

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

November 8, 2005

Date of Report (Date of earliest event reported)

SONUS NETWORKS, INC.  
(Exact Name of Registrant as Specified in its Charter)

DELAWARE

000-30229

04-3387074

(State or Other Jurisdiction  
of Incorporation)

(Commission File Number)

(IRS Employer  
Identification No.)

250 APOLLO DRIVE, CHELMSFORD, MASSACHUSETTS 01824  
(Address of Principal Executive Offices) (Zip Code)

(978) 614-8100

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to  
simultaneously satisfy the filing obligation of the registrant under any of the  
following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17  
CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR  
240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the  
Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the  
Exchange Act (17 CFR 240.13e-4(c))

The information in this Current Report on Form 8-K and the exhibit attached  
hereto shall not be deemed "filed" for purposes of Section 18 of the Securities  
Exchange Act of 1934, as amended, or incorporated by reference in any filing  
under the Securities Act of 1933, as amended, or the Exchange Act, except as  
shall be expressly set forth by specific reference in such a filing.

Item 2.02. Results of Operations and Financial Condition.

On November 8, 2005, Sonus Networks, Inc. issued a press release reporting  
its financial results for the quarter ended September 30, 2005. A copy of the  
press release is attached as Exhibit 99.1 hereto.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibit

The following exhibit relating to Item 2.02 shall be deemed to be  
furnished, and not filed:

99.1 Press release of Sonus Networks, Inc. dated November 8, 2005 reporting  
financial results for the quarter ended September 30, 2005.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 8, 2005

SONUS NETWORKS, INC.

By: /s/ Ellen Richstone

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Ellen Richstone  
Chief Financial Officer

Exhibit Index

99.1 Press release of Sonus Networks, Inc. dated November 8, 2005 reporting financial results for the quarter ended September 30, 2005.

Sonus Networks Reports 2005 Third Quarter Financial Results; Year-to-Date Growth Fueled By Wireless Demand and Recent Success in Europe; Strong Cash Flow from Operations, Ending Quarter with \$324.9 Million in Cash and Investments

CHELMSFORD, Mass.--(BUSINESS WIRE)--Nov. 8, 2005--Sonus Networks, Inc. (Nasdaq: SONS), a leading supplier of service provider voice over IP (VoIP) infrastructure solutions, today reported its financial results for the third quarter ended September 30, 2005.

Revenues for the third quarter of fiscal 2005 were \$45.7 million compared with \$58.1 million in the second quarter of fiscal 2005 and \$46.8 million for the third quarter of fiscal 2004. Net loss for the third quarter of fiscal 2005 was \$2.7 million or \$0.01 per diluted share compared with net income of \$9.7 million or \$0.04 per diluted share for the second quarter of fiscal 2005, and compared with net income of \$10.3 million or \$0.04 per diluted share for the third quarter of fiscal 2004.

Revenues for the first nine months of fiscal 2005 were \$137.4 million compared with \$125.7 million in the same period last year. Net income for the first nine months of fiscal 2005 was \$3.3 million or \$0.01 per diluted share compared with net income for the first nine months of fiscal 2004 of \$18.2 million or \$0.07 per diluted share.

Third quarter revenue and earnings per share were lowered by \$4.7 million and approximately 2 cents per diluted share respectively, as a consequence of the accounting treatment required for the renegotiation of certain customers' bundled maintenance and support arrangements in the quarter. This revenue will be recognized in subsequent periods as service revenue.

"While our reported financial results were lowered by the deferral of revenue related to two of our Tier 1 customers based on our accounting policies, our business in the third quarter expanded in several important ways," said Hassan Ahmed, chairman and CEO, Sonus Networks. "Our global leadership in the VoIP market resulted in the continued solid demand for Sonus' IP voice solutions from network operators around the world. We extended our wireless business in the U.S. and Japan, announced our first IMS-based consumer voice service in the U.S., achieved strong order activity in Europe, and delivered significant cash flow from operations."

In the third quarter, Sonus continued to broaden its customer base with the addition of several new customers and expansions of existing deployments. In September at this year's Fall Voice on the Net (VON) Conference, Sonus announced that Internet Service Provider (ISP) EarthLink selected Sonus Networks as the framework for its complete suite of consumer voice services. EarthLink is deploying key components in the Sonus Networks IP Multi-media Subsystem (IMS)-ready architecture, including the ASX(TM) Access Server, PSX(TM) Call Routing Server, and the Sonus Insight(TM) Management System. With the Sonus ISP solution, service providers like EarthLink are able simultaneously to deliver high quality telephony service and enriched communication applications.

Sonus and AOL announced the rollout of AOL's TotalTalk(TM), the first IMS-based consumer voice product to launch in the U.S. The two companies, which announced the first phase of their deployment in March 2005, announced that they are working together to deliver the next generation of enhanced consumer voice services that integrate voice, instant messaging and multi-media, as well as solutions that incorporate services based on VoIP/mobile integration.

Intrado, a leader in VoIP E9-1-1 solutions, also deployed Sonus solutions in the third quarter. Intrado is expanding its network coverage to support its VoIP service provider customers in meeting the functional requirements of the recent Federal Communications Commission ruling, which mandates E9-1-1 capabilities for VoIP service offerings. Intrado is leveraging a full suite of Sonus products to support the delivery of VoIP E9-1-1 calls using the Intrado(R) V9-1-1 Mobility Service, offering carriers both the security and point of demarcation functionality critical to delivering emergency services.

Sonus also announced three additional service providers as new Sonus customers in the third quarter: RANGER Wireless, which offers a patented 611 roaming service that enables wireless operators to route roaming calls back to home calling centers; ANI Networks, Inc., which offers wholesale long distance voice service for facilities and non-facilities based communications providers; and Vistula Communications Services, Inc., which provides hosted and managed VoIP services to carriers, service providers and transit network operators throughout the world.

In the third quarter, Sonus, which announced the unveiling of its IMS architecture in June 2005, was honored with a 2005 Frost & Sullivan Award for Technology Innovation in recognition of its achievements in building the industry's most advanced IMS solutions. The award is presented to the company that has demonstrated technological superiority within its industry, reflecting Sonus' early focus on building and deploying carrier-class distributed architectures that enable network operators to leverage new efficiencies and to provide a solid framework for the delivery of innovative new subscriber-centric services.

Further reinforcing Sonus technology leadership, at Fall VON Sonus demonstrated a variety of services that leverage the Company's award-winning IMS platform, such as its pre-WiMAX wireless Voice over Broadband solution. Using Motorola's Canopy(TM) wireless broadband system with Sonus' wireless VoBB

architecture, service providers are able to architect a carrier class network that meets the growing demand for wireless broadband services.

In tandem with Belkin Corporation, Sonus showcased a new ring tone service that leverages the seamless interoperability between the Sonus-branded line of Belkin's VoIP broadband phone adapters and Sonus' industry leading ASX(TM) Access Server. Sonus uses Session Initiation Protocol (SIP) to communicate with solutions from other market-leading vendors and has built one of the largest interoperability programs in the industry.

"This is an exciting juncture in the evolution of the telecommunications industry. Service providers globally are focused on deploying innovative network architectures that not only deliver cost-efficiencies, but also change the way consumers communicate. This is the industry dynamic that Sonus' solutions were designed to address. As a pioneer and industry leader, Sonus is well positioned to capitalize on the momentum in the market and continue to expand its business," concluded Ahmed.

#### About Sonus Networks

Sonus Networks, Inc. is a leading provider of voice over IP (VoIP) infrastructure solutions for wireline and wireless service providers. With its comprehensive IP Multimedia Subsystem (IMS) solution, Sonus addresses the full range of carrier applications, including residential and business voice services, wireless voice and multimedia, trunking and tandem switching, carrier interconnection and enhanced services. Sonus' voice infrastructure solutions are deployed in service provider networks worldwide. Founded in 1997, Sonus is headquartered in Chelmsford, Massachusetts. Additional information on Sonus is available at <http://www.sonusnet.com>.

This release may contain forward-looking statements regarding future events that involve risks and uncertainties. Readers are cautioned that these forward-looking statements are only predictions and may differ materially from actual future events or results. Readers are referred to the "Risk Factors" section of Sonus' Annual Report on Form 10-K, dated March 15, 2005, and the "Cautionary Statements" section of Sonus' Quarterly Report on Form 10-Q, dated August 8, 2005, both filed with the SEC, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. Risk factors include among others: the impact of material weaknesses in our disclosure controls and procedures and our internal control over financial reporting on our ability to report our financial results timely and accurately; the unpredictability of our quarterly financial results; risks associated with our international expansion and growth; consolidation in the telecommunications industry; and potential costs resulting from pending securities litigation against the company. Any forward-looking statements represent Sonus' views only as of today and should not be relied upon as representing Sonus' views as of any subsequent date. While Sonus may elect to update forward-looking statements at some point, Sonus specifically disclaims any obligation to do so.

Sonus is a registered trademark of Sonus Networks, Inc. The Sonus PSX Call Routing Server, ASX Call Management Server and the Sonus Insight Management System are all trademarks of Sonus Networks. All other company and product names may be trademarks of the respective companies with which they are associated.

SONUS NETWORKS, INC.  
Condensed Consolidated Statements of Operations  
(In thousands, except per share data)  
(Unaudited)

	Three Months Ended September 30, 2005	Three Months Ended June 30, 2005	Three Months Ended September 30, 2004
Revenues:			
Product	\$29,107	\$41,339	\$36,064
Service	16,550	16,754	10,698
Total revenues	45,657	58,093	46,762
Cost of revenues:			
Product	17,410	15,404	6,296
Service	6,073	5,651	4,173
Total cost of revenues	23,483	21,055	10,469
Gross profit	22,174	37,038	36,293
Gross profit %:			

Product	40.2%	62.7%	82.5%
Service	63.3%	66.3%	61.0%
Total gross profit	48.6%	63.8%	77.6%
Operating expenses:			
Research and development	11,787	11,098	8,975
Sales and marketing	10,834	11,504	10,539
General and administrative	5,455	6,477	6,638
Stock-based compensation	11	4	91
Amortization of purchased intangible assets	-	-	601
	-----	-----	-----
Total operating expenses	28,087	29,083	26,844
	-----	-----	-----
(Loss) income from operations	(5,913)	7,955	9,449
	-----	-----	-----
Interest expense	(121)	(121)	(117)
Interest income	2,690	2,222	1,150
	-----	-----	-----
(Loss) income before income taxes	(3,344)	10,056	10,482
(Benefit) provision for income taxes	(640)	311	214
	-----	-----	-----
Net (loss) income	\$(2,704)	\$9,745	\$10,268
	=====	=====	=====
Net (loss) income per share:			
Basic	\$(0.01)	\$0.04	\$0.04
Diluted	\$(0.01)	\$0.04	\$0.04
Weighted average shares outstanding:			
Basic	248,801	248,249	246,198
Diluted	248,801	250,651	251,707

SONUS NETWORKS, INC.  
Condensed Consolidated Statements of Operations  
(In thousands, except per share data)  
(Unaudited)

	Nine Months Ended September 30, 2005	Nine Months Ended September 30, 2004
	-----	-----
Revenues:		
Product	\$92,904	\$92,896
Service	44,456	32,759
	-----	-----
Total revenues	137,360	125,655
	-----	-----
Cost of revenues:		
Product	39,657	24,151
Service	16,993	12,659
	-----	-----
Total cost of revenues	56,650	36,810
	-----	-----
Gross profit	80,710	88,845
	-----	-----
Gross profit %:		
Product	57.3%	74.0%
Service	61.8%	61.4%
Total gross profit	58.8%	70.7%
Operating expenses:		
Research and development	33,902	26,826
Sales and marketing	31,365	26,034
General and administrative	18,732	17,210
Stock-based compensation	15	606
Amortization of purchased intangible assets	-	1,801
	-----	-----
Total operating expenses	84,014	72,477
	-----	-----
(Loss) income from operations	(3,304)	16,368
	-----	-----
Interest expense	(370)	(360)
Interest income	6,787	2,806
	-----	-----

Income before income taxes	3,113	18,814
(Benefit) provision for income taxes	(233)	598
Net income	\$3,346	\$18,216
Net income per share:		
Basic	\$0.01	\$0.07
Diluted	\$0.01	\$0.07
Weighted average shares outstanding:		
Basic	248,312	245,394
Diluted	253,221	252,776

SONUS NETWORKS, INC.  
Condensed Consolidated Balance Sheets  
(In thousands)

	September 30, 2005	December 31, 2004
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$134,789	\$121,931
Marketable debt securities	182,735	170,145
Accounts receivable, net	42,690	32,486
Inventory, net	30,288	28,346
Other current assets	12,637	10,891
Total current assets	403,139	363,799
Property and equipment, net	14,894	8,217
Long-term investments	7,363	21,029
Other assets	720	783
	\$426,116	\$393,828
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$12,697	\$8,654
Accrued expenses	14,489	18,240
Accrued restructuring expenses	193	186
Current portion of deferred revenue	80,968	65,105
Convertible subordinated note	10,000	-
Current portion of long-term liabilities	45	30
Total current liabilities	118,392	92,215
Long-term deferred revenue, less current portion	32,392	25,960
Long-term liabilities, less current portion	538	613
Convertible subordinated note	-	10,000
Total liabilities	151,322	128,788
Commitments and contingencies		
Stockholders' equity:		
Common stock	252	250
Additional paid-in capital	1,055,548	1,049,142
Accumulated deficit	(780,739)	(784,085)
Treasury stock	(267)	(267)
Total stockholders' equity	274,794	265,040
	\$426,116	\$393,828

SONUS NETWORKS, INC.  
Condensed Consolidated Statements of Cash Flows  
(In thousands)  
(Unaudited)

	Three Months Ended September 30,	Three Months Ended June 30,	Three Months Ended September 30,
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	2005	2005	2004
Cash flows from operating activities:			
Net (loss) income	\$(2,704)	\$9,745	\$10,268
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities:			
Depreciation	2,154	1,626	1,276
Tax benefit from stock options exercised	(225)	225	-
Stock-based compensation	11	4	91
Amortization of purchased intangible assets	-	-	601
Changes in current assets and liabilities:			
Accounts receivable	19,372	(34,431)	(3,492)
Inventory	258	710	(7,365)
Other current assets	(26)	(367)	1,698
Accounts payable	715	1,994	2,473
Accrued expenses and restructuring expenses	(3,374)	314	(3,950)
Deferred revenue	(1,501)	22,848	(5,017)
Net cash provided by (used in) operating activities	14,680	2,668	(3,417)
Cash flows from investing activities:			
Purchases of property and equipment	(3,898)	(3,070)	(2,015)
Maturities (purchases) of marketable securities, net	1,016	(2,917)	(5,649)
Increase in restricted cash	(591)	-	-
Other assets	102	42	102
Net cash used in investing activities	(3,371)	(5,945)	(7,562)
Cash flows from financing activities:			
Sales of common stock in connection with employee stock purchase plan	2,203	-	925
Proceeds from exercise of stock options	996	461	704
Payments of long-term liabilities	(10)	(8)	(40)
Net cash provided by financing activities	3,189	453	1,589
Net increase (decrease) in cash and cash equivalents	14,498	(2,824)	(9,390)
Cash and cash equivalents, beginning of period	120,291	123,115	126,235
Cash and cash equivalents, end of period	\$134,789	\$120,291	\$116,845

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