

SONUS NETWORKS, INC.  
Supplemental Information  
(In thousands)  
(unaudited)

The following tables provide the details of stock-based compensation, stock option investigation costs, amortization of purchased intangible assets, withholding tax adjustments, 409A excise tax adjustments and stock-based compensation-related expense included in the Company's Condensed Consolidated Statements of Operations and the line items in which these amounts are reported. Additional information regarding these items is available in the Investor Relations section of our Corporate page at <http://www.sonusnet.com>. The information contained on our website or that can be accessed through our website should not be considered to be part of, or incorporated into, this press release.

	Three months ended			Nine months ended	
	September 30, 2007	June 30, 2007	September 30, 2006	September 30, 2007	September 30, 2006
Stock-based compensation					
Cost of revenue - product	\$ 306	\$ 188	\$ 34	\$ 584	\$ 59
Cost of revenue - service	1,265	1,023	243	2,870	725
Cost of revenue	<u>1,571</u>	<u>1,211</u>	<u>277</u>	<u>3,454</u>	<u>784</u>
Research and development expense	4,099	6,482	630	13,790	2,050
Sales and marketing expense	3,509	5,699	769	12,730	2,447
General and administrative expense	2,450	1,225	761	5,141	2,198
Operating expense	<u>10,058</u>	<u>13,406</u>	<u>2,160</u>	<u>31,661</u>	<u>6,695</u>
Total stock-based compensation	<u>\$ 11,629</u>	<u>\$ 14,617</u>	<u>\$ 2,437</u>	<u>\$ 35,115</u>	<u>\$ 7,479</u>
Stock option investigation costs					
General and administrative expense	<u>\$ 1,078</u>	<u>\$ 3,826</u>	<u>\$ 2,200</u>	<u>\$ 9,101</u>	<u>\$ 2,200</u>
Amortization of purchased intangible assets					
Cost of revenue - product	\$ 67	\$ 65	\$ -	\$ 132	\$ -
Sales and marketing expense	76	76	-	152	-
Total amortization of purchased intangible assets	<u>\$ 143</u>	<u>\$ 141</u>	<u>\$ -</u>	<u>\$ 284</u>	<u>\$ -</u>
Withholding tax adjustments (1)					
Cost of revenue - product	\$ -	\$ -	\$ 4	\$ -	\$ 10
Cost of revenue - service	-	-	3	-	12
Cost of revenue	<u>-</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>22</u>
Research and development expense	-	-	15	-	53
Sales and marketing expense	-	-	4	-	39
General and administrative expense	-	-	84	-	275
Operating expense	<u>-</u>	<u>-</u>	<u>103</u>	<u>-</u>	<u>367</u>
Total withholding tax adjustments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110</u>	<u>\$ -</u>	<u>\$ 389</u>
409A excise tax adjustments (2)					
Cost of revenue - product	\$ 29	\$ -	\$ -	\$ 29	\$ -
Cost of revenue - service	-	-	-	-	-
Cost of revenue	<u>29</u>	<u>-</u>	<u>-</u>	<u>29</u>	<u>-</u>
Research and development expense	242	-	-	242	-
Sales and marketing expense	92	-	-	92	-
General and administrative expense	12	-	-	12	-
Operating expense	<u>346</u>	<u>-</u>	<u>-</u>	<u>346</u>	<u>-</u>
Total withholding tax adjustments	<u>\$ 375</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 375</u>	<u>\$ -</u>
Stock-based compensation-related expense (3)					
Other income (expense), net	<u>\$ 2,024</u>	<u>\$ (256)</u>	<u>\$ -</u>	<u>\$ 1,088</u>	<u>\$ -</u>

- (1) Expense related to the disqualification of ISO status for employee stock options resulting from the stock option review and subsequent restatement.  
(2) Expense for reimbursing former employees the 409A tax on remeasured options and the income tax expense related to this reimbursement.  
(3) Expense for stock options modified and subsequently treated as derivative instruments, which are marked to market at each interim reporting date, resulting from the stock option review and subsequent restatement.