



Oclaro and Newport Close Deal to Exchange Strategic Assets

Oclaro to Become Leading Merchant Supplier of High Power Laser Diodes

SAN JOSE, Calif., – July 6, 2009 – Oclaro, Inc. (NASDAQ: OCLR) today announced it has closed the transaction announced on June 3, 2009 with Newport Corporation (NASDAQ: NEWP) under which Newport has acquired the New Focus business of Oclaro's Advanced Photonics Solutions division in exchange for the Newport Spectra Physics high power laser diodes business. Oclaro has also received \$3 million in cash proceeds which is expected to fund related transition and integration costs.

With this transaction, Oclaro believes it becomes the largest merchant supplier to the high power laser diodes market. The Newport transaction complements the #1 or #2 position in the long haul and metro markets that Oclaro has achieved as a result of the merger of Bookham and Avianex. Oclaro's leading presence in key markets helps insure its ability to invest in R&D and innovate for the future. The transaction also increases the utilization of Oclaro's wafer fabrication facilities, which is expected to benefit the gross margin performance of products within its metro and long haul business as well as in its high power laser diodes business.

Further details on this transaction are available in the press release issued by Oclaro on June 3, 2009, and which is available in the investor relations section of www.oclaro.com.

About Oclaro

Oclaro, with headquarters in San Jose, California, is a tier 1 provider of high performance optical components, modules and subsystems to the telecommunications market, and is one of the largest providers to metro and long haul network applications. Oclaro, the result of the combination of Bookham, Inc. and Avianex Corporation, leverages proprietary core technologies and vertically integrated product development to provide its broad customer base with cost-effective and innovative optical solutions. The company's Advanced Photonics Solutions Division is chartered with driving Oclaro's diversification and growth into new markets, leveraging Oclaro's strong brand, chip design and manufacturing expertise. Oclaro is a global company, with leading chip fabrication facilities in the U.K., Switzerland and Italy, and manufacturing sites in the US, Thailand and China. Oclaro, the Oclaro logo and all other Oclaro product names and slogans are trademarks or registered trademarks of Oclaro, Inc. in the USA or other countries.

Forward-Looking Statements

This press release contains statements about management's future expectations, plans or prospects of Oclaro, Inc. and its business that constitute forward-looking statements for the purposes of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995, including statements regarding (i) Oclaro executing on business strategy, (ii) opportunities for Oclaro to access certain markets as a result of the acquisition of Newport's laser diode business, (iii) expectations that the acquisition will be seamless to both Oclaro and Newport, (iv) the market position of Oclaro following the acquisition of Newport's laser diode business, (v) the 40% or better gross margin yield of the high power laser portfolio, and (vi) statements containing the words "believe," "plan," "anticipate," "expect," "estimate," "will," "should," "ongoing," and similar expressions. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including the impact of continued uncertainty in world financial markets and the resulting reduction in demand for our products; the failure to realize synergies and cost-savings from the transaction or delay in realization thereof; the businesses or employees of Oclaro and Newport's laser diode business are not combined and integrated successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; and operating costs and business disruption following the transaction, including adverse effects on employee retention and on our business relationships with third parties, the lack of availability of credit or opportunity for equity based financing, as well as the factors described in Oclaro's most recent annual report on Form 10-K, most recent quarterly reports on Form 10-Q and other documents we periodically file with the SEC. These factors include our history of operating losses, continued demand for optical components, the inability of Oclaro on a consolidated basis to achieve strategic objectives, changes in inventory and product mix, inability to maintain gross margins, no further degradation in the exchange rate of the United States dollar relative to U.K., China and Switzerland currencies, as well as the Euro, and the continued ability of the Company to maintain requisite financial resources. The forward-looking statements included in this announcement represent Oclaro's view as of the date of this press release. Oclaro anticipates that subsequent events and developments may cause Oclaro's views and expectations to change. However, Oclaro specifically disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this release. Those forward-looking statements should not be relied upon as representing Oclaro's views as of any date subsequent to the date of this release.