



CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

(Unaudited)

	Three Months Ended		Six Months Ended	
	Jul-01, 2005	Jul-02, 2004	Jul-01, 2005	Jul-02, 2004
Revenue	\$ 204,225	\$ 179,451	\$ 399,608	\$ 335,961
Cost of sales	101,818	91,132	199,394	171,882
Gross margin	102,407	88,319	200,214	164,079
Gross margin (%)	50.1%	49.2%	50.1%	48.8%
Operating expenses				
Research and development	20,865	19,937	42,693	38,785
Sales and marketing	28,704	27,358	59,075	53,662
General and administrative	11,924	11,952	24,756	22,338
Restructuring charges	-	327	278	327
Amortization of purchased intangible assets	2,177	2,075	4,475	4,059
Total operating expenses	63,670	61,649	131,277	119,171
Operating income	38,737	26,670	68,937	44,908
Non-operating income (expense), net				
Interest expense, net	(419)	(878)	(1,030)	(1,856)
Foreign currency transaction gain / (loss), net	163	507	6	(129)
Expenses for affiliated operations, net	(2,499)	(2,453)	(5,538)	(4,052)
Other income, net	138	1,240	168	1,320
Total non-operating expense, net	(2,617)	(1,584)	(6,394)	(4,717)
Income before taxes	36,120	25,086	62,543	40,191
Income tax provision	12,333	4,568	21,317	6,833
Net income	\$ 23,787	\$ 20,518	\$ 41,226	\$ 33,358
Earnings per share :				
Basic	\$ 0.45	\$ 0.40	\$ 0.78	\$ 0.66
Diluted	\$ 0.42	\$ 0.38	\$ 0.73	\$ 0.61
Shares used in calculating earnings per share :				
Basic	52,959	50,817	52,729	50,617
Diluted	57,057	54,627	56,780	54,424