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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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) **October 26, 2005**

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**Ciena Corporation**

(Exact Name of Registrant as Specified in Its Charter)

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**Delaware**

(State or Other Jurisdiction of Incorporation)

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**0-21969**

(Commission File Number)

**23-2725311**

(IRS Employer Identification No.)

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**1201 Winterson Road, Linthicum, MD**

(Address of Principal Executive Offices)

**21090**

(Zip Code)

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**(410) 865-8500**

(Registrant's Telephone Number, Including Area Code)

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(Former Name or Former Address, if Changed Since Last Report)

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 (see General Instruction A.2. below):

- 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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## ITEM 1.01 – ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On October 26, 2005, the Board of Directors of Ciena Corporation approved the acceleration of the vesting of certain unvested, “out-of-the-money” stock options issued to employees, executive officers and directors under Ciena’s equity compensation plans. An option was deemed “out of the money” if it had an exercise price equal to or greater than \$2.50 per share, the closing price per share of Ciena’s common stock on October 25, 2005, the last trading day prior to Board approval. Certain performance based options issued to executive officers in December 2004 were not subject to acceleration and will continue to vest pursuant to their terms.

The following table summarizes the outstanding options subject to accelerated vesting:

	Aggregate Number of Shares Issuable Under Accelerated Stock Options (#)	Weighted Average Exercise Price Per Share
Total Non-Employee Directors	0	N/A
Total Named Executive Officers (1)	1,810,881	\$ 5.31
Total All Other Employees	12,311,690	\$ 4.26
Total	14,122,571	\$ 4.39

(1) Consists of those persons named in the Summary Compensation Table in the Company’s 2005 Proxy Statement filed with the Securities and Exchange Commission.

On October 27, 2005, Ciena issued a press release disclosing additional information relating to its acceleration of options. The full text of this press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into Item 1.01.

## ITEM 9.01 – FINANCIAL STATEMENTS AND EXHIBITS

(c) The following exhibit is being filed herewith:

<u>Exhibit Number</u>	<u>Description of Document</u>
Exhibit 99.1	Press Release issued on October 27, 2005

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**SIGNATURES**

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 thereunto duly authorized.

**Ciena Corporation**

Date: October 27, 2005

By: /s/ Russell B. Stevenson, Jr.

Russell B. Stevenson, Jr.  
Senior Vice President, General Counsel and  
Secretary



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**FOR IMMEDIATE RELEASE**

**Ciena's Board Authorizes Acceleration of Out-of-the-Money Stock Options**

**LINTHICUM, Md. – October 27, 2005** – Ciena Corporation (NASDAQ: CIEN), the network specialist, today announced that on October 26, 2005, the Company's Board of Directors approved accelerating the vesting of unvested "out-of-the-money" stock options for approximately 14.1 million shares awarded to employees, officers and directors under its stock option plans. Certain performance-based options held by executives were not subject to acceleration.

The accelerated options, which are considered vested as of October 26, 2005, have exercise prices ranging from \$2.50 to \$46.99 per share and a weighted average exercise price of \$4.39. Ciena did not accelerate the vesting of approximately 17.2 million shares that were "in the money" or vest according to performance-based criteria.

The primary purpose of the accelerated vesting is to enable the Company to avoid recognizing future compensation expense associated with these out-of-the-money stock options upon the planned adoption of FASB Statement No. 123R, "Share-Based Payment" by Ciena in fiscal 2006. The Company expects the acceleration to reduce the stock option expense it otherwise would be required to record beginning in its 2006 fiscal year by approximately \$21.5 million on a pre-tax basis.

"Ciena's Board of Directors considered the expense savings that will occur under new accounting regulation and the lack of employee retention value associated with the out-of-the-money options and firmly believes that accelerating these options is in the best interest of the Company and its shareholders," said Patrick Nettles, Ciena's executive chairman. "Further, the acceleration is consistent with expected changes to the Company's overall compensation approach, which going forward, will rely less heavily on stock options."

**NOTE TO 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-Q filed with the Securities and Exchange Commission on September 1, 2005. Forward-looking statements include statements regarding Ciena's expectations, beliefs, intentions or

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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.

#### **About Ciena**

Ciena Corporation is the network specialist, focused on expanding the possibilities for its customers’ networks while reducing their cost of ownership. The Company’s systems, software and services target and cure specific network pain points so that telcos, cable operators, governments and enterprises can best exploit the new applications that are driving their businesses forward. For more information, visit [www.ciena.com](http://www.ciena.com).

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