

Calix, Inc.  
Historical Financial Statements  
GAAP and Non-GAAP  
(\$ in thousands)

	GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP	
	Qtr Ending 3/26/2011	Qtr Ending 3/26/2011	Qtr Ending 6/25/2011	Qtr Ending 6/25/2011	Qtr Ending 9/24/2011	Qtr Ending 9/24/2011	Qtr Ending 12/31/2011	Qtr Ending 12/31/2011	Year Ending 12/31/2011	Year Ending 12/31/2011	Year Ending 12/31/2011	Year Ending 12/31/2011	Year Ending 12/31/2011	Year Ending 12/31/2011		
Revenue	\$ 71,470	\$ 71,470	\$ 97,959	\$ 97,959	\$ 83,655	\$ 83,655	\$ 91,585	\$ 91,585	\$ 344,669	\$ 344,669			\$ 344,669	\$ 344,669		
Cost of revenue:																
Products and services <sup>(1)</sup>	39,308	38,804	54,899	54,568	49,002	48,696	52,489	52,128	195,698	194,196			195,698	194,196		
Merger-related expenses <sup>(7)</sup>	10,257	-	9,709	-	-	-	-	-	19,966	-			19,966	-		
Amortization of intangible assets <sup>(2)</sup>	1,516	-	3,188	-	2,806	-	2,042	-	9,552	-			9,552	-		
Total cost of revenue	51,081	38,804	67,796	54,568	51,808	48,696	54,531	52,128	225,216	194,196			225,216	194,196		
Gross profit	20,389	32,666	30,163	43,391	31,847	34,959	37,054	39,457	119,453	150,473			119,453	150,473		
Gross margin %	28.5%	45.7%	30.8%	44.3%	38.1%	41.8%	40.5%	43.1%	34.7%	43.7%			34.7%	43.7%		
Research and development <sup>(4)</sup>	15,039	13,397	18,584	17,351	16,717	15,831	17,385	16,318	67,725	62,897			67,725	62,897		
Sales and marketing <sup>(4)</sup>	12,066	10,768	14,172	13,341	12,593	11,466	16,720	15,475	55,551	51,050			55,551	51,050		
General and Administrative <sup>(5)</sup>	9,308	4,725	6,667	4,812	5,475	4,068	5,552	3,859	27,002	17,464			27,002	17,464		
Merger-related and other expenses <sup>(7)</sup>	6,041	-	5,482	-	1,404	-	-	-	12,927	-			12,927	-		
Amortization of intangible assets <sup>(6)</sup>	669	-	2,795	-	2,552	-	2,553	-	8,569	-			8,569	-		
Total operating expenses	43,123	28,890	47,700	35,504	38,741	31,365	42,210	35,652	171,774	131,411			171,774	131,411		
Net operating income (loss)	(22,734)	3,776	(17,537)	7,887	(6,894)	3,594	(5,156)	3,805	(52,321)	19,062			(52,321)	19,062		
Interest income	43	43	26	26	11	11	7	7	87	87			87	87		
Interest expense	(46)	(46)	(45)	(45)	(48)	(48)	(45)	(45)	(184)	(184)			(184)	(184)		
Other income / (expense)	5	5	24	24	35	35	28	28	92	92			92	92		
Total other income / (expense)	2	2	5	5	(2)	(2)	(10)	(10)	(5)	(5)			(5)	(5)		
Provision for income taxes	24	24	114	114	38	38	48	48	224	224			224	224		
Net income / (loss)	\$ (22,756)	\$ 3,754	\$ (17,646)	\$ 7,778	\$ (6,934)	\$ 3,554	\$ (5,214)	\$ 3,747	\$ (52,550)	\$ 18,833			\$ (52,550)	\$ 18,833		
<b>Non-GAAP bridge to GAAP</b>																
(1) Cost of revenue (stock-based compensation)		\$ 504		\$ 331		\$ 306		\$ 361		\$ 1,502				\$ 1,502		
(2) Cost of revenue (amortization of intangible assets)		1,516		3,188		2,806		2,042		9,552				9,552		
(3) Research and development (stock-based compensation)		1,642		1,233		886		1,067		4,828				4,828		
(4) Sales and marketing (stock-based compensation)		1,298		831		1,127		1,245		4,501				4,501		
(5) General and administration (stock-based compensation)		4,583		1,855		1,407		1,693		9,538				9,538		
(6) Operating expense (amortization of intangible assets)		669		2,795		2,552		2,553		8,569				8,569		
Total Non-Cash Expenses		\$ 10,212		\$ 10,233		\$ 9,084		\$ 8,961		\$ 38,490				\$ 38,490		
(7) Merger-related and other expenses		\$ 16,298		\$ 15,191		\$ 1,404		\$ -		\$ 32,893				\$ 32,893		
Total Non-Cash and Non-Recurring Expenses		\$ 26,510		\$ 25,424		\$ 10,488		\$ 8,961		\$ 71,383				\$ 71,383		
GAAP net loss		\$ (22,756)		\$ (17,646)		\$ (6,934)		\$ (5,214)		\$ (52,550)				\$ (52,550)		

Calix's non-GAAP measures are not in accordance with, or an alternative for, generally accepted accounting principles and may be different from non-GAAP measures used by other companies. In addition, the above non-GAAP Consolidated Statements of Operations are not based on a comprehensive set of accounting rules or principles.

Calix, Inc.  
Historical Financials  
Condensed Consolidated Balance Sheets 2011  
(\$ in thousands)

	3/26/2011	6/25/2011	9/24/2011	12/31/2011
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 29,547	\$ 18,660	\$ 30,249	\$ 38,938
Marketable securities	8,999	8,911	2,014	-
Restricted cash	1,054	1,054	1,054	754
Accounts receivable, net	54,342	57,940	47,901	47,943
Inventory	49,380	38,489	44,152	44,604
Deferred cost of goods sold	9,854	10,835	8,932	8,324
Prepays and other current assets	2,838	5,340	6,493	4,429
Total current assets	156,014	141,229	140,795	144,992
Property and equipment, net	19,283	18,206	17,222	16,130
Goodwill	118,552	116,175	116,175	116,175
Intangible assets, net	95,984	90,001	84,643	80,048
Other assets	2,491	2,381	2,273	2,194
Total assets	\$ 392,324	\$ 367,992	\$ 361,108	\$ 359,539
<b>Liabilities and stockholders' equity</b>				
Current liabilities:				
Accounts payable	\$ 16,000	\$ 10,932	\$ 11,942	\$ 14,250
Accrued liabilities	44,668	39,629	39,450	36,214
Deferred revenue	18,076	23,081	19,448	16,783
Total current liabilities	78,744	73,642	70,840	67,247
Long-term portion of deferred revenue	11,609	11,970	12,265	13,347
Other long term liabilities	1,833	1,588	1,662	1,528
Stockholders' equity:				
Common stock	1,133	1,167	1,182	1,195
Additional paid-in capital	733,360	731,617	734,045	740,309
Other comprehensive income	36	45	85	98
Accumulated deficit	(434,391)	(452,037)	(458,971)	(464,185)
Total stockholders' equity	300,138	280,792	276,341	277,417
Total liabilities and stockholders' equity	\$ 392,324	\$ 367,992	\$ 361,108	\$ 359,539

Calix, Inc.  
Historical Financials  
Condensed Consolidated Statements of Cash Flows 2011  
(\$ in thousands)

	Qtr Ending 3/26/2011	Qtr Ending 6/25/2011	Qtr Ending 9/24/2011	Qtr Ending 12/31/2011	Ytd Ending 12/31/2011
<b>Operating activities</b>					
Net cash provided by (used in) operating activities	\$ 2,694	\$ (1,768)	\$ 7,813	\$ 5,850	\$ 14,589
<b>Investing activities</b>					
Purchase of property and equipment	(1,722)	(2,786)	(1,763)	(1,084)	(7,355)
Purchases of marketable securities	-	-	-	-	-
Sales and maturities of marketable securities	22,905	-	6,850	2,000	31,755
Acquisition of Occam Networks, net of cash assumed	(60,788)	(21)	-	-	(60,809)
Net cash provided by (used in) investing activities	(39,605)	(2,807)	5,087	916	(36,409)
<b>Financing activities</b>					
Proceeds from exercise of stock options and other	154	513	99	38	804
Proceeds from issuance of common stock under employee stock purchase plan	-	2,062	-	1,876	3,938
Taxes withheld upon the vesting of RSUs	-	(8,921)	(1,452)	(3)	(10,376)
Net cash provided by (used in) financing activities	154	(6,346)	(1,353)	1,911	(5,634)
Effect of exchange rate changes on cash and cash equivalents	-	34	42	12	88
Net increase (decrease) in cash and cash equivalents	(36,757)	(10,887)	11,589	8,689	(27,366)
Cash and cash equivalents at beginning of period	66,304	29,547	18,660	30,249	66,304
Cash and cash equivalents at end of period	\$ 29,547	\$ 18,660	\$ 30,249	\$ 38,938	\$ 38,938