



Simply Smarter Light

Filed by CIENA Corporation
Pursuant to Rule 425
Commission File No. 0-21969
Subject Company: WaveSmith Networks, Inc.

CIENA Announces Intent to Acquire



Investor/Analyst/Press Briefings

Boston, April 10, 2003

New York, April 11, 2003

Agenda

- Background
- Transaction details
- CIENA Product Strategy: “Up, Out & Across”
- WaveSmith Corporate Overview

Proxy Statement/Prospectus

Investors are urged to read the proxy statement - prospectus relating to the foregoing transaction that CIENA expects to file with the SEC because it will contain important information. The proxy statement - prospectus and other documents filed with the SEC by CIENA may be obtained, when they become available, for free at the SEC's web site, www.SEC.Gov. The proxy statement-prospectus and these other documents may also be obtained for free from CIENA or WaveSmith. Requests to CIENA may be directed to CIENA, 1201 Winterson Rd., Linthicum, MD 21090-2205, Attention: Investor Relations. Requests to WaveSmith Networks may be directed to: WaveSmith Networks, 35 Nagog Park, Acton, MA, 01720, Attention: Corporate Communications.

CIENA, its directors, executive officers and certain other members of management and employees may be soliciting proxies from WaveSmith Networks stockholders. WaveSmith Networks, Inc., its directors, executive officers and certain other members of management and employees may be soliciting proxies from WaveSmith Networks stockholders.



Forward-Looking Statements

This presentation includes certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The forward-looking statements in this document include statements about future financial and operating results and the proposed CIENAWaveSmith Networks transaction. These statements are based on our expectations and are naturally subject to uncertainty and changes in circumstances. Actual results could vary materially from these expectations. The following factors, among others, could cause actual results to differ materially from those described herein: inability to obtain, or meet conditions imposed for, governmental and other approvals for CIENA's acquisition of WaveSmith Networks, including approval by the stockholders of WaveSmith Networks; the risk that the CIENA and WaveSmith Networks businesses will not be integrated successfully; the costs related to the merger; and other economic, business, competitive and/or regulatory factors affecting CIENA's and WaveSmith Networks' business generally. There can be no assurance that the contemplated advantages will be achieved upon any consummation of the merger. More detailed information about these and other factors is set forth in CIENA's filings with the Securities and Exchange Commission, including CIENA's Annual Report filed on Form 10-K for the fiscal year ended October 31, 2002 and its Quarterly Report on Form 10-Q for the quarter ended January 31, 2003, especially in the Management's Discussion and Analysis section, and its Current Reports on Form 8-K. CIENA is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.



The CIENA logo consists of the word "CIENA" in a bold, white, sans-serif font, set against a red rectangular background. A registered trademark symbol (®) is located to the upper right of the logo.

Simply Smarter Light

Gary Smith
CIENA President, CEO

Background

- WaveSmith Networks develops innovative, flexible Multiservice Switching products that enable carriers to build profitable networks.
- Based in Acton, MA, 98 employees
- Lead investors:
 - Atlas Venture
 - Bessemer Venture Partners
 - Fidelity Ventures
- CIENA's existing relationship includes:
 - Third-round equity investment
 - Worldwide sales and reseller agreement

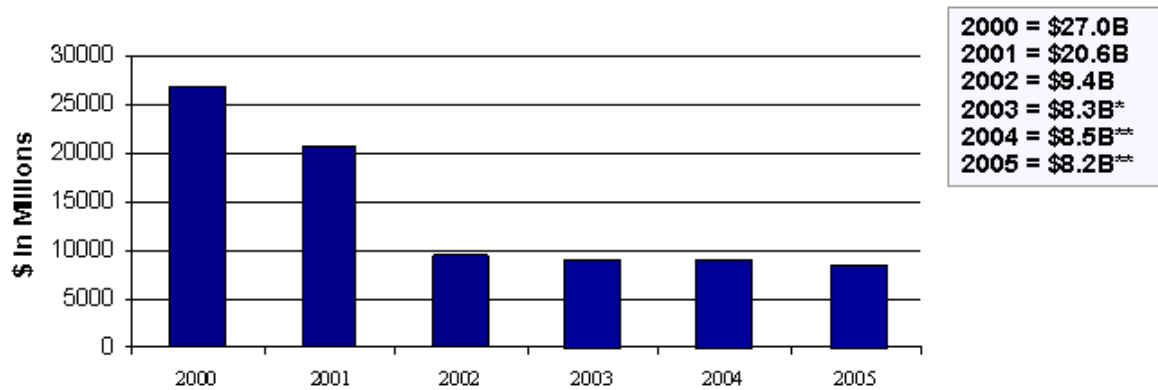


Transaction Highlights

- All outstanding WaveSmith common and preferred shares to be exchanged for approximately 36 million CIENA common shares, which includes shares to be issued for CIENA's investment in WaveSmith.
- Aggregate value of CIENA shares issued: \$170, or ~\$158 million, net of return on CIENA's original investment in WaveSmith.
- No collars
- Accretive in 2004 with expected synergies
- Expected closing third fiscal quarter calendar 2003
- Required approvals include:
 - SEC Clearance, WaveSmith shareholders, Hart-Scott-Rodino clearance



The Optical Market Will Not Grow Again Soon...



* Plus or minus \$500M.
** Plus or minus \$700M.

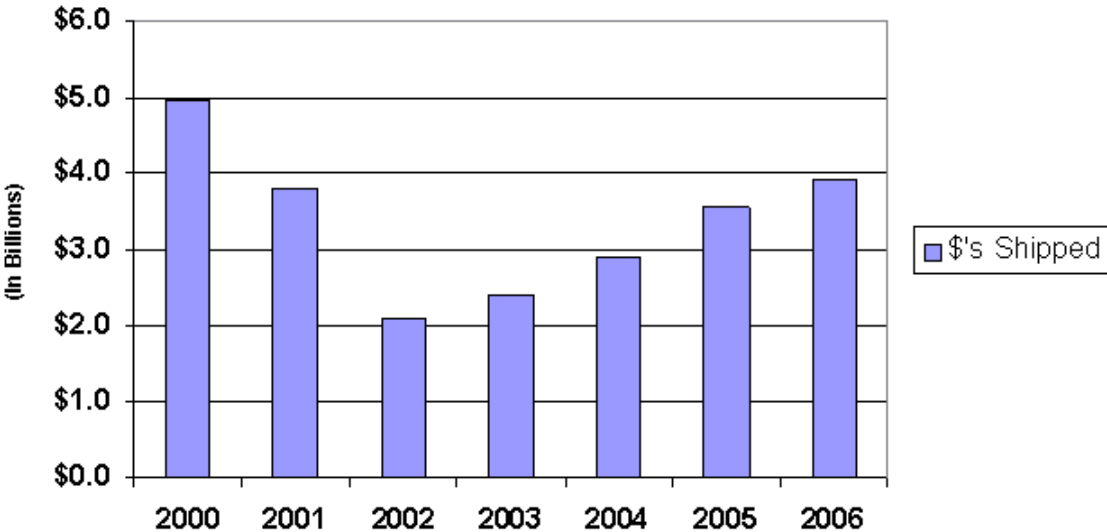
The total optical networking market consists of optical switches, core/metro/access DWDM, ADMs, DC Ss, and next-generation metro switches. Sources: Based on industry analyst & CIENA estimates.



So What Does CIENA Do?

- Add MORE features for PTT and ILEC specific markets
- Expand our product portfolio UP, OUT and ACROSS to enable data-friendly multi-service networks
 - **Up** the protocol stack into Layer 2
 - **Out** to the edge with access features and products
 - **Across** our portfolio by offering integrated solutions
- And WIN by providing networks that meet our customer's business challenges
 - **Consolidated** for CAPEX Reduction
 - **Automated** for OPEX Reduction
 - **Dynamic** to support new services
 - **Resilient** for better reliability
 - **Evolving** with what's already there...

Worldwide Multiservice Switch Market

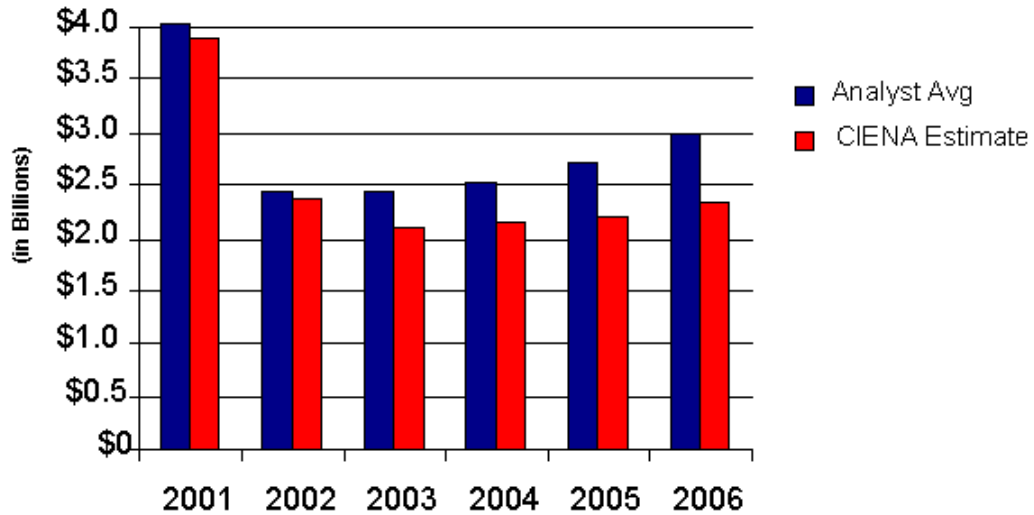


Source: Infonetics Research
February, 2003



Conservatively Viewed...

The global multiservice switch market declined ~40% between 2001 and 2002 and could fall 10+% to \$2.1B in 2003 before stabilizing as carriers begin MPLS upgrades.

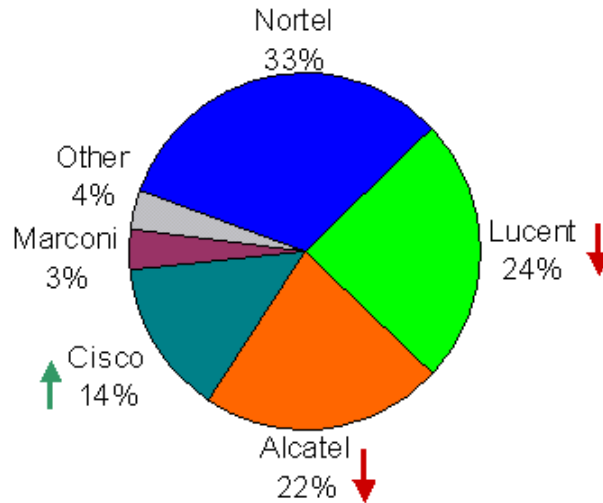


Source: CIENA Internal estimate. Analyst average based on figures from: Lehman, 3.03; CIBC/Dell'Oro, 1.03; In Stat, 3.03; JP Morgan/Dell'Oro, 2H02; Dell'Oro, 2.03; Morgan Stanley; wireline capex figures, Q 103.



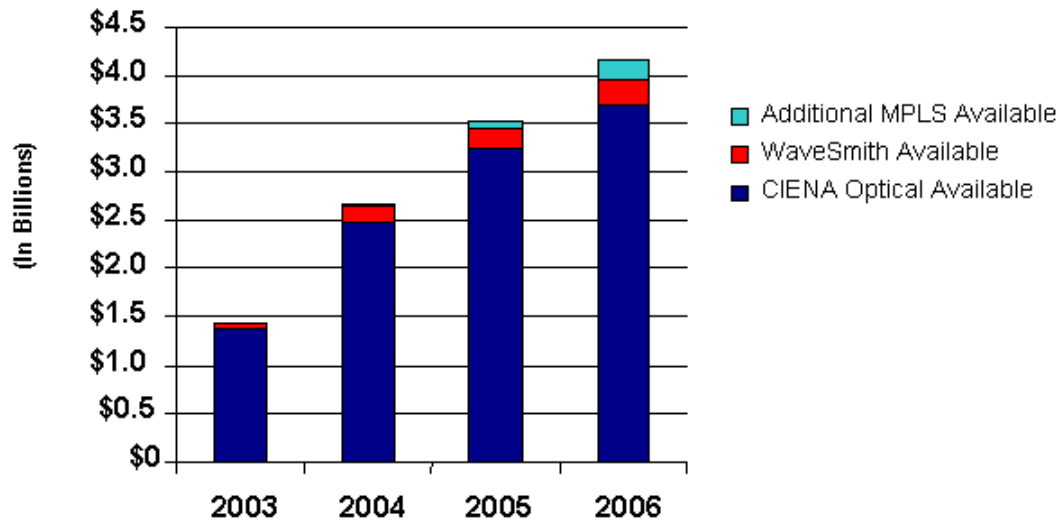
Multiservice Switch Evolution Opportunity

Global Multiservice Switch Market Share, 2002



Source: CIENA Internal estimate. Anal: average based on figures from: Lehman, 3.03; CIBC/Dell'Oro, 1.03; n Stat, 3.03; JP Morgan/Dell'Oro, 2H02; Dell'Oro, 2.03.

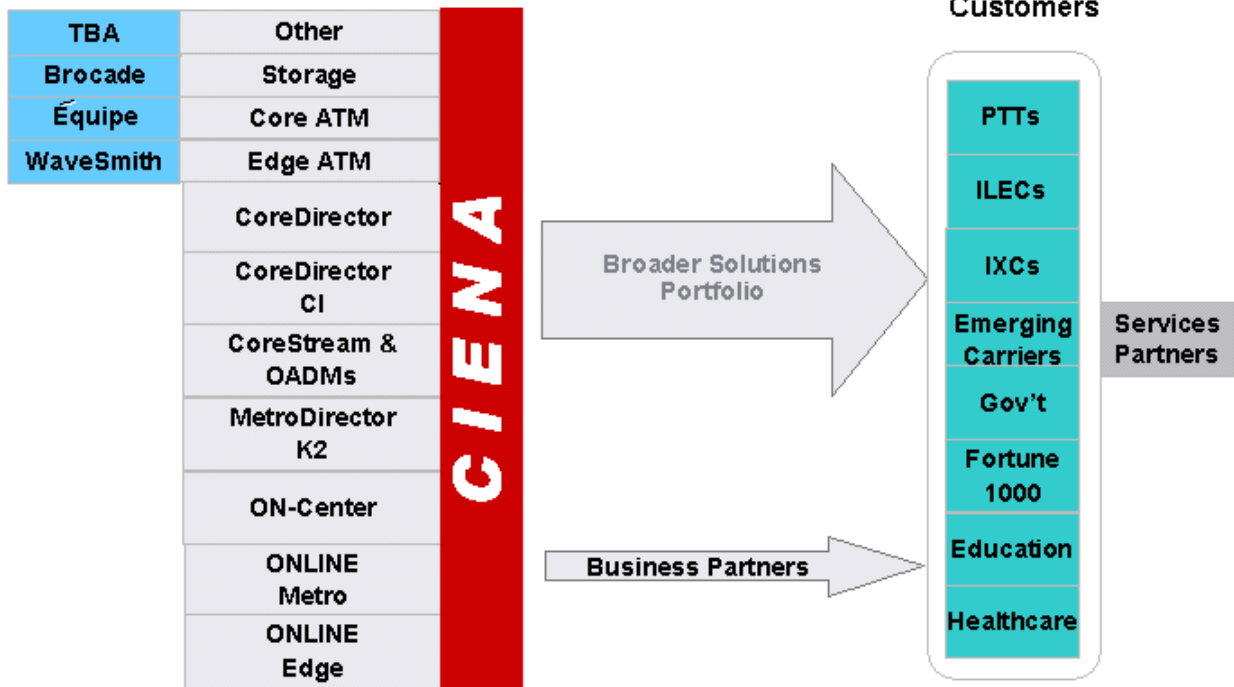
Growing CIENA's Addressable Market



Source: CIENA estimates based on Dell'Oro, IDC, Vertical Systems, JP Morgan, and Lehman Brothers estimates.



CIENA Is Broadening Solutions Through Partnerships



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WAVESMITH
Networks

Tom Burkardt
Chairman, President, and CEO

Why Customers Choose WaveSmith

- **Flexible Layer 2 Switching + Foundation for Future**
 - Solving carrier tactical problems: feature parity + future and better Op/CapEx
 - Innovative product for strategic vision
- **Installed in LEC and Independent Carriers' Networks**
 - Switching customer traffic & generating carrier revenue
- **Today's Applications**
 - Incumbent vendor multiservice switch replacement
 - DSL Aggregation, Frame Relay UNI/NNI Service
 - Circuit emulation for TDM Private Line and VTOA
 - ATM network scaling & interworking



Opportunity: Legacy Multiservice Switches

- Over \$20 billion of legacy multiservice gear in deployment
- Old Technology: tactical challenges, no strategic future
 - Cannot offer OpEx relief & reduce CapEx simultaneously
 - Cannot support ATM & Frame Relay evolution to MPLS
 - Cannot economically leverage increases in optical core bandwidth & functionality
- Reliability, scalability and economy of legacy equipment is not sufficient



Competitive Landscape

WaveSmith DN 7100



VC & Port Density

PVC Density Per Module

Revenue Generating Ports (DS3)

	128,000	8064
WaveSmith DN 8100	<i>Up to 2.05 million/switch</i>	
Lucent/Cascade CBX 500	8000	1568
Nortel Passport 15000	3000	1568
Alcatel 7470 / Newbridge 36170	32,000 <i>per switch</i>	336
Cisco MGX 8850	40,000 <i>per switch</i>	672







Innovation and Planned Evolution

- **Multi-Service + MPLS: Best-of-Both layer 2**
 - Integrates native ATM, Frame Relay, Circuit Emulation *and* MPLS
 - Enables cap & grow strategy: make today's networks profitable
 - Provides foundation for the future
- **Table Stakes:**
 - Reliability
 - Designed for carrier environments: regulated/unregulated
 - Telephony-grade, no truck rolls, no downtime
 - Scalability
 - Unprecedented port and VC densities: 10X connections
 - Flexibility for legacy AND next-gen in both Infrastructure & Back office
 - Economy
 - Radical reduction: 1/5 cost of incumbent
 - Substantial OpEx savings
 - 50%-80% less costly to operate
 - OSMINE "certification": seamless back-office integration
 - Improve margins on existing services: "defend the base"



DN Product Family

- All Distributed Node (DN) models support:
 - NxDS0 - OC48c/STM16 ATM, Frame Relay, CES & MPLS
 - All cards are common to all shelf types
 - 19"/23" rack mountable, NEBS & UL certification
 - In-service software upgrade support & all hardware modules hot-swappable

DN 2100	DN 4100	DN 7100	DN 8100
 <ul style="list-style-type: none"> • 2 Forwarding Modules • 4 Port Adapter slots 	 <ul style="list-style-type: none"> • 3 Forwarding Modules • 8 Port Adapter slots 	 <ul style="list-style-type: none"> • 6 Forwarding Modules • 16 Port Adapter slots 	 <ul style="list-style-type: none"> • 24 Forwarding Modules • 64 Port Adapter slots

DN 8100: 16 Fully Protected OC-48 Revenue Generating Interfaces

Summary

- Large opportunity upgrading multiservice switch infrastructure
- Carriers Demand: design to grow & leverage technology curves
 - ATM Switching, Frame Relay Services, Evolution to MPLS ...
 - Economically leverage increases in optical core bandwidth & functionality
 - Provide OpEx relief & reduce CapEx simultaneously
- Reliability, economy and scale - Multiservice switching. Redefined.



we see opportunity

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