
**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): August 14, 2013

AVIAT NETWORKS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33278
(Commission File
Number)

20-5961564
(I.R.S. Employer
Identification No.)

Address of principal executive offices: 5200 Great America Parkway, Santa Clara, CA 95054

Registrant's telephone number, including area code: 408-567-7000

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:

- 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))
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SIGNATURE

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Item 2.02 Results of Operations and Financial Condition

Item 7.01 Regulation FD Disclosure

The information contained in this Current Report on Form 8-K, including the accompanying Exhibit 99.1, is being furnished pursuant to Item 2.02 and 7.01 of Form 8-K and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section. The information contained in this Current Report on Form 8-K that is furnished under Item 2.02 and 7.01, including the accompanying Exhibit 99.1, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, except as shall be expressly set forth by specific reference in such a filing.

On August 14, 2013, Aviat Networks, Inc. ("Aviat Networks") issued a press release announcing its results of operations and financial condition as of and for its fiscal fourth quarter and fiscal year 2013, which ended June 28, 2013 and guidance regarding expected revenue and non-GAAP earnings per share ("EPS") for its first quarter of fiscal 2014. The full text of the press release and related financial tables is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

Use of Non-GAAP Measures and Comparative Financial Information

The press release and related financial tables include a discussion of non-GAAP financial measures, including non-GAAP income or loss from continuing operations, non-GAAP net income or loss from continuing operations per basic and diluted share, and adjusted earnings before interest, tax, depreciation and amortization ("adjusted EBITDA") for the fourth quarter of fiscal 2013. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that excludes or includes amounts, or is subject to adjustments, so as to be different from the most directly comparable measure calculated and presented in accordance with generally accepted accounting principles ("GAAP"). The non-GAAP income or loss from continuing operations was determined by excluding share-based compensation, amortization of purchased technology, transactional taxes assessments, amortization of intangible assets, restructuring charges, non-recurring other income and adjustment to reflect pro forma tax rate. Adjusted EBITDA was determined by excluding depreciation and amortization on property, plant and equipment, interest expense, provision for income taxes, and non-GAAP pre-tax adjustments as set forth above, from the GAAP income from continuing operations. Aviat Networks has included in its press release a reconciliation of non-GAAP financial measures disclosed in the press release to the most directly comparable GAAP financial measures.

Aviat Networks reports information in accordance with U.S. GAAP. Management of Aviat Networks monitors gross margin, operating income or loss, income or loss from continuing operations, income or loss from continuing operations per share and adjusted EBITDA on a non-GAAP basis for planning and forecasting results in future periods, and may use these measures for some management compensation purposes. As such, historical non-GAAP combined information has been included in this press release for comparative purposes. As a result, management is presenting these non-GAAP measures in addition to results reported in accordance with GAAP to better communicate underlying operational and financial performance in each period. Management believes these non-GAAP measures provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionate positive or negative impact on results in any given period. Management also believes that these non-GAAP measures enhance the ability of an investor to analyze trends in Aviat Networks' business and to better understand our performance.

Aviat Networks management does not, nor does it suggest that investors should consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Aviat Networks presents such non-GAAP financial measures in reporting its financial results to provide investors with an additional tool to evaluate the Company's financial performance.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibit is furnished herewith:

99.1 Press Release, issued by Aviat Networks, Inc. on August 14, 2013.

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.

AVIAT NETWORKS, INC.

August 14, 2013

By: /s/ Edward J. Hayes, Jr.

Name: Edward J. Hayes, Jr.

Title: Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit No.
Under
Regulation S-K,
Item 601

Description

99.1

Press Release, issued by Aviat Networks, Inc. on August 14, 2013



Aviat Networks Announces Fiscal Fourth Quarter and Fiscal Year 2013 Financial Results

SANTA CLARA, Calif., August 14, 2013 -- Aviat Networks, Inc. (NASDAQ: AVNW), the leading expert in microwave networking solutions, today reported financial results for the fourth quarter and fiscal year 2013, which ended June 28, 2013.

Financial Highlights for Q4FY13

- Revenue within Aviat's guidance range at \$109.0 million
- GAAP Gross Margin at 30.8%; Non-GAAP Gross Margin at 31.0%
- GAAP Operating Expense at \$36.5 million; Non-GAAP Operating Expense at \$32.7 million
- GAAP Net Loss including discontinued operations at \$(5.8) million, or \$(0.10) per share;
- Non-GAAP Income from continuing operations within the guidance range at \$0.5 million, or \$0.01 per diluted share
- Book to bill was approximately 1

Financial Highlights for FY13

- Revenues for fiscal year 2013 were \$471.3 million, an increase of 6.1% year-over-year
- GAAP Gross Margin at 29.7% was flat year-over-year; non-GAAP Gross Margin at 30.0% for fiscal 2013 compared to 30.2% for the previous fiscal year
- Non-GAAP operating expense declined to \$127.6 million from \$129.6 million in the previous fiscal year. A \$3.3 million year-over-year increase in research and development spending was offset by a \$5.3 million year-over-year decrease in selling and administrative expenses
- GAAP Net Loss including discontinued operations of \$(15.0) million, or \$(0.25) per share, compared with \$(24.1) million, or \$(0.41) per share, for the previous fiscal year
- Non-GAAP Income from continuing operations of \$11.0 million, or \$0.18 per share, compared with \$3.8 million, or \$0.06 per share, for the previous fiscal year

A reconciliation of GAAP to non-GAAP financial measures for the fiscal fourth quarter and full year along with the accompanying notes is provided on Table 4.

“Aviat delivered another profitable quarter on a non-GAAP basis, and generated over \$471 million in revenue in fiscal 2013 which positions us as the leading independent provider of microwave backhaul solutions,” said Michael Pangia,

president and CEO, Aviat Networks. “New product introductions, led by the launch of our innovative Converged Transport Router (CTR) platform, will fuel our momentum as we move into the next fiscal year.”

GAAP Financial Results

For the fourth quarter of fiscal year 2013, revenue was \$109.0 million, compared with \$116.0 million in the year-ago quarter. Aviat reported net loss, including discontinued operations, of \$(5.8) million, or \$(0.10) per share, compared with a net loss of \$(1.3) million, or \$(0.02) per share in the year-ago quarter. Loss from continuing operations for the quarter was \$(3.5) million, or \$(0.06) per share, compared with a loss from continuing operations of \$(1.0) million, or \$(0.02) per share, in the year-ago quarter. Loss from discontinued operations, net of taxes, was \$(2.3) million for the quarter. Revenue and results of operations from our WiMAX business are classified as discontinued operations for all periods presented.

Cash and cash equivalents were \$90.0 million as of June 28, 2013 compared with \$92.9 million as of the end of the prior quarter. The decrease in cash is primarily due to capital spending for product introduction and the Company's IT infrastructure upgrade project.

Non-GAAP Financial Results

Non-GAAP income from continuing operations for the quarter was \$0.5 million, or \$0.01 per diluted share, compared with a non-GAAP income from continuing operations of \$1.2 million, or \$0.02 per diluted share, in the year-ago quarter.

The fourth quarter of fiscal year 2013 non-GAAP income from continuing operations excluded \$4.0 million of pre-tax charges composed primarily of the following:

- \$1.6 million of share-based compensation expense
- \$2.2 million of restructuring charges
- \$(0.5) million of other income and expenses

Fiscal fourth quarter 2013 Adjusted EBITDA was \$2.6 million, compared with \$2.9 million in the year ago quarter. In addition to the \$4.0 million of pre-tax charges excluded from non-GAAP income from continuing operations noted above, fiscal fourth quarter 2013 Adjusted EBITDA also excludes \$1.5 million of pre-tax charges comprised of the following:

- \$1.4 million of depreciation and amortization on property, plant and equipment
- \$0.1 million of interest expense

A reconciliation of GAAP to non-GAAP financial measures for the fiscal fourth quarter and full year along with accompanying notes is provided on Table 4.

Fourth Quarter Revenue by Region

Revenue in the North America region was \$47.5 million in the fourth quarter of fiscal 2013, compared with \$40.7 million in the year-ago quarter. International revenue was \$61.5 million, compared with \$75.3 million in the year-ago quarter.

Outlook

Based on current trends, the first quarter of fiscal 2014 revenue outlook range is expected to be between \$105 million and \$112 million. Non-GAAP income (loss) from continuing operations is expected to be in the range of \$(0.03) - \$0.00 per diluted share. First quarter of fiscal 2014 non-GAAP operating expense is expected to decline sequentially. Due to the high variability and difficulty in predicting certain items that affect GAAP net income (loss), such as tax rates and stock price, Aviat Networks is unable to provide a complete reconciliation of GAAP net income (loss) per diluted share to non-GAAP income (loss) per diluted share on a forward-looking basis without unreasonable efforts.

Conference Call Details

Aviat Networks, Inc. will host a conference call today at 4:30 p.m. Eastern Time to discuss the Company's financial results. Those wishing to join the call should dial 480-629-9760 or toll free at 877-941-4774 access code 4634030 at approximately 4:20 p.m. Eastern Time. A replay also will be available starting approximately one hour after the completion of the call until August 21, 2013. To access the replay, dial 303-590-3030 or toll free at 800-406-7325 access code 4634030. A live and archived webcast of the conference call will also be available via the Aviat's Web site at <http://investors.aviatnetworks.com/events.cfm>.

Non-GAAP Measures and Comparative Financial Information

Aviat Networks, Inc. reports information in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). Management of Aviat Networks monitors gross margin, research and development expenses, selling and administrative expenses, operating income or loss, income tax provision or benefit, income or loss from continuing operations, basic and diluted income or loss per share from continuing operations, adjusted earnings before interest, tax, depreciation and amortization ("adjusted EBITDA") on a non-GAAP basis for planning and forecasting results in future periods, and may use these measures for some management compensation purposes. These measures exclude certain costs, expenses, gains and losses as shown on the attached Reconciliation of Non-GAAP Financial Measures table. As a result, management is presenting these non-GAAP measures in addition to results reported in accordance with GAAP to better communicate underlying operational and financial performance in each period. Management believes these non-GAAP measures provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionate positive or negative impact on results in any given period. Management also believes that these non-GAAP measures enhance the ability of an investor to analyze trends in Aviat Networks' business and to better understand our performance.

Aviat Networks' management does not, nor does it suggest that investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

Aviat Networks presents these non-GAAP financial measures in reporting its financial results to provide investors with an additional tool to evaluate its financial performance. Reconciliations of these non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP are included in the tables below.

About Aviat Networks

Aviat Networks, Inc. (NASDAQ: AVNW) is a leading global provider of microwave networking solutions transforming communications networks to handle the exploding growth of IP-centric, multi-Gigabit data services. With more than 750,000 systems installed around the world, Aviat Networks provides LTE-proven microwave networking solutions to mobile operators, including some of the largest and most advanced 4G/LTE networks in the world. Public safety, utility, government and defense organizations also trust Aviat Networks' solutions for their mission-critical applications where reliability is paramount. In conjunction with its networking solutions, Aviat Networks provides a comprehensive suite of localized professional and support services enabling customers to effectively and seamlessly migrate to next generation Carrier Ethernet/IP networks. For more than 50 years, customers have relied on Aviat Networks' high performance and scalable solutions to help them maximize their investments and solve their most challenging network problems. Headquartered in Santa Clara, California, Aviat Networks operates in more than 100 countries around the world. For more information, visit www.aviatnetworks.com or connect with Aviat Networks on Twitter, Facebook and LinkedIn.

Forward-Looking Statements

The information contained in this document includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act and Section 27A of the Securities Act, including statements about business drivers, product launches, ability to deliver value to customers, ability to address the needs of mobile operators and expectations regarding expected results for the first quarter of fiscal 2014. All statements, trend analyses and other information contained herein about the markets for the services and products of Aviat Networks, Inc. and trends in revenue, as well as other statements identified by the use of forward-looking terminology, including "anticipate," "believe," "plan," "estimate," "expect," "goal," "will," "see," "continue," "delivering," "view," and "intend," or the negative of these terms or other similar expressions, constitute forward-looking statements. These forward-looking statements are based on estimates reflecting the current beliefs of the senior management of Aviat Networks. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Forward-looking statements should therefore be considered in light of various important factors, including those set forth in this document. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include the following:

- continued price erosion as a result of increased competition in the microwave transmission industry;
- the impact of the volume, timing and customer, product and geographic mix of our product orders;
- our ability to meet projected new product development dates or anticipated cost reductions of new products;
- our suppliers' inability to perform and deliver on time as a result of their financial condition, component shortages or other supply chain constraints;

- customer acceptance of new products;
- the ability of our subcontractors to timely perform;
- continued weakness in the global economy affecting customer spending;
- retention of our key personnel;
- our ability to manage and maintain key customer relationships;
- uncertain economic conditions in the telecommunications sector combined with operator and supplier consolidation;
- the timing of our receipt of payment for products or services from our customers;
- our failure to protect our intellectual property rights or defend against intellectual property infringement claims by others;
- the effects of currency and interest rate risks; and
- the impact of political turmoil in countries where we have significant business.

For more information regarding the risks and uncertainties for our business, see "Risk Factors" in our Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on September 4, 2012 as well as other reports filed by Aviat Networks, Inc. with the SEC from time to time. Aviat Networks undertakes no obligation to update publicly any forward-looking statement for any reason, except as required by law, even as new information becomes available or other events occur in the future.

Financial Tables to Follow:

Table 1
AVIAT NETWORKS, INC.
Fiscal Year 2013 Fourth Quarter Summary
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Quarter Ended		Fiscal Year Ended	
	June 28, 2013	June 29, 2012 (1)	June 28, 2013	June 29, 2012 (1)
	(In millions, except per share amounts)			
Revenue from product sales and services	\$ 109.0	\$ 116.0	\$ 471.3	\$ 444.0
Cost of product sales and services	75.4	83.2	331.2	312.3
Gross margin	33.6	32.8	140.1	131.7
Research and development expenses	10.4	9.3	39.4	36.0
Selling and administrative expenses	23.8	23.9	95.5	99.5
Amortization of intangible assets	0.1	0.1	0.4	1.6
Goodwill impairment charges	—	—	—	5.6
Restructuring charges	2.2	0.9	3.1	2.3
Operating income (loss)	(2.9)	(1.4)	1.7	(13.3)
Other income, net	0.7	—	0.7	—
Interest income	0.1	0.3	0.8	0.6
Interest expense	(0.1)	(0.3)	(0.8)	(1.3)
Income (loss) from continuing operations before income taxes	(2.2)	(1.4)	2.4	(14.0)
Provision for (benefit from) income taxes	1.3	(0.4)	13.3	1.5
Loss from continuing operations	(3.5)	(1.0)	(10.9)	(15.5)
Loss from discontinued operations, net of tax	(2.3)	(0.3)	(4.1)	(8.6)
Net loss	\$ (5.8)	\$ (1.3)	\$ (15.0)	\$ (24.1)
Loss per common share, basic and diluted:				
Continuing operations	\$ (0.06)	\$ (0.02)	\$ (0.18)	\$ (0.26)
Discontinued operations	\$ (0.04)	\$ (0.01)	\$ (0.07)	\$ (0.15)
Net loss	\$ (0.10)	\$ (0.02)	\$ (0.25)	\$ (0.41)
Weighted average shares outstanding, basic and diluted	60.4	59.2	60.0	59.0

(1) Certain prior year period amounts are reclassified to conform to current period presentation.

Table 2
AVIAT NETWORKS, INC.
Fiscal Year 2013 Fourth Quarter Summary
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 28, 2013	June 29, 2012 ⁽¹⁾
	(In millions)	
Assets		
Cash and cash equivalents	\$ 90.0	\$ 96.0
Receivables, net	86.3	90.7
Unbilled costs	28.9	25.9
Inventories	35.0	56.8
Customer service inventories	16.2	18.5
Other current assets	17.9	16.7
Property, plant and equipment, net	28.8	21.7
Identifiable intangible assets, net	0.8	1.8
Other assets	1.9	1.5
	<u>\$ 305.8</u>	<u>\$ 329.6</u>
Liabilities and Stockholders' Equity		
Short-term debt	\$ 8.8	\$ 4.1
Accounts payable	50.6	55.8
Accrued expenses and other current liabilities	49.5	54.2
Advanced payments and unearned income	27.1	41.3
Long-term debt	—	8.8
Reserve for uncertain tax positions and other long-term liabilities	19.9	7.9
Stockholders' equity	149.9	157.5
	<u>\$ 305.8</u>	<u>\$ 329.6</u>

(1) Certain prior year period amounts are reclassified to conform to current period presentation.

Table 3
AVIAT NETWORKS, INC.
Fiscal Year 2013 Fourth Quarter Summary
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Fiscal Year Ended	
	June 28, 2013	June 29, 2012 (1)
(In millions)		
Operating Activities		
Net loss	\$ (15.0)	\$ (24.1)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of identifiable intangible assets	1.0	2.3
Depreciation and amortization of property, plant and equipment	5.6	4.9
Goodwill impairment charges	—	5.6
Bad debt expense	2.5	3.9
Share-based compensation expense	6.4	5.2
Charges for product transition and inventory write-downs	7.7	3.4
Loss (gain) on disposition of WiMAX business	(0.4)	1.9
Other non-cash items	(0.1)	—
Changes in operating assets and liabilities:		
Receivables	1.9	38.4
Unbilled costs	(3.1)	(1.1)
Inventories	14.9	(7.6)
Customer service inventories	1.6	0.7
Accounts payable	(7.1)	(18.6)
Accrued expenses	(3.2)	(5.9)
Advance payments and unearned income	(14.1)	(4.6)
Income taxes payable or receivable	(1.6)	0.1
Reserve for uncertain tax positions and deferred taxes	11.5	(0.5)
Other assets and liabilities	(0.1)	4.4
Net cash provided by operating activities	<u>8.4</u>	<u>8.4</u>
Investing Activities		
Cash disbursed related to sale of WiMAX business, net	(0.1)	(1.5)
Additions of property, plant and equipment	(10.4)	(5.9)
Net cash used in investing activities	<u>(10.5)</u>	<u>(7.4)</u>
Financing Activities		
Proceeds from long-term debt	—	8.3
Payments on long-term debt	(4.1)	(1.4)
Proceeds from share-based compensation awards	0.3	0.1
Redemption of preference shares	—	(8.3)
Payments on capital lease obligations	(0.1)	—
Net cash used in financing activities	<u>(3.9)</u>	<u>(1.3)</u>
Effect of exchange rate changes on cash and cash equivalents	—	(1.9)
Net Decrease in Cash and Cash Equivalents	<u>(6.0)</u>	<u>(2.2)</u>
Cash and Cash Equivalents, Beginning of Period	<u>96.0</u>	<u>98.2</u>
Cash and Cash Equivalents, End of Period	<u>\$ 90.0</u>	<u>\$ 96.0</u>

(1) Certain prior year period amounts are reclassified to conform to current period presentation.

AVIAT NETWORKS, INC.

Quarter Ended June 28, 2013 Summaries

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES AND REGULATION G DISCLOSURE

To supplement the consolidated financial statements presented in accordance with accounting principles generally accepted in the United States ("GAAP"), we provide additional measures of gross margin, research and development expenses, selling and administrative expenses, operating income or loss, income tax provision or benefit, income or loss from continuing operations, basic and diluted income or loss per share from continuing operations, and adjusted earnings before interest, tax, depreciation and amortization ("Adjusted EBITDA"), adjusted to exclude certain costs, charges, gains and losses, as set forth below. We believe that these non-GAAP financial measures, when considered together with the GAAP financial measures provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionate positive or negative impact on results in any particular period. We also believe these non-GAAP measures enhance the ability of investors to analyze trends in our business and to understand our performance. In addition, we may utilize non-GAAP financial measures as a guide in our forecasting, budgeting and long-term planning process and to measure operating performance for some management compensation purposes. Any analysis of non-GAAP financial measures should be used only in conjunction with results presented in accordance with GAAP. Reconciliations of these non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP follow.

Table 4
AVIAT NETWORKS, INC.
Fiscal Year 2013 Fourth Quarter Summary
RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (1)
Condensed Consolidated Statements of Operations
(Unaudited)

	Quarter Ended				Fiscal Year Ended			
	June 28, 2013	% of Revenue	June 29, 2012 ⁽¹⁾	% of Revenue	June 28, 2013	% of Revenue	June 29, 2012 ⁽¹⁾	% of Revenue
(In millions, except percentages and per share amounts)								
GAAP gross margin	\$ 33.6	30.8 %	\$ 32.8	28.3 %	\$ 140.1	29.7 %	\$ 131.7	29.7 %
Share-based compensation	0.1		0.2		0.5		0.7	
E&O Inventory write down	—		—		—		1.0	
Amortization of purchased technology	0.1		0.2		0.6		0.7	
Non-GAAP gross margin	33.8	31.0 %	33.2	28.6 %	141.2	30.0 %	134.1	30.2 %
GAAP research and development expenses	\$ 10.4	9.5 %	\$ 9.3	8.0 %	\$ 39.4	8.4 %	\$ 36.0	8.1 %
Share-based compensation	(0.2)		(0.2)		(1.0)		(0.9)	
Non-GAAP research and development expenses	10.2	9.4 %	9.1	7.8 %	38.4	8.1 %	35.1	7.9 %
GAAP selling and administrative expenses	\$ 23.8	21.8 %	\$ 23.9	20.6 %	\$ 95.5	20.3 %	\$ 99.5	22.4 %
Share-based compensation	(1.3)		(1.1)		(4.9)		(3.6)	
Transactional taxes assessments	—		—		(1.4)		(0.6)	
Other nonrecurring charges	—		0.1		—		(0.8)	
Non-GAAP selling and administrative expenses	22.5	20.6 %	22.9	19.7 %	89.2	18.9 %	94.5	21.3 %
GAAP operating income (loss)	\$ (2.9)	(2.7)%	\$ (1.4)	(1.2)%	\$ 1.7	0.4 %	\$ (13.3)	(3.0)%
Share-based compensation	1.6		1.5		6.4		5.2	
E&O Inventory write down	—		—		—		1.0	
Amortization of purchased technology	0.1		0.2		0.6		0.7	
Transactional taxes assessments	—		—		1.4		0.6	
Other nonrecurring charges	—		(0.1)		—		0.8	
Amortization of intangible assets	0.1		0.1		0.4		1.6	
Goodwill impairment charges	—		—		—		5.6	
Restructuring charges	2.2		0.9		3.1		2.3	
Non-GAAP operating income	1.1	1.0 %	1.2	1.0 %	13.6	2.9 %	4.5	1.0 %
GAAP interest and other income (expense), net	\$ 0.7	0.6 %	\$ —	— %	\$ 0.7	0.1 %	\$ (0.7)	(0.2)%
Other nonrecurring income	(0.7)		—		(0.7)		—	
Non-GAAP interest and other income (expense), net	—	— %	—	— %	—	— %	(0.7)	(0.2)%
GAAP income tax provision	\$ 1.3	1.2 %	\$ (0.4)	(0.3)%	\$ 13.3	2.8 %	\$ 1.5	0.3 %
Adjustment to reflect pro forma tax rate	(0.7)		0.4		(10.7)		(1.5)	
Non-GAAP income tax provision	0.6	0.6 %	—	— %	2.6	0.6 %	—	— %
GAAP loss from continuing operations	\$ (3.5)	(3.2)%	\$ (1.0)	(0.9)%	\$ (10.9)	(2.3)%	\$ (15.5)	(3.5)%
Share-based compensation	1.6		1.5		6.4		5.2	
E&O Inventory write down	—		—		—		1.0	
Amortization of purchased technology	0.1		0.2		0.6		0.7	
Transactional taxes assessments	—		—		1.4		0.6	
Other nonrecurring charges	—		(0.1)		—		0.8	
Amortization of intangible assets	0.1		0.1		0.4		1.6	
Goodwill impairment charges	—		—		—		5.6	
Restructuring charges	2.2		0.9		3.1		2.3	
Other nonrecurring income	(0.7)		—		(0.7)		—	
Adjustment to reflect pro forma tax rate	0.7		(0.4)		10.7		1.5	
Non-GAAP income from continuing operations	\$ 0.5	0.5 %	\$ 1.2	1.0 %	\$ 11.0	2.3 %	\$ 3.8	0.9 %
Income (loss) per share from continuing operations								
Basic:								
GAAP	\$ (0.06)		\$ (0.02)		\$ (0.18)		\$ (0.26)	
Non-GAAP	\$ 0.01		\$ 0.02		\$ 0.18		\$ 0.06	
Diluted:								
GAAP	\$ (0.06)		\$ (0.02)		\$ (0.18)		\$ (0.26)	
Non-GAAP	\$ 0.01		\$ 0.02		\$ 0.18		\$ 0.06	
Shares used in computing income (loss) per share from continuing operations								

Basic:

GAAP	60.4	59.2	60.0	59.0
Non-GAAP	60.4	59.2	60.0	59.0
Diluted:				
GAAP	60.4	59.2	60.0	59.0
Non-GAAP	62.4	61.4	61.9	61.0

ADJUSTED EBITDA:	Quarter Ended				Fiscal Year Ended			
	June 28, 2013	% of Revenue	June 29, 2012 ⁽¹⁾	% of Revenue	June 28, 2013	% of Revenue	June 29, 2012 ⁽¹⁾	% of Revenue
(In millions, except percentages)								
GAAP loss from continuing operations	\$ (3.5)	(3.2)%	\$ (1.0)	(0.9)%	\$ (10.9)	(2.3)%	\$ (15.5)	(3.5)%
Depreciation and amortization of property, plant and equipment	1.4		1.4		5.6		4.9	
Interest expense	0.1		0.3		0.8		1.3	
Share-based compensation	1.6		1.5		6.4		5.2	
E&O Inventory write down	—		—		—		1.0	
Amortization of purchased technology	0.1		0.2		0.6		0.7	
Transactional taxes assessments	—		—		1.4		0.6	
Other nonrecurring charges	—		(0.1)		—		0.8	
Amortization of intangible assets	0.1		0.1		0.4		1.6	
Goodwill impairment charges	—		—		—		5.6	
Restructuring charges	2.2		0.9		3.1		2.3	
Other nonrecurring income	(0.7)		—		(0.7)		—	
Provision for income taxes	1.3		(0.4)		13.3		1.5	
Adjusted EBITDA	\$ 2.6	2.4 %	\$ 2.9	2.5 %	\$ 20.0	4.2 %	\$ 10.0	2.3 %

- (1) The adjustments above reconcile our GAAP financial results to the non-GAAP financial measures used by us. Our non-GAAP income or loss from continuing operations excluded share-based compensation, E&O inventory write down, amortization of purchased technology, transactional taxes assessments, amortization of intangible assets, goodwill impairment charges, restructuring charges, other nonrecurring income, and adjustment to reflect pro forma tax rate. Adjusted EBITDA was determined by excluding depreciation and amortization on property, plant and equipment, interest expense, provision for income taxes, and non-GAAP pre-tax adjustments, as set forth above, from the GAAP income from continuing operations. We believe that the presentation of these non-GAAP items provides meaningful supplemental information to investors, when viewed in conjunction with, and not in lieu of, our GAAP results. However, the non-GAAP financial measures have not been prepared under a comprehensive set of accounting rules or principles. Non-GAAP information should not be considered in isolation from, or as a substitute for, information prepared in accordance with GAAP. Moreover, there are material limitations associated with the use of non-GAAP financial measures.

Table 5
AVIAT NETWORKS, INC.
Fiscal Year 2013 Fourth Quarter Summary
SUPPLEMENTAL SCHEDULE OF REVENUE BY GEOGRAPHICAL AREA
(Unaudited)

	Quarter Ended		Fiscal Year Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
	(In millions)			
North America	\$ 47.5	\$ 40.7	\$ 180.5	\$ 164.9
International:				
Africa and Middle East	31.6	46.9	182.2	147.7
Europe and Russia	17.0	13.8	48.0	53.6
Latin America and Asia Pacific	12.9	14.6	60.6	77.8
	61.5	75.3	290.8	279.1
Total Revenue	\$ 109.0	\$ 116.0	\$ 471.3	\$ 444.0

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