



CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share amounts)

	Quarter Ended			Year Ended December 31,	
	December 31, 2006	September 30, 2006	December 31, 2005	2006	2005
Revenues	\$ 114,313	\$ 103,259	\$ 84,660	\$ 401,793	\$ 294,787
Cost of goods sold	80,721	70,424	60,368	277,860	210,446
Gross profit	33,592	32,835	24,292	123,933	84,341
Operating expenses:					
Research, development and engineering	13,048	12,222	10,371	50,283	46,706
Selling, general and administrative	13,940	13,414	11,219	54,598	46,565
Reduction in workforce	-	-	(21)	-	341
Impairment of long-lived assets	-	-	-	-	31
(Gain) loss on disposal of equipment	(564)	8	(305)	(527)	(505)
Acquisition related charges	-	(21)	413	63	1,654
Total operating expenses	26,424	25,623	21,677	104,417	94,792
Operating income (loss)	7,168	7,212	2,615	19,516	(10,451)
Other income (expense):					
Interest income	4,163	4,048	3,291	15,627	11,441
Interest expense	(2,449)	(2,526)	(2,440)	(9,891)	(9,846)
Foreign currency (loss) gain	(405)	169	(31)	(90)	4
Recovery of impairment (impairment charge)	9	-	-	142	(155)
Gain on sale of intellectual property	-	-	-	-	954
Gain on retirement of debt	-	-	-	-	114
Other, net	26	(166)	49	(132)	163
Other income, net	1,344	1,525	869	5,656	2,675
Income (loss) from continuing operations, before income tax	8,512	8,737	3,484	25,172	(7,776)
Income tax expense (benefit)	2,111	656	600	2,796	(3,573)
Income (loss) from continuing operations	6,401	8,081	2,884	22,376	(4,203)
Discontinued operations:					
Income from discontinued operations, net of income tax	-	-	57	-	8,183
Net income	\$ 6,401	\$ 8,081	\$ 2,941	\$ 22,376	\$ 3,980
Basic per share net income:					
Income (loss) from continuing operations	\$ 0.05	\$ 0.06	\$ 0.02	\$ 0.16	\$ (0.03)
Income from discontinued operations	0.00	0.00	0.00	0.00	0.06
Basic per share net income	\$ 0.05	\$ 0.06	\$ 0.02	\$ 0.16	\$ 0.03
Diluted per share net income:					
Income (loss) from continuing operations	\$ 0.05	\$ 0.06	\$ 0.02	\$ 0.16	\$ (0.03)
Income from discontinued operations	0.00	0.00	0.00	0.00	0.06
Diluted per share net income	\$ 0.05	\$ 0.06	\$ 0.02	\$ 0.16	\$ 0.03
Weighted-average shares outstanding:					
Basic	137,742	138,604	140,377	139,236	139,566
Diluted	139,869	140,118	142,719	141,189	139,566