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**FOR IMMEDIATE RELEASE**

**Ciena Announces Intent to Acquire World Wide Packets**

LINTHICUM, Md. – Jan 22, 2008 – Ciena® Corporation (NASDAQ: CIEN), the network specialist, today announced that it has reached a definitive agreement to acquire privately-held World Wide Packets. Based in Spokane Valley, Wash., World Wide Packets is a leading supplier of solutions for enabling the cost-effective delivery of a wide variety of Carrier Ethernet-based services.

“As part of our strategy to leverage Ethernet as the vehicle for network convergence to optimize the cost and efficiency of network resources, the addition of World Wide Packets’ technology expands our ability to address the access and aggregation tiers of the network with simplified IP/Ethernet service architectures,” said Gary Smith, president and CEO of Ciena. “Bringing to our FlexSelect™ Architecture these flexible, highly-scalable Carrier Ethernet service delivery platforms further advances us in the high-growth business Ethernet services market and strengthens our position in the emerging wireless backhaul space.”

“Since the inception of the company, it has been the goal of World Wide Packets to define and provide the next-generation of Carrier Ethernet solutions, and today’s news is conclusive validation of our approach,” said Matthew Frey, president and COO of World Wide Packets “Our expertise in True Carrier Ethernet™ combined with the power and flexibility of Ciena’s FlexSelect Architecture provides customers with a compelling and cost-effective solution for delivering Carrier Ethernet-based services.”

World Wide Packets has shipped more than 70,000 units to 100+ customers in 25 countries. Customers include ntl:Telewest, KPN and several top-tier Multiple System Operators (MSOs) in North America. Deployments span a range of Carrier Ethernet business services and Carrier Ethernet transport services, which include wireless backhaul and wholesale applications.

Ciena also announced today it has been awarded a multi-year contract with AT&T to supply the global carrier with these platforms.

## **The Carrier Ethernet Market**

Industry analyst firm Infonetics Research forecasts worldwide revenue for Ethernet services to surpass \$25 billion in 2010, growing at a 5-year CAGR of 28 percent, representing a five-year total of nearly \$87 billion. Growth is being driven by the growing migration from legacy services to Ethernet-based services across enterprise segments.

“Now more than ever, network operators are seeking to drive down network costs and complexity while boosting capacity, and they are increasingly turning to Ethernet as the solution of choice for achieving those goals,” said Michael Howard, principal analyst, Infonetics Research. “In our bandwidth-hungry world, simplicity, cost efficiency and flexibility are more than just marketing clichés, they are the hallmarks of today's Carrier Ethernet networks. Pairing with World Wide Packets makes a lot of sense for Ciena, as it nicely enhances the performance-grade Ethernet capabilities of the FlexSelect Architecture.”

## **World Wide Packets Portfolio Overview**

World Wide Packets designs products for the access and aggregation tiers of the network. Typically deployed from the metro edge to the customer edge, the platforms provide the resiliency, flexibility and scalability required to deliver the next generation of Carrier Ethernet-based services.

The portfolio is comprised of the following:

- Purpose-built network devices that fall into three product families – Service Aggregation Switches (SAS), Service Concentration Switches (SCS) and Service Delivery Switches (SDS);
- A common operating system – LightningEdge Operating System (LE-OS); and,
- A suite of network management tools for integrated service activation – Ethernet Services Manager (ESM).

## **Transaction Terms and Timing**

Under the terms of the acquisition agreement, World Wide Packets will merge with a wholly-owned subsidiary of Ciena, and all outstanding shares of World Wide Packets common and preferred stock, including employee stock options and warrants (which will be assumed by Ciena), will be exchanged for approximately \$200 million in cash and 3.4 million shares of Ciena common stock. In addition, Ciena will assume up to \$15 million in outstanding World Wide Packets debt. Based on the closing price of

Ciena's stock on Friday January 18, 2008, of \$26.52, the aggregate value of the shares to be issued by Ciena is approximately \$90 million.

This transaction is subject to various conditions and approval by appropriate government agencies. The boards of directors of both Ciena and World Wide Packets have approved the transaction. It is expected that this transaction will close during Ciena's second quarter of fiscal 2008.

Following completion of this transaction, World Wide Packets will continue to operate from its Spokane Valley, Wash. and San Jose, Calif. locations.

Morgan Stanley served as financial advisor to Ciena on this transaction. Goldman Sachs served as financial advisor to World Wide Packets.

### **Live Conference Call/Web Broadcast**

Ciena will host a brief conference call about its intent to acquire World Wide Packets with investors and financial analysts today, Tuesday, January 22, 2008 at 5:15 p.m. (Eastern). The teleconference can be joined by dialing 913-312-1448 and using passcode "Ciena." A limited number of dial-in lines will be made available. A live broadcast of the discussion will also be available via Ciena's homepage at [www.ciena.com](http://www.ciena.com). An archived version of the discussion will be available shortly following the conclusion of the live broadcast on the Investor Relations page of Ciena's website at: [www.ciena.com/investors](http://www.ciena.com/investors).

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### **About Ciena**

Ciena specializes in network transition. We provide the flexible platforms, intelligent software and professional services to build converged networks for enhanced services and applications. With a growing global presence, Ciena leverages its heritage of practical innovation to deliver maximum performance and economic value in communications networks worldwide. For more information, visit [www.ciena.com](http://www.ciena.com).

### **About World Wide Packets**

World Wide Packets is a leading provider of Carrier Ethernet solutions that allow broadband service providers and telecommunications service providers to realize a new level of speed and agility in the deployment of revenue generating Ethernet services. With World Wide Packets' LightningEdge™ product family, providers can address the demand with their growing customer base by fully leveraging the power, flexibility and economies of Ethernet technology, while dramatically reducing the CapEx and OpEx of existing legacy networks. Only World Wide Packets offers the QoS, scalability, reliability and manageability necessary to making True Carrier Ethernet services such as IPTV, VoIP, mission critical data and wireless transport a reality. For more information on World Wide Packets, please visit [www.wwp.com](http://www.wwp.com).

### **Note to Ciena Investors**

This press release contains certain forward-looking statements based on current expectations, forecasts and assumptions that involve risks and uncertainties. These statements are based on information available to the Company as of the date hereof; and Ciena's actual results could differ materially from those stated or implied, due to

risks and uncertainties associated with its business, which include the risk factors disclosed in its Report on Form 10-K, which Ciena filed with the Securities and Exchange Commission on December 27, 2007. Forward-looking statements include statements regarding Ciena's expectations, beliefs, intentions or strategies regarding the future and can be identified by forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "will," and "would" or similar words. Ciena assumes no obligation to update the information included in this press release, whether as a result of new information, future events or otherwise.