

Safe Harbor

Statements made during all analyst day presentations and question and answer sessions concerning Juniper Networks' business outlook, future financial and operating results, strategic direction, product and technology development plans and overall future prospects are forward looking statements that involve a number of uncertainties and risks. Actual results could differ materially from those anticipated in those forward-looking statements as a result of certain factors, including: economic conditions generally or in the networking industry; changes in overall technology spending; the network capacity requirements of service providers; changing market requirements; the timing of orders and shipments; manufacturing and supply chain constraints variations in the mix of products sold; customer perceptions and acceptance of our products; litigation; and other factors listed in our most recent report on Form 10-K filed with the SEC. All statements made during these presentations and sessions are made only as of today. Juniper Networks undertakes no obligation to update the information presented during these presentations and sessions in the event facts or circumstances subsequently change after the date of this meeting.

In addition, certain historical Non-GAAP financial information will be presented today. For reconciliation of such measures to comparable GAAP measures, please visit our website at

http://www.juniper.net/company/investor_relations/index.html and click on the link entitled "Analyst Day 2008 – Non-GAAP reconciliations".



GAAP to Non-GAAP Reconciliations

GAAP to Non-GAAP Reconciliations

(in '000's except per share amounts and percentages)	FY05	FY06	Q1'07	Q2'07	Q3'07	Q4'07	FY07
GAAP Cost of revenues – Product	506,296	555,077	154,942	159,891	168,123	193,302	676,258
Stock-based compensation expense	(1,031)	(1,881)	(455)	(501)	(534)	(595)	(2,085)
Stock-based compensation related payroll tax	(126)	(78)	-	(70)	(87)	(17)	(174)
Restructuring charges	-	(1,356)	-	-	-	-	-
Amortization of purchased intangible assets	-	(5,476)	(1,369)	(1,369)	(1,369)	(1,369)	(5,476)
Non-GAAP Cost of revenues – Product	505,139	546,286	153,118	157,951	166,133	191,321	668,523
GAAP Cost of revenues – Service	147,161	199,213	57,167	60,883	64,163	69,167	251,380
Stock-based compensation expense	(1,525)	(5,642)	(3,090)	(2,135)	(1,819)	(1,672)	(8,716)
Stock-based compensation related payroll tax	(311)	(258)	-	(233)	(387)	(161)	(781)
Non-GAAP Cost of revenues – Service	145,325	193,313	54,077	58,515	61,957	67,334	241,883

GAAP to Non-GAAP Reconciliations (cont.)

(in '000's except per share amounts and percentages)	FY05	FY06	Q1'07	Q2'07	Q3'07	Q4'07	FY07
GAAP Gross margin	1,410,500	1,549,290	414,827	444,148	502,762	546,713	1,908,450
Stock-based compensation expense	2,556	7,523	3,545	2,636	2,353	2,267	10,801
Stock-based compensation related payroll tax	437	336	-	303	474	178	955
Restructuring charges	-	1,356	-	-	-	-	-
Amortization of purchased intangible assets	-	5,476	1,369	1,369	1,369	1,369	5,476
Non-GAAP Gross margin	1,413,493	1,563,981	419,741	448,456	506,958	550,527	1,925,682
GAAP Gross margin % of revenue	68.3%	67.3%	66.2%	66.8%	68.4%	67.6%	67.3%
Stock-based compensation expense % of revenue	0.1%	0.3%	0.6%	0.4%	0.3%	0.3%	0.4%
Stock-based compensation related payroll tax % of revenue	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
Restructuring charges	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortization of purchased intangible assets % of revenue	0.0%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%
Non-GAAP Gross margin % of revenue	68.5%	67.9%	67.0%	67.4%	69.0%	68.0%	67.9%

GAAP to Non-GAAP Reconciliations (cont.)

(in '000's except per share amounts and percentages)

	FY05	FY06	Q1'07	Q2'07	Q3'07	Q4'07	FY07
GAAP Research and development expense	357,284	480,247	141,093	148,702	167,887	165,279	622,961
Stock-based compensation expense	(11,761)	(35,784)	(11,049)	(8,260)	(9,244)	(8,036)	(36,589)
Stock-based compensation related payroll tax	(1,452)	(1,029)	-	(878)	(1,168)	(239)	(2,285)
Non-GAAP Research and development expense	344,071	443,434	130,044	139,564	157,475	157,004	584,087
GAAP Sales and marketing expense	441,596	557,990	150,656	156,845	177,762	181,425	666,688
Stock-based compensation expense	(6,761)	(31,305)	(7,635)	(7,667)	(6,592)	(6,042)	(27,936)
Stock-based compensation related payroll tax	(858)	(1,057)	-	(819)	(2,564)	(859)	(4,242)
Non-GAAP Sales and marketing expense	433,977	525,628	143,021	148,359	168,606	174,524	634,510
GAAP General and administrative expense	74,982	97,077	27,258	27,996	29,182	32,053	116,489
Patent expense	(10,000)	-	-	-	-	-	-
Restructuring and acquisition related expense	160	-	-	-	-	-	-
Stock-based compensation expense	(1,242)	(13,033)	(3,713)	(2,936)	(3,038)	(2,977)	(12,664)
Stock-based compensation related payroll tax	(280)	(180)	-	(97)	(174)	(40)	(311)
Non-GAAP General and administrative expense	63,620	83,864	23,545	24,963	25,970	29,036	103,514

GAAP to Non-GAAP Reconciliations (cont.)

(in '000's except per share amounts and percentages)	FY05	FY06	Q1'07	Q2'07	Q3'07	Q4'07	FY07
GAAP Operating Expense	969,454	2,547,072	354,331	357,925	389,999	399,133	1,501,388
Stock-based compensation expense	(19,764)	(80,122)	(22,397)	(18,863)	(18,874)	(17,055)	(77,189)
Stock-based compensation related payroll tax	(2,590)	(2,266)	-	(1,794)	(3,906)	(1,138)	(6,838)
Restructuring charges	-	-	-	-	-	-	-
Amortization of purchased intangible assets	(85,174)	(91,823)	(22,740)	(22,740)	(20,230)	(20,186)	(85,896)
Impairment charges	(5,944)	(1,283,421)	-	-	-	-	-
IPRD	(11,000)	-	-	-	-	-	-
Other charges - gain on legal settlement, net	(10,000)	-	-	-	5,278	-	5,278
Other charges - compensation expense related to acquisitions	(167)	(5,616)	(313)	(313)	(313)	(190)	(1,129)
Other charges - restructuring and acquisition charges	6,853	(335)	38	303	97	-	438
Other charges - stock option investigation costs	-	(20,461)	(4,710)	(1,265)	-	-	(5,975)
Other charges - tax related charges	-	(10,102)	(7,599)	(367)	-	-	(7,966)
Non-GAAP Operating Expense	841,668	1,052,926	296,610	312,886	352,051	360,564	1,322,111

GAAP to Non-GAAP Reconciliations (cont.)

(in '000's except per share amounts and percentages)

	FY05	FY06	Q1'07	Q2'07	Q3'07	Q4'07	FY07
GAAP Operating income (loss)	441,046	(997,782)	60,496	86,223	112,763	147,580	407,062
Stock-based compensation expense	22,320	87,645	25,942	21,499	21,227	19,322	87,990
Stock-based compensation related payroll tax	3,027	2,602	-	2,097	4,380	1,316	7,793
Restructuring charges	-	1,356	-	-	-	-	-
Amortization of purchased intangible assets	85,174	97,299	24,109	24,109	21,599	21,555	91,372
Impairment charges	5,944	1,283,421	-	-	-	-	-
IPRD	11,000	-	-	-	-	-	-
Other charges - gain on legal settlement, net	10,000	-	-	-	(5,278)	-	(5,278)
Other charges - compensation expense related to acquisitions	167	5,616	313	313	313	190	1,129
Other charges - restructuring and acquisition charges	(6,853)	335	(38)	(303)	(97)	-	(438)
Other charges - stock option investigation costs	-	20,461	4,710	1,265	-	-	5,975
Other charges - tax related charges	-	10,102	7,599	367	-	-	7,966
Non-GAAP Operating income	571,825	511,055	123,131	135,570	154,907	189,963	603,571

GAAP to Non-GAAP Reconciliations (cont.)

(in '000's except per share amounts and percentages)

	FY05	FY06	Q1'07	Q2'07	Q3'07	Q4'07	FY07
GAAP Net Interest and Other Income	56,470	100,733	32,913	32,252	17,945	20,411	103,521
Gain on minority equity investment	(1,250)	-	-	(6,745)	-	-	(6,745)
Non-GAAP Net Interest and Other Income	55,220	100,733	32,913	25,507	17,945	20,411	96,776
GAAP Provision for income tax	146,815	104,388	26,762	32,295	45,609	45,087	149,753
Income tax effect of non-GAAP exclusions	47,569	67,023	16,930	12,807	2,790	13,818	46,344
Non-GAAP Provision for income tax	194,384	171,411	43,692	45,102	48,399	58,905	196,097
Non-GAAP Income tax rate	31.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
Non-GAAP Income (loss) before income taxes	627,045	611,788	156,044	161,077	172,852	210,374	700,347

GAAP to Non-GAAP Reconciliations (cont.)

(in '000's except per share amounts and percentages)

	FY05	FY06	Q1'07	Q2'07	Q3'07	Q4'07	FY07
GAAP Net income (loss)	350,701	(1,001,437)	66,647	86,180	85,099	122,904	360,830
Stock-based compensation expense	22,320	87,645	25,942	21,499	21,227	19,322	87,990
Stock-based compensation related payroll tax	3,027	2,602	-	2,097	4,380	1,316	7,793
Restructuring charges	-	1,356	-	-	-	-	-
Amortization of purchased intangible assets	85,174	97,299	24,109	24,109	21,599	21,555	91,372
Impairment charges	5,944	1,283,421	-	-	-	-	-
IPRD	11,000	-	-	-	-	-	-
Other charges - legal settlement, net	10,000	-	-	-	(5,278)	-	(5,278)
Other charges - compensation expense related to acquisitions	167	5,616	-	313	313	190	1,129
Other charges - restructuring and acquisition charges	6,853)	335	-	(303)	(97)	-	(438)
Other charges - stock option investigation costs	-	20,461	-	1,265	-	-	5,975
Other charges - tax related charges	-	10,102	-	367	-	-	7,966
Gain/loss on minority equity investment, net	(1,250)	-	-	(6,745)	-	-	(6,745)
Income tax effect of non-GAAP exclusions	(47,569)	(67,023)	-	(12,807)	(2,790)	(13,818)	(46,344)
Non-GAAP Net income	432,661	440,377		115,975	124,453	151,469	504,250

GAAP to Non-GAAP Reconciliations (cont.)

(in '000's except per share amounts and percentages)

	FY05	FY06	Q1'07	Q2'07	Q3'07	Q4'07	FY07
Non-GAAP Net income	432,661	440,377	112,352	115,975	124,453	151,469	504,250
Non-GAAP Net income per share:							
Basic	0.78	0.78	0.20	0.21	0.24	0.29	0.94
Diluted	0.72	0.73	0.19	0.20	0.22	0.27	0.87
Shares used in computing non-GAAP net income per share:							
Basic	554,223	567,454	569,400	544,224	515,658	521,785	537,767
Diluted	600,189	602,066	604,905	580,736	561,401	566,288	579,145

Juniper *your* Net™
