Sonus Networks, Inc.
Supplementary Financial and Operational Data

| \$(000s) | FY14 | Q414 | Q314 | Q214 | Q114 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{gathered} \hline \text { Revenue } \\ \text { Product } \\ \text { Services } \\ \hline \end{gathered}$ | $\begin{aligned} & 182,455 \\ & 113,871 \\ & \hline \end{aligned}$ | $\begin{array}{r} 46,570 \\ 30,228 \\ \hline \end{array}$ | $\begin{aligned} & 44,900 \\ & 28,316 \\ & \hline \end{aligned}$ | $\begin{array}{r} 45,845 \\ 29,725 \\ \hline \end{array}$ | $\begin{array}{r} 45,140 \\ 25,602 \\ \hline \end{array}$ |
| Total Revenue <br> Growth-related Revenue <br> Product <br> Growth-related as \% Total Product Revenue Services | $\begin{gathered} \hline \mathbf{2 9 6 , 3 2 6} \\ \\ 124,281 \\ 68 \% \\ 39,263 \\ \hline \end{gathered}$ | $\begin{gathered} \hline \mathbf{7 6 , 7 9 8} \\ \\ 31,461 \\ 68 \% \\ 11,012 \end{gathered}$ | $\begin{gathered} \hline \mathbf{7 3 , 2 1 6} \\ \\ 31,367 \\ 70 \% \\ 9,915 \\ \hline \end{gathered}$ | $\begin{gathered} \hline \mathbf{7 5 , 5 7 0} \\ \\ 28,630 \\ 62 \% \\ 10,239 \\ \hline \end{gathered}$ | $\begin{gathered} \hline \mathbf{7 0 , 7 4 2} \\ \\ 32,823 \\ 73 \% \\ 8,097 \\ \hline \end{gathered}$ |
| Growth-related Revenue Growth-related as \% Total Revenue | $\begin{gathered} \hline 163,544 \\ 55 \% \end{gathered}$ | $\begin{gathered} \hline \mathbf{4 2 , 4 7 3} \\ 55 \% \end{gathered}$ | $\begin{gathered} \hline 41,282 \\ 56 \% \end{gathered}$ | $\begin{gathered} \hline \mathbf{3 8 , 8 6 9} \\ 51 \% \end{gathered}$ | $\begin{gathered} \hline \mathbf{4 0 , 9 2 0} \\ 58 \% \end{gathered}$ |
| \% of Total Revenue | FY14 | Q414 | Q314 | Q214 | Q114 |
| $\begin{array}{\|l\|} \hline \text { Revenue } \\ \text { Product } \\ \text { Services } \end{array}$ | $\begin{aligned} & 62 \% \\ & 38 \% \end{aligned}$ | $\begin{aligned} & 61 \% \\ & 39 \% \end{aligned}$ | $\begin{aligned} & 61 \% \\ & 39 \% \end{aligned}$ | $\begin{aligned} & 61 \% \\ & 39 \% \end{aligned}$ | $\begin{aligned} & 64 \% \\ & 36 \% \end{aligned}$ |
| Growth-related Revenue Product Services | $\begin{aligned} & 76 \% \\ & 24 \% \end{aligned}$ | $\begin{aligned} & 74 \% \\ & 26 \% \end{aligned}$ | $\begin{aligned} & 76 \% \\ & 24 \% \end{aligned}$ | $\begin{aligned} & 74 \% \\ & 26 \% \end{aligned}$ | $\begin{aligned} & 80 \% \\ & 20 \% \end{aligned}$ |
| Revenue by Geography Domestic International | $\begin{aligned} & 71 \% \\ & 29 \% \end{aligned}$ | $\begin{aligned} & 70 \% \\ & 30 \% \end{aligned}$ | $\begin{aligned} & 70 \% \\ & 30 \% \end{aligned}$ | $\begin{aligned} & 71 \% \\ & 29 \% \end{aligned}$ | $\begin{aligned} & 73 \% \\ & 27 \% \end{aligned}$ |
| \% of Product Revenue | FY14 | Q414 | Q314 | Q214 | Q114 |
| Revenue by Channel <br> Direct <br> Indirect | $\begin{aligned} & 73 \% \\ & 27 \% \end{aligned}$ | $\begin{aligned} & 75 \% \\ & 25 \% \end{aligned}$ | $\begin{aligned} & 62 \% \\ & 38 \% \end{aligned}$ | $\begin{aligned} & 71 \% \\ & 29 \% \end{aligned}$ | $\begin{aligned} & 82 \% \\ & 18 \% \end{aligned}$ |
| Operating Statistics | FY14 | Q414 | Q314 | Q214 | Q114 |
| 10\% Customers <br> Number of $10 \%$ customers <br> Name of $10 \%$ customers <br> Top 5 Customers as \% of Revenue | 1 <br> AT\&T $36 \%$ | 1 <br> AT\&T <br> $27 \%$ | 2 CenturyLink AT\&T $\mathbf{4 7 \%}$ | 1 <br> AT\&T $40 \%$ | 1 AT\&T $42 \%$ |
| Number of Total Customers* <br> Number of New Customers* <br> Number of New Customers* with Growth-related Content | $\begin{aligned} & 856 \\ & 788 \end{aligned}$ | $\begin{aligned} & \hline 806 \\ & 228 \\ & 214 \end{aligned}$ | $\begin{aligned} & \hline 718 \\ & \mathbf{2 2 8} \\ & 199 \end{aligned}$ | $\begin{aligned} & \hline 798 \\ & 227 \\ & 214 \end{aligned}$ | $\begin{aligned} & \hline \mathbf{6 1 2} \\ & \\ & \mathbf{1 7 3} \\ & 161 \end{aligned}$ |


| FY13 | Q413 | Q313 | Q213 | Q113 |
| :---: | :---: | :---: | :---: | :---: |
| 167,272 | 45,825 | 40,712 | 42,939 | 37,796 |
| 109,461 | 30,328 | 27,387 | 26,254 | 25,492 |
| 276,733 | 76,153 | 68,099 | 69,193 | 63,288 |
| $\begin{gathered} 97,431 \\ 58 \% \\ 32,491 \\ \hline \end{gathered}$ | $\begin{gathered} 32,161 \\ 70 \% \\ 9,437 \\ \hline \end{gathered}$ | $\begin{gathered} 21,311 \\ 52 \% \\ 8,030 \\ \hline \end{gathered}$ | $\begin{gathered} 20,449 \\ 48 \% \\ 8,559 \\ \hline \end{gathered}$ | $\begin{gathered} 23,510 \\ 62 \% \\ 6,465 \\ \hline \end{gathered}$ |
| $\begin{gathered} 129,922 \\ 47 \% \end{gathered}$ | $\begin{gathered} \mathbf{4 1 , 5 9 8} \\ 55 \% \end{gathered}$ | $\begin{gathered} \hline 29,341 \\ 43 \% \end{gathered}$ | $\begin{gathered} \hline 29,008 \\ 42 \% \end{gathered}$ | $\begin{gathered} 29,975 \\ 47 \% \end{gathered}$ |
| FY13 | Q413 | Q313 | Q213 | Q113 |
| $\begin{aligned} & 60 \% \\ & 40 \% \end{aligned}$ | $\begin{aligned} & 60 \% \\ & 40 \% \end{aligned}$ | $\begin{aligned} & 60 \% \\ & 40 \% \end{aligned}$ | $\begin{aligned} & 62 \% \\ & 38 \% \end{aligned}$ | $\begin{aligned} & 60 \% \\ & 40 \% \end{aligned}$ |
| $\begin{aligned} & 75 \% \\ & 25 \% \end{aligned}$ | $\begin{aligned} & 77 \% \\ & 23 \% \end{aligned}$ | $\begin{aligned} & 73 \% \\ & 27 \% \end{aligned}$ | $\begin{aligned} & 70 \% \\ & 30 \% \end{aligned}$ | $\begin{aligned} & 78 \% \\ & 22 \% \end{aligned}$ |
| $\begin{aligned} & 69 \% \\ & 31 \% \end{aligned}$ | $\begin{aligned} & 66 \% \\ & 34 \% \end{aligned}$ | $\begin{aligned} & 66 \% \\ & 34 \% \end{aligned}$ | $\begin{aligned} & 74 \% \\ & 26 \% \end{aligned}$ | $\begin{aligned} & 69 \% \\ & 31 \% \end{aligned}$ |
| FY13 | Q413 | Q313 | Q213 | Q113 |
| $\begin{aligned} & 80 \% \\ & 20 \% \end{aligned}$ | $\begin{aligned} & 81 \% \\ & 19 \% \end{aligned}$ | $\begin{aligned} & 73 \% \\ & 27 \% \end{aligned}$ | $\begin{aligned} & 84 \% \\ & 16 \% \end{aligned}$ | $\begin{aligned} & 83 \% \\ & 17 \% \end{aligned}$ |
| FY13 | Q413 | Q313 | Q213 | Q113 |
| $\begin{gathered} 1 \\ \text { AT\&T } \end{gathered}$ | $\stackrel{1}{\text { CenturyLink }}$ | $\begin{gathered} 1 \\ \text { AT\&T } \end{gathered}$ | 2 <br> AT\&T <br> Verizon |  |
| 39\% | 43\% | 36\% | 47\% | 50\% |
|  | 580 | 560 | 539 | 541 |
| $\begin{gathered} 670 \\ 552 \end{gathered}$ | $\begin{aligned} & 146 \\ & 122 \end{aligned}$ | $\begin{aligned} & \mathbf{1 7 1} \\ & 131 \end{aligned}$ | $\begin{aligned} & 190 \\ & 161 \end{aligned}$ | $\begin{aligned} & \mathbf{1 6 3} \\ & 138 \end{aligned}$ |

*Customer Count reflects end customer and excludes customers with maintenance only revenue of less than $\$ 5 \mathrm{k}$ on a quarterly basis.

