS T&M FTTx T&M DSL T&M Cable T&M	- Pumps - Passives SAS T&M FTTx T&M DSL T&M Cable T&M VoIP T&M	OSP T&M Home Network T&M Wireless T&M

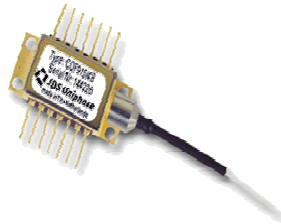
The History of the Optical Network

	"Pin Drop Era" 1990-1995			"Broadband Era" 1996-2002			"Triple/Quad Play Era" 2003+		
Cable	Technology = Analog Service = Video			Technology = Broadband Service = Video					
Telco Network									
Wireless	Technology = Analog Service = Voice			Technology = Digital Service = Voice, SMS			Technology = Digital Service = Voice, SMS, Internet, Video Pictures, E-mail		
What JDSU Sells	LH	Metro	Access	LH	Metro	Access	LH	Metro	Access
	• Passives • Source Lasers • Modulators	• Passives • Source Lasers		• Passives • Source Lasers • Receivers • Modulators • WDM TFF • AWG • EDFA • 980 Pumps	• Passives • Source Lasers • Receivers • Modulators		• Passives • TX/RX • Modulators • WDM TFF • AWG • EDFA • 980 Pumps • ODM / ODM+ • ROADM • SAS T&M	• Passives • RX/RX • Modulators • WDM TFF • AWG • EDFA • 980 Pumps • ODM / ODM+ • ROADM • SAS T&M • FTTx T&M • DSL T&M • Cable T&M	• Pumps • Passives • SAS T&M • FTTx T&M • DSL T&M • Cable T&M • VoIP T&M • OSP T&M • Home Net T&M • Wireless T&M

The History of the Optical Network

	"Pin Drop Era" 1990-1995			"Broadband Era" 1996-2002			"Triple/Quad Play Era" 2003+		
Cable	Technology = Analog Service = Video			Technology = Broadband Service = Video					
Telco Network									
									
Wireless	Technology = Analog Service = Voice			Technology = Digital Service = Voice, SMS			Technology = Digital Service = Voice, SMS, Internet, Video Pictures, E-mail		
What JDSU Sells	LH	Metro	Access	LH	Metro	Access	LH	Metro	Access
	• Passives • Source Lasers • Modulators	• Passives • Source Lasers		• Passives • Source Lasers • Receivers • Modulators • WDM TFF • AWG • EDFA • 980 Pumps	• Passives • Source Lasers • Receivers • Modulators		Future AON Innovation • Access ROADMs • > 8 dimension ROADMs • Tunable Transponders • Higher-levels of integration		

Optical Communications



Highlights

- #1 Market Share for 9 consecutive quarters
- Broadest Agile Optical Network portfolio including tunable lasers, ROADMs, and EDFAs
- Named a 'Top Innovator' by RHK
- Revenue grew 37% Yr/Yr
- Clear ROADM market leader



Communications Test & Measurement



Highlights

- Most comprehensive portfolio of broadband test instrument, systems and services – from the head-end thru the home
- #1 market share with wireline network operators
- Global, technically skilled direct sales force connected to the world's leading service providers and network equipment manufacturers



Advanced Optical Technologies

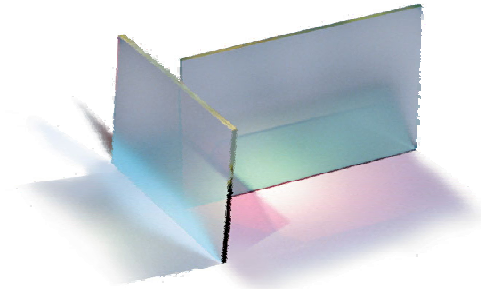


Highlights

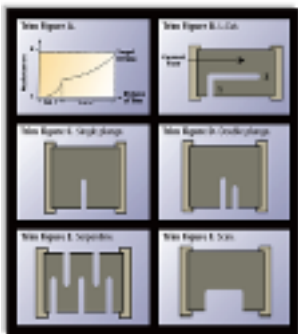
- Protecting **80%** of the world's currency value (≈ 100 countries)
- Protecting 40 Rx drugs from 11 of the top pharmaceutical companies
- Custom coatings for high performance and precision, low defects, harsh environments



New genuine Viagra packaging with color-shift logo



Commercial Lasers & Photonic Power

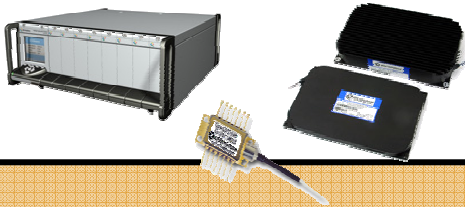
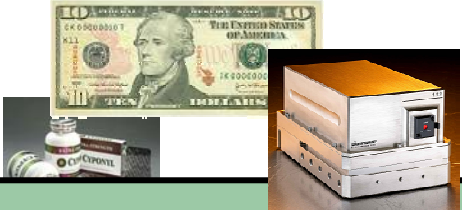


Highlights

- Leader in lasers for high precision applications
- R&D 100 Award for Photonic Power technology
- Revenue grew 26% Yr/Yr



Manufacturing Strategy Execution: Progress

Market Segments	Optical Communications		Commercial and Consumer
Progress to Date	 ✓ Transfer of Manufacturing & Closure of Melbourne ✓ Transfer of Manufacturing & Closure of Rochester ✓ Transfer of Manufacturing & Closure of Ottawa ✓ Transfer of Manufacturing & Closure of Ewing ✓ Transfer of Manufacturing & Closure of Mountain Lakes - Transfer of Manufacturing & Closure of Santa Barbara	<u>Cost Savings Achieved/Targeted</u> - Q106 - \$4mn ✓ - Q206 - \$9mn ✓ - Q306 - \$17mn ✓ - Q406 - \$22mn ✓ - Q107 - \$2mn ✓ - Q207 - \$4mn - Q307 - \$7mn - Q407 - \$8mn	 ✓ Exit Light Engines ✓ Exit DLP Microdisplay ✓ Sale of Laser Marking Business ✓ Transfer of Manufacturing & Exit from Fuzhou - Santa Rosa Consolidation: 13 buildings to 6 - Transfer of Commercial Lasers Manufacturing

Segment Progress To Date

CEO Transition

Acceptance of Industry Myths & Realities

Gross Margin Analysis

Diagnosis and Mobilization

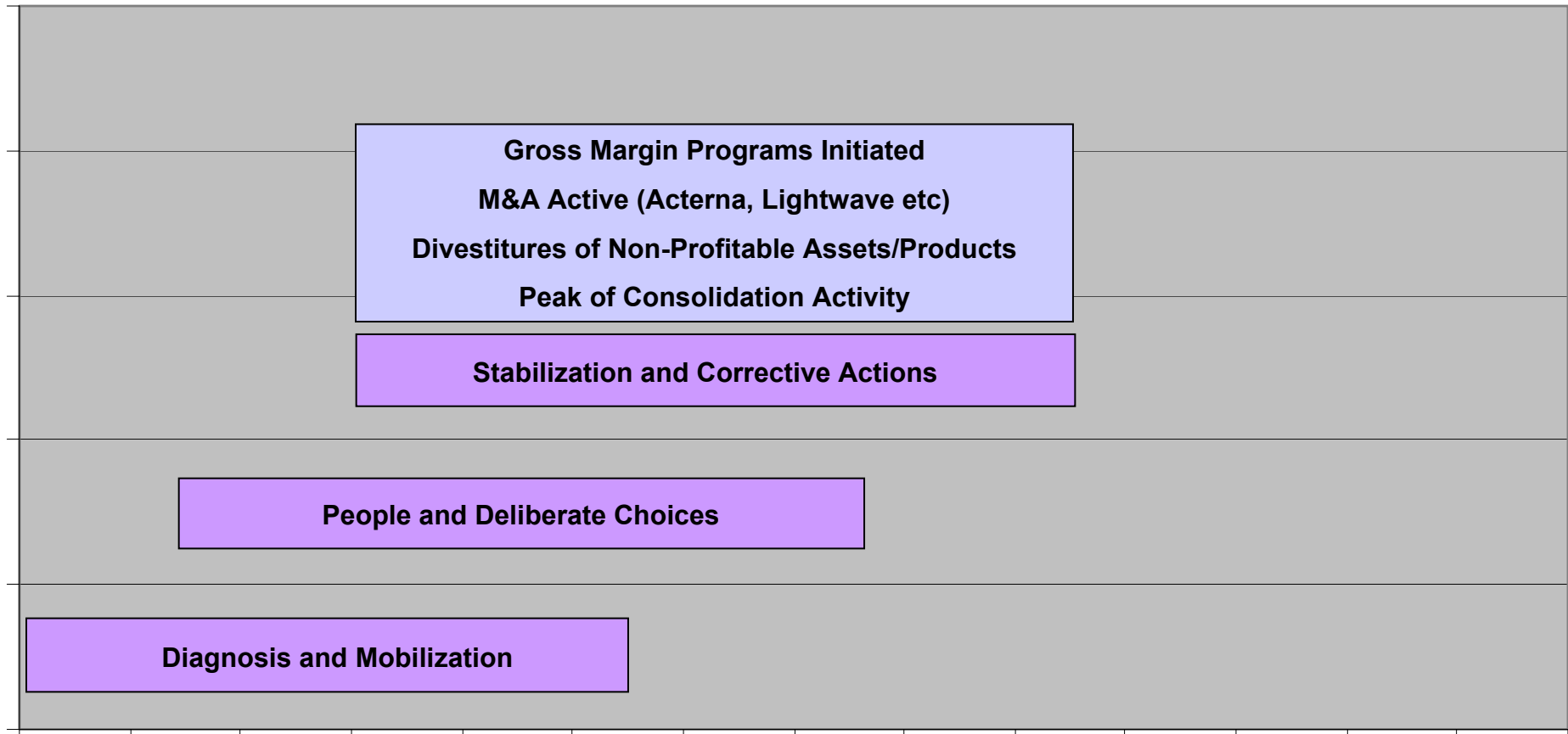
Segment Progress To Date

Key Hires (Finance, IT, Operations)
Initial Optical Communications Consolidations
Beginning of Centralization of Functions
M&A Engaged
Gross Margin Improvement Program Designed

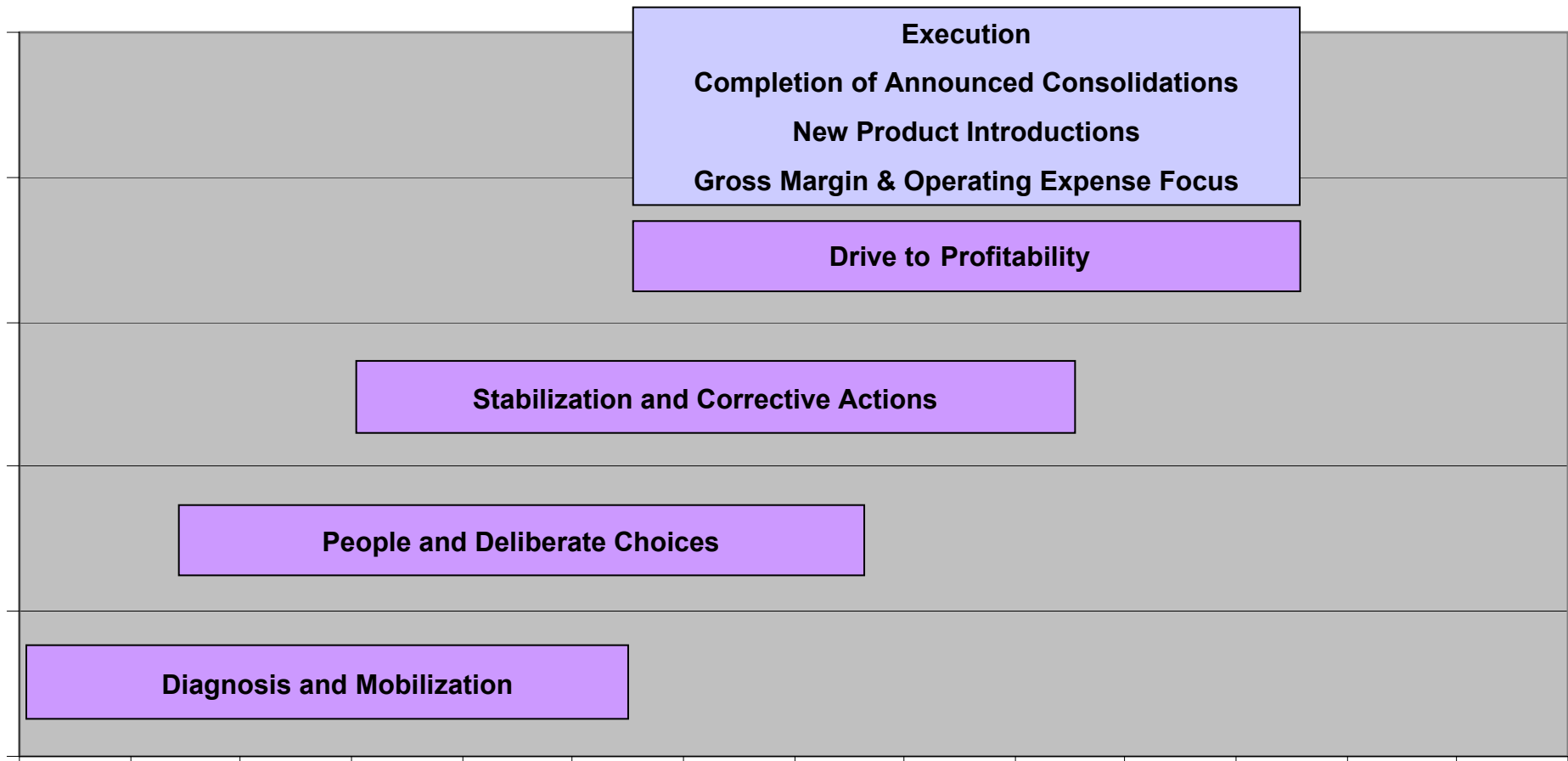
People and Deliberate Choices

Diagnosis and Mobilization

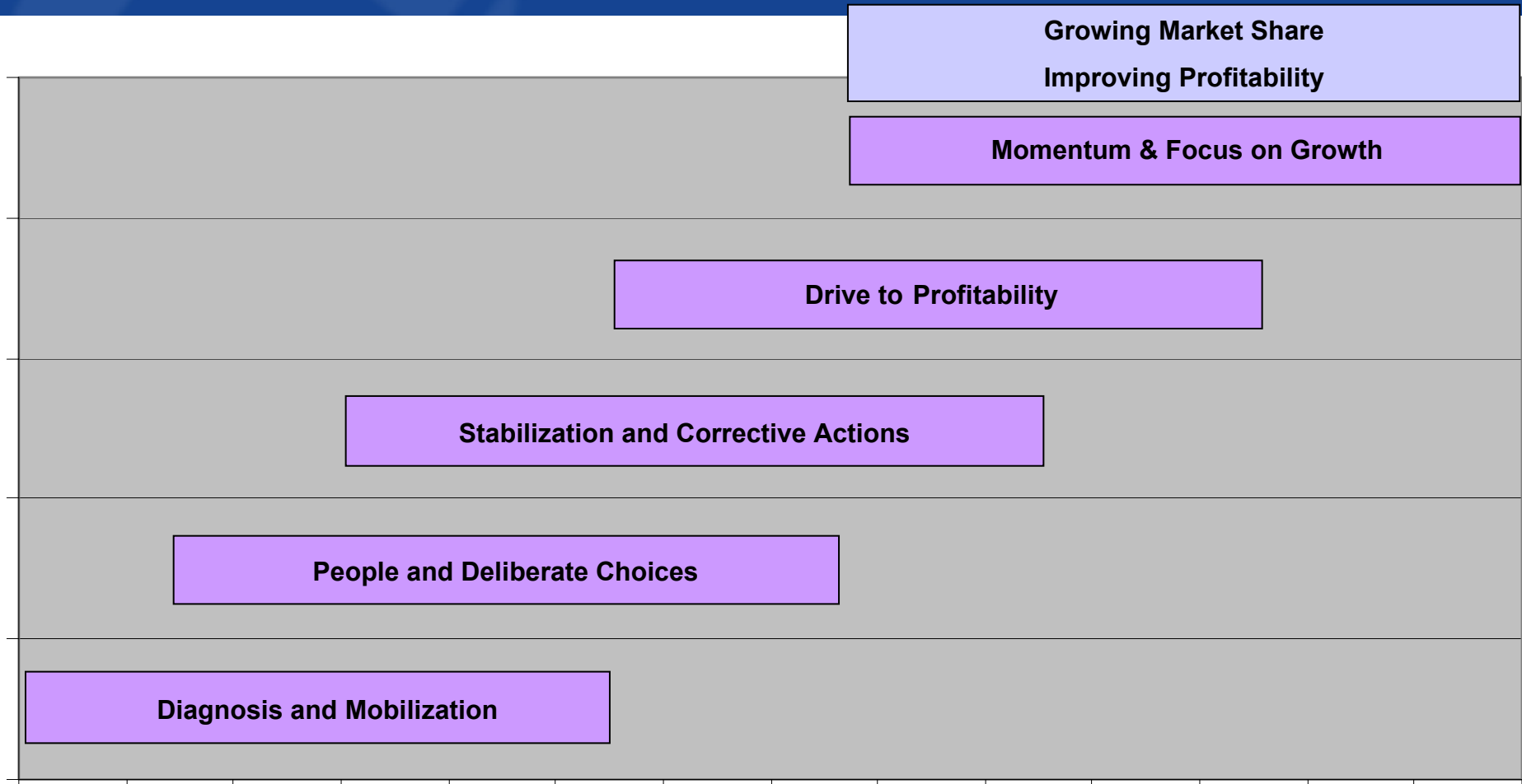
Segment Progress To Date



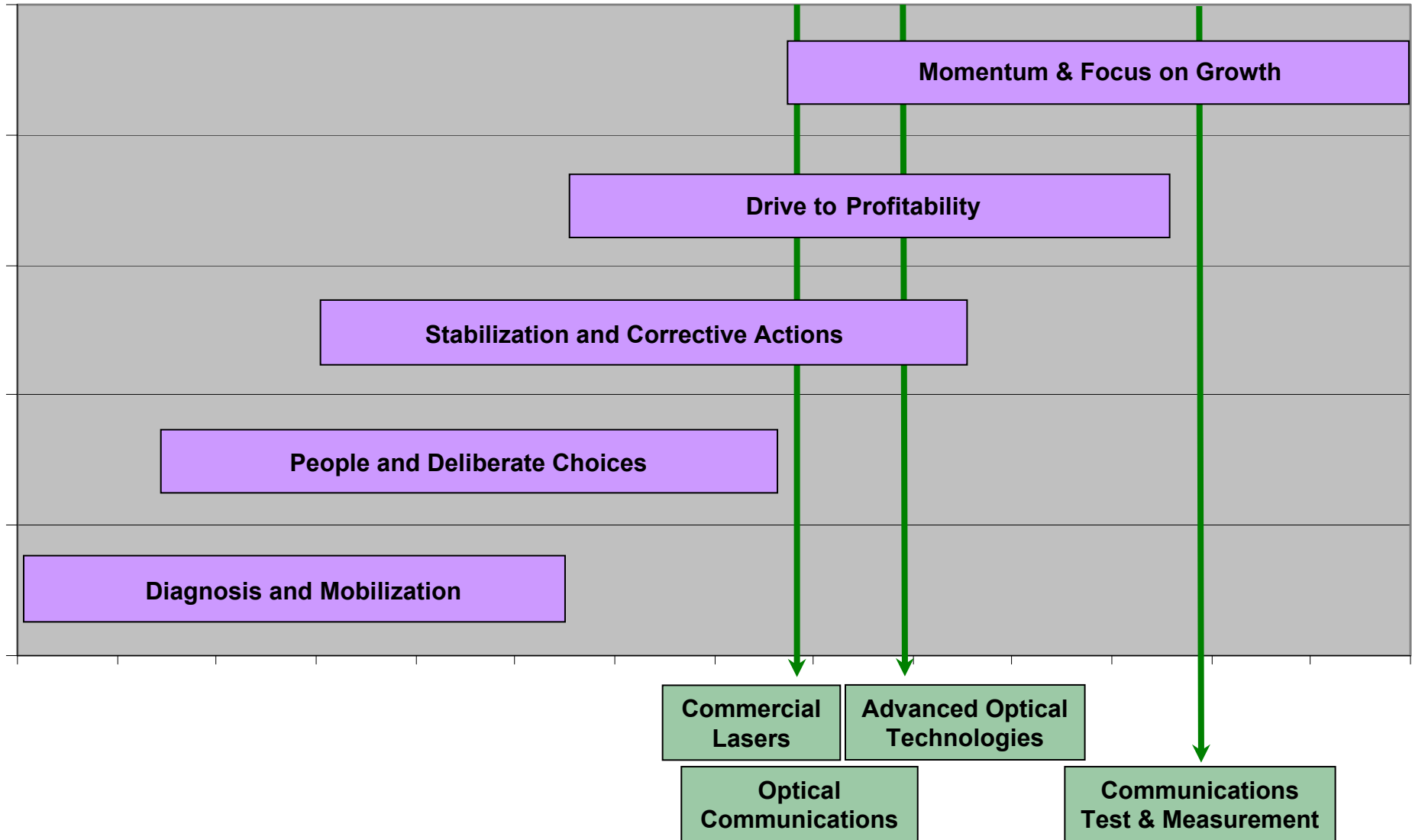
Segment Progress To Date



Segment Progress To Date



Segment Progress To Date



Priorities for Fiscal 2007

- Maintain Profitability Momentum
- Revenue Growth Through Organic Product Development and Strategic Acquisitions
- Continued Execution of Manufacturing Strategy
- Continued Company Integration
- Progress towards Target Business Model



Questions



Annual Meeting of Stockholders

Tuesday, November 14, 2006