

**UNITED STATES  
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**

Date of Report (Date of earliest event reported):

**June 19, 2012**

**SONUS NETWORKS, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other Jurisdiction of Incorporation)

**001-34115**  
(Commission File Number)

**04-3387074**  
(IRS Employer Identification No.)

**4 TECHNOLOGY PARK DRIVE, WESTFORD, MASSACHUSETTS 01886**

(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))

**Item 7.01. Regulation FD Disclosure.**

Sonus Networks, Inc. ("Sonus") intends to issue a press release on June 19, 2012 announcing entry into an Agreement and Plan of Merger, dated as of June 18, 2012 (the "Merger Agreement"), by and among Sonus, Navy Acquisition Subsidiary, Inc. ("Transitory Subsidiary") and Network Equipment Technologies, Inc. ("NET"), which Merger Agreement provides, subject to the conditions specified the Merger Agreement (including among other things, approval of the transaction by NET's stockholders), for the acquisition of NET by Sonus through a merger of Transitory Subsidiary with and into NET with NET surviving and becoming a wholly owned subsidiary of Sonus. A copy of the press release is attached as Exhibit 99.1 to this Form 8-K and incorporated herein by reference.

In addition, on June 19, 2012 Sonus intends to hold an investor call and distribute a Q&A to investors with respect to the Merger Agreement. Copies of the presentation to be distributed in connection with the call and the Q&A are attached as Exhibits 99.2 and 99.3 to this Current Report on Form 8-K and are incorporated herein by reference.

The information in this current report on Form 8-K is being furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 and Section 11 of the Securities Act of 1933 or otherwise subject to the liabilities of those sections.

**Item 8.01. Other Events.**

The matter disclosed under Item 7.01 above are hereby Incorporated by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits:

Exhibit No.	Description
-------------	-------------

The following exhibits relating to Item 7.01 shall be deemed to be furnished, and not filed:

- 99.1 Joint Press Release issued by Sonus Networks, Inc. and Network Equipment Technologies, Inc., entitled, "Sonus Networks Announces Definitive Agreement to Acquire Network Equipment Technologies," dated June 19, 2012.
- 99.2 Sonus Networks, Inc. Corporate Presentation, dated June 19, 2012.
- 99.3 Sonus Networks, Inc. Q&A, dated June 19, 2012.

2

---

#### 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.

SONUS NETWORKS, INC.

Date: June 19, 2012

By: /s/ Jeffrey M. Snider  
Jeffrey M. Snider  
Senior Vice President, General Counsel and  
Secretary

3

---

#### EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Joint Press Release issued by Sonus Networks, Inc. and Network Equipment Technologies, Inc., entitled, "Sonus Networks Announces Definitive Agreement to Acquire Network Equipment Technologies," dated June 19, 2012.
99.2	Sonus Networks, Inc., Corporate Presentation, dated June 19, 2012.
99.3	Sonus Networks, Inc., Q&A, dated June 19, 2012.

4

---

## Sonus Networks Announces Definitive Agreement to Acquire Network Equipment Technologies

*Acquisition Would Bring Branch Office and Small Office Solutions  
to Expand Sonus' Portfolio for the Enterprise Market*

### Key Takeaways:

- Intended purchase of Network Equipment Technologies, Inc. (NET) is expected to accelerate Sonus' ability to serve the enterprise market
- Sonus' Session Border Controller (SBC) enterprise addressable market would be extended by expanding its SBC product capabilities with branch office and small office solutions
- NET is a key enabler of Microsoft® Lync™ deployments and together the proposed combination seeks to address growing Unified Communications deployments
- Sonus route-to-market capabilities would be expanded with an established foundation of channel partners
- Acquisition would equip Sonus with a US federal government installed base and sales channel

**WESTFORD, Mass. and FREMONT, Calif.,** — Sonus Networks, Inc. (NASDAQ: SONS), a global leader in SIP communications, and Network Equipment Technologies, Inc. (NASDAQ: NWK), a leading provider of enterprise-class networking solutions optimized for secure real-time communications in Unified Communications (UC), SIP trunking and Cloud-based deployments, today announced they have entered into a definitive agreement for Sonus to acquire NET in a cash merger. The purchase price of \$1.35 per share is valued at approximately \$42 million, excluding acquisition-related costs, and is expected to close in the third quarter of 2012, subject to NET stockholder approval, the satisfaction of customary closing conditions and any applicable regulatory reviews. The intended acquisition has been approved by the Board of Directors of both companies.

As a result of the acquisition, Sonus expects incremental revenue of approximately \$15 million to \$20 million in the second half of fiscal 2012, with the amount recognized dependent upon the timing of the completion of the acquisition. Achievement of \$15 million in revenue is expected to have a dilutive impact on GAAP EPS of approximately \$0.03 per share in the second half of 2012 and a dilutive impact on non-GAAP EPS of approximately \$0.01 per share in the same period. Achievement of \$20 million in revenue is expected to have a dilutive impact on GAAP EPS of approximately \$0.02 per share in the second half of 2012 and a break-even to slightly accretive impact on non-GAAP EPS in

1

the same period. Non-GAAP EPS excludes certain expenses, including but not limited to, acquisition-related costs, stock-based compensation and amortization of intangible assets.

The planned acquisition is consistent with Sonus' strategy to extend its capabilities into the enterprise market and is intended to accelerate the company's ability to deliver an end-to-end portfolio of solutions that enable real-time communications. NET delivers high performance networking solutions optimized for those enterprise locations where secure UC, SIP trunking and Cloud-based networking features are required. The combination of Sonus' SBC portfolio and NET's network appliance portfolio is anticipated to provide enterprises with a seamless mediation platform that extends from the core to the edge of their network.

NET's next-generation platforms for enterprises, including its flagship Unified Exchange (UX) product line, would be complementary to the Sonus SBC 5200 and Sonus SBC 5100. Acquiring NET is intended to expand Sonus' enterprise route-to-market capabilities with an increased set of distributors and VARs and offers the firm a U.S. federal government installed base.

As a holistic offering, Sonus and NET would together address the growing demand for SBCs that enable SIP trunking and SIP-based UC applications. A recent Infonetics Research report shows the fast moving enterprise SBC market is expected to grow 26% year-over-year through 2016. Typical savings from SIP trunking, trunk consolidation and the move to VoIP can reduce traditional enterprise telecom bills by up to 75%.

NET solutions enable public and private network operators to simplify their network by converging legacy PBX voice traffic onto a single converged data network and leverage the cost savings and functional benefits of unified messaging and UC. NET's Unified Exchange Series qualifies as a Survivable Branch Appliance (SBA) and Enterprise Session Border Controller (E-SBC) for Microsoft Lync.

### Quotes:

"We believe that acquiring NET accelerates Sonus' strategic plan to help enterprises communicate smarter, faster and more collaboratively," said Raymond P. Dolan, President and Chief Executive Officer of Sonus. "Businesses have struggled to unify communications via their legacy PBX platforms. Together, Sonus and NET could offer a portfolio that would enable enterprises to seamlessly and cost-effectively deliver Unified Communications from their headquarters locations out to branch offices."

"As the fastest growing provider of SBC solutions, Sonus is the ideal choice to advance our product portfolio in the Unified Communications (UC), SIP trunking

2

and Cloud-based UC services," said David Wagenseller, President and Chief Executive Officer of Network Equipment Technologies. "Together we have the opportunity to extend the market for our enterprise-class networking products, expand our product capability, and increase our expertise to meet the evolving needs of our enterprise and federal government customers, as well as our valued resellers. This combination would best enable our employees to continue

focusing on delivering the most advanced platform for real-time communications. Most importantly, based on a thorough review of alternatives, NET's Board of Directors believes this transaction is the best available outcome for our shareholders, customers and employees."

#### **Other Facts:**

- NET has customers worldwide and has 13 offices globally including the U.S., U.K., France, the Middle East, China, Japan, and Australia.
- NET has been granted 73 U.S. patents and 17 foreign patents and has a number of additional patent applications pending.
- NET's UX1000 network appliance received the 2011 INTERNET TELEPHONY 'Product of the Year' award.
- NET's UX2000 achieved "Certified Secure and Performance Verified" status from Miercom as a resilient and reliable UC gateway.
- Infonetics Research shows Sonus as the fastest-growing SBC vendor in 2011 ("Service Provider VoIP Equipment and Subscribers," 4Q11 report); growing almost 4x faster than the market average.
- Sonus recently introduced Sonus Partner Assure, a global channel partner program designed to expand coverage of the enterprise UC market.
- Sonus' portfolio of enterprise-ready SBC solutions has passed the suite of tests required for Microsoft Lync qualification.
- Evercore Partners Inc. is acting as Sonus' financial advisor and Wilmer Cutler Pickering Hale and Dorr LLP is serving as Sonus' legal advisor. GCA Savvian Advisors, LLC and JMP Securities have provided financial advice to NET and Jones Day is serving as NET's legal advisor.
- The purchase price of \$1.35 per share to be paid by Sonus represents a premium of 14.4% to NET's closing share price of \$1.18 on June 18, and premiums of 21.5%, 28.1% and 29.7% respectively to NET's 30, 60, and 90 day average share prices through June 18.

#### **Conference Call Details:**

Sonus will hold an investor conference call to discuss the intended acquisition of NET on June 19, 2012 at 8:30 a.m. ET. Please call 877-256-3270 in the U.S. or +1 212-231-2910 for international callers or listen to the webcast at <http://investors.sonusnet.com/events.cfm>. A presentation with supporting

3

---

information will also be available at <http://investors.sonusnet.com/events.cfm> as well as at the SEC's website at [www.sec.gov](http://www.sec.gov).

Sonus is currently in a quiet period and will not be providing any financial updates or outlook for its second quarter or fiscal year 2012, nor will it comment on the financial outlook for NET's quarter ending June 29, 2012.

#### **Archived Conference Call:**

A telephone playback of the call will be available following the conference call as of 10:30 a.m. ET June 19, 2012 date through 10:30 a.m. ET July 3, 2012 and can be accessed by calling 800-633-8284 or +1 402-977-9140 for international callers. The reservation number for replay is: 21597554.

The webcast will be available shortly after the conclusion of the call at <http://investors.sonusnet.com/events.cfm>. The webcast will be archived for 60 days.

#### **Tags/Keywords:**

Sonus, SONS, Network Equipment Technologies, NET, NWK, Microsoft Lync, session border controller, SBC, E-SBC, session initiation protocol, SIP, SIP trunking, IPsec, media transcoding, IPv6, IPv4, interworking, Sonus SBC 5100, Sonus SBC 5200, Unified Exchange, UX1000, UX2000, Survivable Branch Appliance, SBA, Unified Communications, UC, Cloud VoIP communications, Session Management, Sonus Partner Assure

#### **About Sonus Networks:**

Sonus helps the world's leading communications service providers and enterprises embrace the next generation of SIP-based solutions including VoIP, video and Unified Communications through secure, reliable and scalable IP networks. With customers around the globe and 15 years of experience transforming networks to IP, Sonus has enabled service providers and enterprises to capture and retain users and generate significant ROI. Sonus products include session border controllers, policy/routing servers, subscriber feature servers and media and signaling gateways. Sonus products are supported by a global services team with experience in design, deployment and maintenance of some of the world's largest and most complex IP networks. For more information, visit [www.sonus.net](http://www.sonus.net) or call 1-855-GO-SONUS.

#### **About Network Equipment Technologies, Inc.:**

Network Equipment Technologies, Inc. (NET) delivers high performance networking equipment optimized for real-time communications. For more than a quarter of a century, NET has delivered solutions for multi-service networks requiring high degrees of versatility, security and performance. Today, the

4

---

company is focused on providing secure real-time communications for unified communications (UC), SIP trunking, enterprise mobility, and IP-based multi-service networking. NET is headquartered in Fremont, CA and has 13 offices worldwide including the U.S., the U.K., France, the Middle East, China, Japan, and Australia. The company sells its solutions to enterprise and government customers through a direct sales force and an international network of resellers and distributors.

## **Important Information Regarding Forward-Looking Statements:**

The information in this release may contain certain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 regarding future events that involve risks and uncertainties. All statements other than statements of historical facts contained in this report are forward-looking statements. Without limiting the foregoing, the words “anticipates”, “believes”, “could”, “estimates”, “expects”, “intends”, “may”, “plans”, “seeks” and other similar language, whether in the negative or affirmative, are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

Although Sonus and NET believe that their respective expressed statements in this release are based on reasonable assumptions, readers are cautioned that these forward-looking statements are only predictions and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. Such forward-looking statements may relate to, among others, the parties’ ability to close the acquisition and the expected closing date of the acquisition; the anticipated benefits and synergies of the acquisition; the anticipated future combined operations, products and services; the impact of the acquisition on Sonus’ financial results, business performance and product offerings; the expected impact of the acquisition on Sonus’ fiscal 2012 revenue, non-GAAP results and GAAP results; and projected growth in the SBC market. Such forward-looking statements do not constitute guarantees of future performance and are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those anticipated. These include, but are not limited to: uncertainties as to the timing and results of the NET stockholder vote; the possibility that various closing conditions for the transaction may not be satisfied or waived; the effects of disruption from the transaction, making it more difficult to maintain relationships with employees, customers, business partners or governmental entities; the success of the companies in implementing their integration strategies; the actual benefits realized from this transaction; disruptions to our business and financial conditions as a result of this acquisition or other investments or acquisitions; the timing of Sonus’ recognition of revenues; the ability to recruit and retain key personnel; difficulties supporting our new strategic focus on channel sales; difficulties expanding Sonus’ customer base; difficulties leveraging market opportunities; difficulties providing solutions

5

---

that meet the needs of customers; market acceptance of Sonus’ products and services; rapid technological and market change; the ability to protect intellectual property rights; the ability to maintain partner, reseller, distribution and vendor support and supply relationships; higher risks in international operations and markets; the ability to hire and retain employees; the impact of increased competition; currency fluctuations; litigation; changes in the market prices of Sonus’ common stock; actions taken by significant stockholders; failure or circumvention of Sonus’ controls and procedures and other risks and uncertainties described more fully in documents filed with or furnished to the Securities and Exchange Commission by Sonus, including the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” sections of Sonus’ filings with the Securities and Exchange Commission.

Any forward-looking statements represent Sonus’ views only as of the date on which such statement is made, 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, except as required by law.

## **Discussion of Non-GAAP Financial Measures:**

Sonus management uses a number of different financial measures, both GAAP and non-GAAP, in analyzing and assessing the overall performance of the business, making operating decisions, planning and forecasting future periods, and determining payments under compensation programs. While our management uses these non-GAAP financial measures as a tool to enhance their understanding of certain aspects of our financial performance, our management does not consider these measures to be a substitute for, or superior to, GAAP measures. In addition, our presentations of these measures may not be comparable to similarly titled measures used by other companies. These non-GAAP financial measures should not be considered alternatives for, or in isolation from, the financial information prepared and presented in accordance with GAAP.

We believe that providing non-GAAP information to investors, in addition to the GAAP presentation, will allow investors to view the financial impact of the acquisition of NET the same way our management views the financial impact of the acquisition of NET. We further believe that providing this information allows investors to better understand our financial performance and evaluate the efficacy of the methodology and information used by our management to evaluate and measure such performance.

6

---

## **Additional Information About the Merger and Where to Find It:**

In connection with the proposed merger, NET plans to file a proxy statement with the Securities and Exchange Commission (the “SEC”). Additionally, NET and Sonus will file other relevant materials in connection with the proposed acquisition of NET by Sonus pursuant to the terms of the Merger Agreement by and among Sonus, NET, and Navy Acquisition Subsidiary, Inc. The definitive proxy statement will be sent to stockholders of NET and will contain important information about NET, Sonus, the proposed merger and related matters. Investors and security holders of NET are urged to read the definitive proxy statement and other relevant materials carefully when they become available before making any voting or investment decision with respect to the proposed merger because they will contain important information about the merger and the parties to the merger.

Sonus and NET, and their respective directors, executive officers, and other members of their management and employees, under SEC rules, may be deemed to be participants in the solicitation of proxies of NET stockholders in connection with the transactions contemplated by the merger agreement. Information regarding Sonus’ directors and executive officers is contained in Sonus’ Annual Report on Form 10-K for the year ended December 31, 2011 and its proxy statement dated April 5, 2012, and other relevant materials filed with the SEC when they become available. Investors and security holders may obtain detailed information regarding the names, affiliations and interests of certain of NET’s executive officers and directors in the solicitation by reading NET’s most recent Annual Report on Form 10-K for the year ended March 30, 2012, its proxy statement dated July 5, 2011, and other relevant materials filed with the SEC when they become available. Information concerning the interests of NET’s participants in the solicitation, which may, in some cases, be different from those of NET’s stockholders generally, will be set forth in the proxy statement relating to the merger when it becomes available. As of June 14, 2012, NET’s directors and executive officers beneficially owned approximately 2,287,015 shares, or 7.05%, of NET’s common stock.

The materials to be filed by Sonus and NET with the SEC may be obtained free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, security holders will be able to obtain free copies of the proxy statement from NET when filed by contacting NET Investor Relations by e-mail at [lsalvo@directir.com](mailto:lsalvo@directir.com) or by telephone at 1-510-647-8870.

**For Sonus Networks:**

Wendy Tullo, Corporate Communications  
+1 972-301-4978  
[wtullo@sonusnet.com](mailto:wtullo@sonusnet.com)

Patti Leahy, Investor Relations  
+1 978-614-8440

7

---

[pleahy@sonusnet.com](mailto:pleahy@sonusnet.com)

**For NET:**

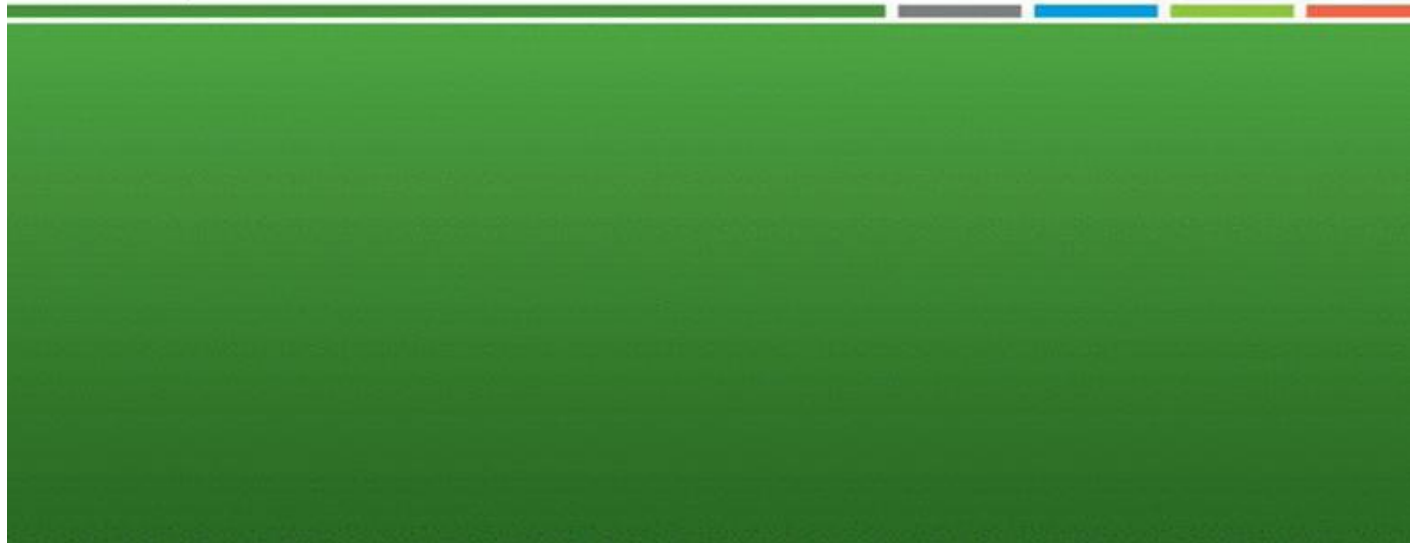
Leigh Salvo, Investor Relations  
+1 510-693-5238  
[lsalvo@directir.com](mailto:lsalvo@directir.com)

8

---

# Sonus Networks Acquisition of Network Equipment Technologies

June 19, 2012





# Additional Information About the Merger and Where to Find It

In connection with the proposed merger, NET plans to file a proxy statement with the Securities and Exchange Commission (the "SEC"). Additionally, NET and Sonus will file other relevant materials in connection with the proposed acquisition of NET by Sonus pursuant to the terms of the Merger Agreement by and among Sonus, NET, and Navy Acquisition Subsidiary, Inc. The definitive proxy statement will be sent to stockholders of NET and will contain important information about NET, Sonus, the proposed merger and related matters. Investors and security holders of NET are urged to read the definitive proxy statement and other relevant materials carefully when they become available before making any voting or investment decision with respect to the proposed merger because they will contain important information about the merger and the parties to the merger.

Sonus and NET, and their respective directors, executive officers, and other members of their management and employees, under SEC rules, may be deemed to be participants in the solicitation of proxies of NET stockholders in connection with the transactions contemplated by the merger agreement. Information regarding Sonus' directors and executive officers is contained in Sonus' Annual Report on Form 10-K for the year ended December 31, 2011 and its proxy statement dated April 5, 2012, and other relevant materials filed with the SEC when they become available. Investors and security holders may obtain detailed information regarding the names, affiliations and interests of certain of NET's executive officers and directors in the solicitation by reading NET's most recent Annual Report on Form 10-K for the year ended March 30, 2012, its proxy statement dated July 5, 2011, and other relevant materials filed with the SEC when they become available. Information concerning the interests of NET's participants in the solicitation, which may, in some cases, be different from those of NET's stockholders generally, will be set forth in the proxy statement relating to the merger when it becomes available. As of June 14, 2012, NET's directors and executive officers beneficially owned approximately 2,287,015 shares, or 7.05%, of NET's common stock.

The materials to be filed by Sonus and NET with the SEC may be obtained free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, security holders will be able to obtain free copies of the proxy statement from NET by contacting NET Investor Relations by e-mail at [lsalvo@directir.com](mailto:lsalvo@directir.com) or by telephone at 1-510-647-8870.

## Important Information Regarding Forward-Looking Statements

The information in this release may contain certain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 regarding future events that involve risks and uncertainties. All statements other than statements of historical facts contained in this report are forward-looking statements. Without limiting the foregoing, the words "anticipates", "believes", "could", "estimates", "expects", "intends", "may", "plans", "seeks" and other similar language, whether in the negative or affirmative, are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

Although Sonus believes that its expectations are based on reasonable assumptions, readers are cautioned that these forward-looking statements are only predictions and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. Such forward-looking statements may relate to, among others, the parties' ability to close the acquisition and the expected closing date of the acquisition; the anticipated benefits and synergies of the acquisition; the anticipated future combined operations, products and services; the impact of the acquisition on Sonus' financial results, business performance and product offerings; the expected impact of the acquisition on Sonus' fiscal 2012 revenue, non-GAAP results and GAAP results; and projected growth in the SBC market. Such forward-looking statements do not constitute guarantees of future performance and are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those anticipated. These include, but are not limited to: uncertainties as to the timing and results of the NET stockholder vote; the possibility that various closing conditions for the transaction may not be satisfied or waived; the effects of disruption from the transaction, making it more difficult to maintain relationships with employees, customers, business partners or governmental entities; the success of the companies in implementing their integration strategies; the actual benefits realized from this transaction; disruptions to our business and financial conditions as a result of this acquisition or other investments or acquisitions; the timing of Sonus' recognition of revenues; the ability to recruit and retain key personnel; difficulties supporting our new strategic focus on channel sales; difficulties expanding Sonus' customer base; difficulties leveraging market opportunities; difficulties providing solutions that meet the needs of customers; market acceptance of Sonus' products and services; rapid technological and market change; the ability to protect intellectual property rights; the ability to maintain partner, reseller, distribution and vendor support and supply relationships; higher risks in international operations and markets; the ability to hire and retain employees; the impact of increased competition; currency fluctuations; litigation; changes in the market prices of Sonus' common stock; actions taken by significant stockholders; failure or circumvention of Sonus' controls and procedures and other risks and uncertainties described more fully in documents filed with or furnished to the Securities and Exchange Commission by Sonus, including the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of Sonus' filings with the Securities and Exchange Commission.

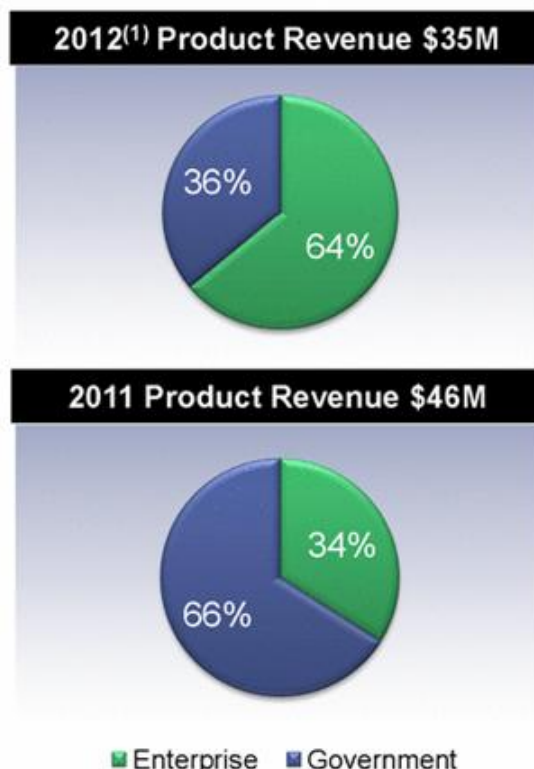
Any forward-looking statements represent Sonus' views only as of the date on which such statement is made, and should not be relied upon as representing Sonus' views as of any subsequent date. While Sonus may elect to update forward-looking statements at some point, Sonus specifically disclaims any obligation to do so, except as required by law.



Transaction	<ul style="list-style-type: none"> <li>Definitive Agreement for Sonus Networks to Acquire Network Equipment Technologies (NET)</li> </ul>
Price	<ul style="list-style-type: none"> <li>\$1.35 per NET share</li> <li>Valued at Approximately \$42M, Before Transaction Costs</li> </ul>
Consideration	<ul style="list-style-type: none"> <li>100% Cash</li> </ul>
Timing	<ul style="list-style-type: none"> <li>Expected to Close During Q3 2012 Subject to:                             <ul style="list-style-type: none"> <li>NET Stockholder Vote</li> <li>Any Applicable Regulatory Approval</li> <li>Satisfaction of Other Customary Closing Conditions</li> </ul> </li> </ul>
Financial Impact	<ul style="list-style-type: none"> <li>\$15M to \$20M Incremental Revenue in 2H12</li> <li>Non-GAAP EPS of (\$0.01) to \$0.00 Per Share in 2H12, Depending on When Transaction Closes</li> </ul>

## Who is NET?

- Founded 1983
- Headquartered in Fremont, CA
- ~160 Employees
- \$50.2M Total Reported Fiscal Year 2012 Revenue<sup>(1)</sup>
- Provides Secure Real-time Communications for UC, SIP Trunking, and IP-based Multi-service Networking
- Strong Product Line in Lower Session Count Enterprise SBC Market
- Rapidly Growing Enterprise Business, up 43% YoY
- Established US Federal Government Business



## Transaction Rationale ~ Expected to:

---

1

Expand SBC  
Product Portfolio

2

Expand Addressable  
Enterprise SBC Market

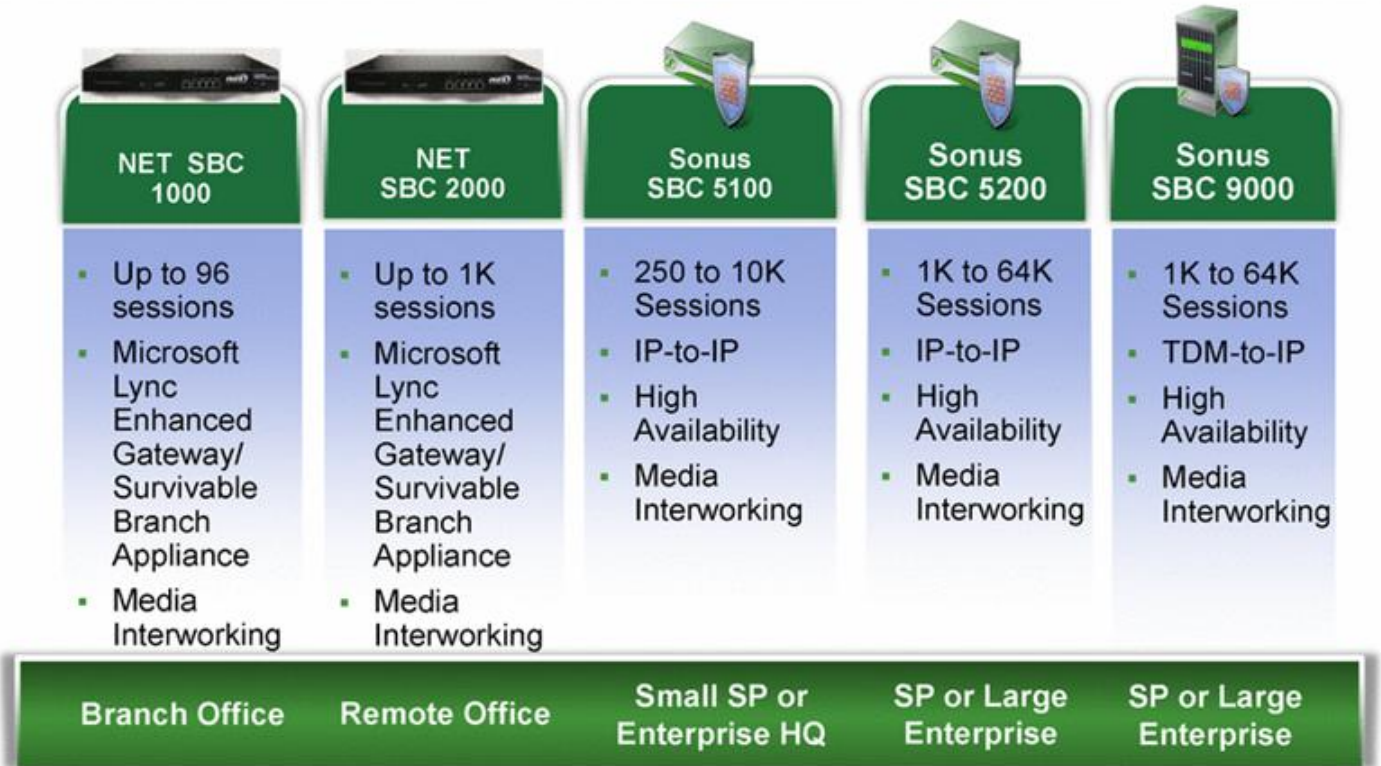
3

Deliver Strategic Go-to-  
Market Relationships

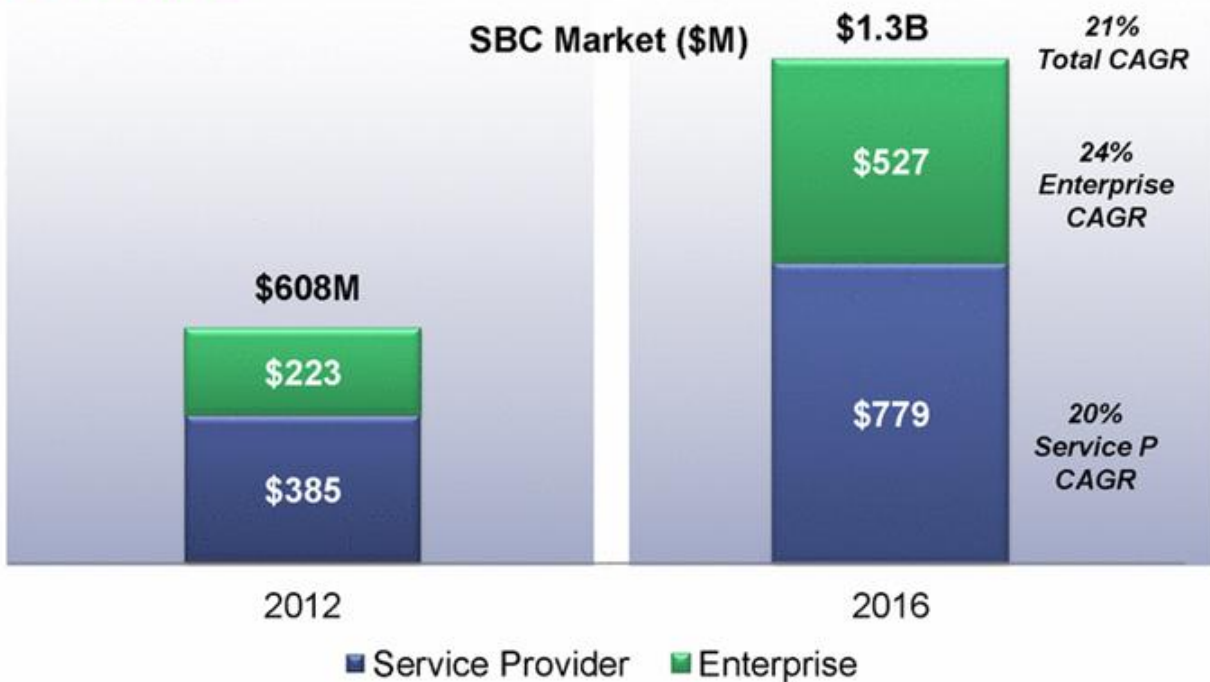
4

Accelerate Enterprise  
Revenue and Customer  
Growth

# Expected to Expand Sonus SBC Product Portfolio



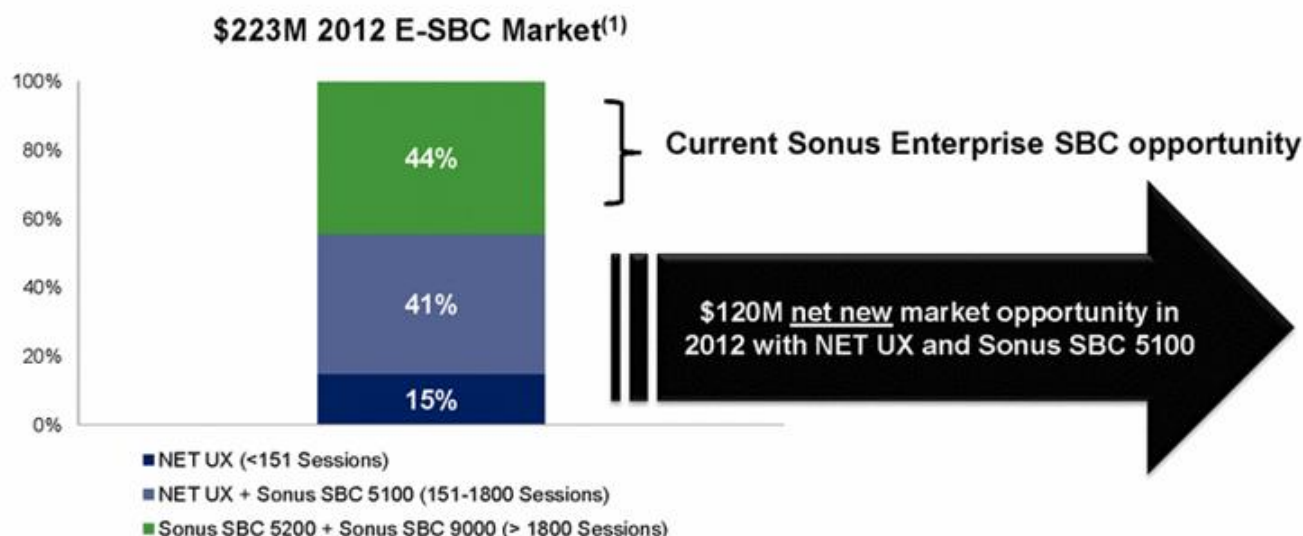
# Expected to Strengthen Positioning Within Robust SBC Market



Infonetics "Service Provider VoIP Equipment and Subscribers" February 2012  
 Infonetics "Enterprise SBC Market Size and Forecast" May 2012  
 CAGRs are 4 year, 2012-2016



# Strong Product Cycle Expected to Create New Growth Opportunities



**NET UX and Sonus SBC 5100 Expected to Significantly Expand Sonus Addressable Enterprise SBC Market**

Infonetics "Enterprise SBC Market Size and Forecast" May 2012

9



## Expected to Deliver Strategic Go to Market Relationships

### ■ Enterprise

- Established Partnerships Provide Deep Enterprise Hosted UC Exposure



### ■ Enterprise and Tier 2/3 Service Providers

- Established Channel and Partner Ecosystem

### ■ Government

- Established US Government Customer Base and Sales Team
- GSA, DoD and NATO

10



# NET's Blue Chip Customer Base

## Government



## Enterprise



# Transaction Rationale ~ Expected to:

1

Expand SBC  
Product Portfolio

2

Expand Addressable  
Enterprise SBC Market

3

Deliver Strategic Go-to-  
Market Relationships

4

Accelerate Enterprise  
Revenue and Customer  
Growth

Thank You





**Sonus Networks Enters into a Definitive Agreement to Acquire NET**

**FAQ**

**1. What Has Been Announced?**

Sonus entered into a definitive agreement to acquire Network Equipment Technologies (NET), a leading provider of enterprise-class networking solutions optimized for secure real-time communications in Unified Communications, SIP trunking and Cloud-based deployments.

**2. Who is NET?**

NET provides secure real-time communications for Unified Communications, SIP trunking, enterprise mobility, and IP-based multi-service networking. They seek to develop the best products in the marketplace for customers looking to implement unified communications for Microsoft® Lync™ deployments and enterprise SBC solutions.

**3. Why Did Sonus Enter into This Agreement?**

The acquisition is intended to be consistent with Sonus' strategy of extending its capabilities into the enterprise market and accelerating its ability to deliver an end-to-end portfolio of solutions that enable real-time communications.

**4. How Does this Acquisition Expand Sonus' Portfolio?**

This acquisition would bring branch office and small office solutions for the enterprise market into Sonus' portfolio of Session Border Controller (SBC) solutions.

**5. What Does This Acquisition Mean to Sonus and NET Customers?**

Sonus and NET plan to offer a portfolio to enable enterprises to cost-effectively deliver Unified Communications, video solutions and other forms of real-time communications in a seamless manner from their headquarters locations out to branch offices. By offering a cohesive portfolio of end-to-end solutions, customers could feel confident that their technology investment will be easy to deploy, use and manage.

1

---

**6. What Does This Acquisition Mean to Sonus and NET Partners?**

For Sonus and NET partners this announcement would expand their ability to holistically address customers need to deliver real-time communications capabilities across their entire organization. NET's next-generation platforms for small enterprises and branch offices, including its flagship Unified Exchange (UX) product line, would be complementary to the Sonus SBC 5000 portfolio which is purpose built for larger scale enterprise deployments. Upon deal close, NET partners would be enrolled into the recently announced Sonus Partner Assure™ channel partner program.

**7. What is the Market Opportunity?**

As a holistic offering, Sonus and NET would together address the growing demand for SBCs that enable SIP trunking and SIP-based UC applications. A recent Infonetics Research report shows the fast moving enterprise SBC market is expected to grow 26% year-over-year through 2016. Typical savings from SIP trunking, trunking consolidation and the move to VoIP can reduce traditional enterprise telecom bills by up to 75%.

**8. What is the Value of the Transaction?**

The all-cash purchase price of \$1.35 per share is valued at approximately \$42 million, excluding transaction costs.

**9. When is the Transaction Expected to Close?**

The transaction is anticipated to close in the third quarter of 2012, subject to NET stockholder approval, the satisfaction of customary closing conditions and applicable regulatory reviews.

**10. What is the Combined Organization's Planned Vision and Strategy?**

The combination expects to help enterprises be more productive by enabling them to communicate smarter, faster and more collaboratively.

**11. How Many Employees Does NET Have?**

NET currently has 160 employees.

**12. Where is NET Headquartered?**

NET's headquarters is based in Fremont, CA.

2

---

**13. What International Markets Does NET Serve?**

NET has customers worldwide and has 13 offices worldwide including the U.S., U.K., France, Middle East, China, Japan, and Australia.

**14. When was NET Founded?**

NET was founded in 1983.

**15. Is NET a Publically Traded Company?**

Yes, NET is a NASDAQ listed company trading under the ticker NWK.

**16. What is NET's Financial Profile?**

Total revenue for the full fiscal year 2012 was ~ \$50.2 million.

**17. How Many Patents Has NET Been Granted?**

NET has been granted 73 U.S. patents, 17 foreign patents, and a number of additional patent applications pending.

**18. In What Primary Market Segments Does NET Compete?**

Unified Communications, Enterprise SIP/SBC, Secure Communications

**19. What Products Does NET Have for These Markets?**

The UX Series, VX Series, Tenor products, SmartSIP software, Promina products and the NX1000 Series.

**20. What Industry Awards Has NET's Products Received?**

NET's UX1000 received the 2011 INTERNET TELEPHONY 'Product of the Year' award and NET's UX2000 attained 'Certified Secure and Performance Verified' status from Miercom as a resilient and reliable Unified Communications gateway.

**21. How Do NET's Solutions Enable Public and Private Network Operators to Simplify Their Network?**

By converging legacy PBX voice traffic onto a single converged data network and leveraging the cost savings and functional benefits of unified messaging and Unified Communications. NET's Unified Exchange 2000 Series (UX2000) can support up to 600 simultaneous transcoded and encrypted calls and is qualified as a Survivable Branch Appliance (SBA) and Enterprise Session Border Controller (E-SBC) for Microsoft Lync.

**22. How does NET Expand Sonus' Route-to-Market?**

NET has a portfolio of distributors and VARs that would be added to Sonus'

recently announced Sonus Partner Assure global channel program and offers a U.S. federal government installed base.

**23. What is the Opportunity with Microsoft Lync?**

NET is a key enabler of Microsoft Lync deployments, which is expected to enable Sonus to address growing Microsoft Unified Communications deployments. As reference, Sonus' current portfolio of enterprise-ready SBC solutions has passed the suite of tests required for Microsoft Lync certification.

**24. What is the Proposed Roadmap for Sonus and NET Products?**

Product-specific roadmap decisions would not be determined until after the transaction closes.

**25. What Will Happen to the NET Brand?**

Branding guidelines would not be determined until after the transaction closes.

**26. Will Sonus Hold an Investor Conference Call to Discuss the Acquisition?**

Sonus will hold an investor conference call to discuss the intended acquisition of NET on June 19, 2012 at 8:30 a.m. ET. Please call 877-256-3270 in the U.S. or +1 212-231-2910 for international callers or listen to the webcast at <http://investors.sonusnet.com/events.cfm>. A presentation with supporting information will also be available at <http://investors.sonusnet.com/events.cfm> as well as at the SEC's website at [www.sec.gov](http://www.sec.gov).

Sonus is currently in a quiet period and will not be providing any financial updates or outlook for its second quarter or fiscal year 2012, nor will it comment on the financial outlook for NET's quarter ending June 29, 2012.

**27. Will a Replay be Available?**

A telephone playback of the call will be available following the conference call as of 10:30 a.m. ET June 19, 2012 date through 10:30 a.m. ET July 3, 2012 and can be accessed by calling 800-633-8284 or +1 402-977-9140 for international callers. The reservation number for replay is: 21597554. The webcast will be available shortly after the conclusion of the call at <http://investors.sonusnet.com/events.cfm>. The webcast will be archived for 60 days.

**28. Where Can I Get More Information?**

**For Sonus:** Visit [sonus.net/net](http://sonus.net/net)

**For NET:** Visit [net.com](http://net.com)

**29. Where Can Investors Get More Information?****For Sonus Investors:**

Patti Leahy, +1 (978) 614-8440

[pleahy@sonusnet.com](mailto:pleahy@sonusnet.com)

**For NET Investors:**

Leigh Salvo, + 1 (510) 647-8870

[lsalvo@directir.com](mailto:lsalvo@directir.com)

**Additional Information About the Merger and Where to Find It:**

In connection with the proposed merger, NET plans to file a proxy statement with the Securities and Exchange Commission (the "SEC"). Additionally, NET and Sonus will file other relevant materials in connection with the proposed acquisition of NET by Sonus pursuant to the terms of the Merger Agreement by and among Sonus, NET, and Navy Acquisition Subsidiary, Inc. The definitive proxy statement will be sent to stockholders of NET and will contain important information about NET, Sonus, the proposed merger and related matters. Investors and security holders of NET are urged to read the definitive proxy statement and other relevant materials carefully when they become available before making any voting or investment decision with respect to the proposed merger because they will contain important information about the merger and the parties to the merger.

Sonus and NET, and their respective directors, executive officers, and other members of their management and employees, under SEC rules, may be deemed to be participants in the solicitation of proxies of NET stockholders in connection with the transactions contemplated by the merger agreement. Information regarding Sonus' directors and executive officers is contained in Sonus' Annual Report on Form 10-K for the year ended December 31, 2011 and its proxy statement dated April 5, 2012, and other relevant materials filed with the SEC when they become available. Investors and

security holders may obtain detailed information regarding the names, affiliations and interests of certain of NET's executive officers and directors in the solicitation by reading NET's most recent Annual Report on Form 10-K for the year ended March 30, 2012, its proxy statement dated July 5, 2011, and other relevant materials filed with the SEC when they become available. Information concerning the interests of NET's participants in the solicitation, which may, in some cases, be different from those of NET's stockholders generally, will be set forth in the proxy statement relating to the merger when it becomes available. As of June 14, 2012, NET's directors and executive officers beneficially owned approximately 2,287,015 shares, or 7.05%, of NET's common stock. The materials to be filed by Sonus and NET with the SEC may be obtained free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, security holders will be able to obtain free copies of the proxy statement from NET by contacting NET Investor Relations by e-mail at [lsalvo@directir.com](mailto:lsalvo@directir.com) or by telephone at 1-510-647-8870.

**Important Information Regarding Forward-Looking Statements:**

The information in this release may contain certain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 regarding future events that involve risks and uncertainties. All statements other than statements of historical facts contained in this report are forward-looking statements. Without limiting the foregoing, the words "anticipates", "believes", "could", "estimates", "expects", "intends", "may", "plans", "seeks" and other similar language, whether in the negative or affirmative, are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

Although Sonus believes that its expectations are based on reasonable assumptions, readers are cautioned that these forward-looking statements are only predictions and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. Such forward-looking statements may relate to, among others, the parties' ability to close the acquisition and the expected closing date of the

acquisition; the anticipated benefits and synergies of the acquisition; the anticipated future combined operations, products and services; the impact of the acquisition on Sonus' financial results, business performance and product offerings; the expected impact of the acquisition on Sonus' fiscal 2012 revenue, non-GAAP results and GAAP results; and projected growth in the SBC market. Such forward-looking statements do not constitute guarantees of future performance and are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those anticipated. These include, but are not limited to: uncertainties as to the timing and results of the NET stockholder vote; the possibility that various closing conditions for the transaction may not be satisfied or waived; the effects of disruption from the transaction, making it more difficult to maintain relationships with employees, customers,

business partners or governmental entities; the success of the companies in implementing their integration strategies; the actual benefits realized from this transaction; disruptions to our business and financial conditions as a result of this acquisition or other investments or acquisitions; the timing of Sonus' recognition of revenues; the ability to recruit and retain key personnel; difficulties supporting our new strategic focus on channel sales; difficulties expanding Sonus' customer base; difficulties leveraging market opportunities; difficulties providing solutions that meet the needs of customers; market acceptance of Sonus' products and services; rapid technological and market change; the ability to protect intellectual property rights; the ability to maintain partner, reseller, distribution and vendor support and supply relationships; higher risks in international operations and markets; the ability to hire and retain employees; the impact of increased competition; currency fluctuations; litigation; changes in the market prices of Sonus' common stock; actions taken by significant stockholders; failure or circumvention of Sonus' controls and procedures and other risks and uncertainties described more fully in documents filed with or furnished to the Securities and Exchange Commission by Sonus, including the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of Sonus' filings with the Securities and Exchange Commission.

Any forward-looking statements represent Sonus' views only as of the date on which such statement is made, 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, except as required by law.