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BOOKHAM TECHNOLOGY PLC

Form 425

February 10, 2004

Filed by Bookham Technology plc
pursuant to Rule 425 under the Securities Act of 1933
Subject Company: New Focus, Inc.
Commission File No.: 333-109904

This filing relates to a proposed merger between Bookham Technology plc (Bookham) and New Focus, Inc. (New Focus) pursuant to the terms of an Agreement and Plan of Merger, dated as of September 21, 2003, by and among Bookham, Budapest Acquisition Corp. and New Focus.

On February 10, 2004, Bookham posted the following slide presentation to its website.

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[LOGO]

**Fourth Quarter and Full Year
2003 Results Announcement
February 2004 - UK**

Thinking optical solutions

Disclaimer

Any remarks that we may make about future expectations, plans and prospects for Bookham constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by these forward- looking statements as a result of various important factors, including those discussed in our Annual Report on Form 20-F for the year ended December 31, 2002, as amended, which is on file with the Securities and Exchange Commission (SEC) and Registration Statement of Form F-4, which is also on file with the SEC. Forward-looking statements represent Bookham's estimates as of the date made, and should not be relied upon as representing Bookham's estimates as of any subsequent date. While Bookham may elect to update forward-looking statements in the future, it disclaims any obligation to do so.

www.bookham.com

Agenda

Recent highlights

Markets, customers and products

Operations

Financials

Summary

Recent highlights

Revenues up:

9.2% sequential increase in US Dollars to \$40.5 million; up 75% over year earlier

3.9% sequential increase in Sterling to £24.0 million

Substantial improvements in financials

Positive gross margin to +6% (up 45% points from -39% in Q4 2002)

Net loss reduced by 75% to £7.1 million from £29.2 million

Cash burn down 61% sequentially from £22.9 million to £8.9 million

Continued expansion of customer base

Continued strength with Nortel and Marconi (representing 67% of revenues)

Other customers (non-NT, non-MONI) grew 18% sequentially and accounted for 33% of revenues in Q4 2003, up from 26% in Q1 2003

First industrial laser products qualified (shipping pre-production volumes in Q1)

Moving forward on proposed acquisition of New Focus in Q1 2004

Shareholder meetings on March 5, 2004; expected closure shortly thereafter

Integration planning activities progressing

Commenced recruitment in China for quick-start of low-cost assembly facility

Successful completion of integration of Ignis Optics (Bookham San Jose) and launch of new transceiver products

Revenue growth

[CHART]

Eight quarters of sequential revenue growth

Market share gains through consolidation and expansion of customer base

Gross margin trend

[CHART]

6

Strategy: going forward

Continue to implement most competitive cost structure

Restructuring (completed)

Realize scale benefits (R&D, manufacturing)

Chip technology for cost-reduction

China assembly, Far East purchasing

Continue to gain share in telecom

Secure revenue base (Nortel), expand into all other top-10 OEMs

Complete product offering with passives, pluggable transceivers

Forward-integrate into subsystems (value-added) initial successes

Exploit consolidation opportunities to gain added scale

Develop non-telecom business

Expand into datacom(Ignis Optics)

Expand into optics-related opportunities in industrial, military, aerospace

New Focus would add non-telco optics revenues

Markets, Customers and Products

8

Gaining share in telecom:

(1) Expanding the customer base

Customers - Optical Networking

Market shares (1H 2003)

[CHART]

Source: Dell Oro Sept 2003, Company estimates

Key customer penetration: Nortel (supply agreement), Marconi (supply agreement), Huawei

Expanding position with other Tier 1 customers: 40% Q1-to-Q4 growth of non-Nortel/Marconi revenues

Bookham Revenues by

Customer (Q4 2003)

[CHART]

Bookham non-NT, non-MONI Revenues

[CHART]

**Gaining share in telecom:
(2) Completing the product line**

**Telecom Optical Components Market
2004: \$1.3bn**

[CHART]

+ Subsystems

Source: RHK

Current Position

Leading position in transmitters and receivers

Leading position in amplifiers and laser pumps

Recent Developments

Expanding to passives (e.g., Cierra Photonics)

Expanding to pluggable transceivers (e.g., Ignis Optics)

Expanding to subsystems

Gaining share outside telecom:

(3) Expanding beyond telecom optical components leveraging existing resources

Telecom Optical Components \$1.3bn

Non-Telecoms optics c.\$3.0bn

Industrial lasers (initial products qualified)

MMICs (shipping)

Semicon optics (New Focus)

Military/space (Bookham/New Focus)

Datacom Optical Components \$0.7bn

Ignis Optics acquisition (pluggable transceivers)

Launch of new XFP transceivers

Source: RHK, Company estimates

Operations

12

Completed post-acquisition restructuring Bookham facilities:

Caswell, UK

Main GaAs and InP fab

180k sq ft 37k sq ft clean room

Established 1940s

Fully owned

1 MAIN CHIP FAB

[GRAPHIC]

1 MAIN ASSEMBLY PLANT

[GRAPHIC]

Paignton, UK

Main A&T facility

240k sq ft 92k sq ft clean room

Established 1970s

Fully owned

Milton, UK
HQ

[GRAPHIC]

Zurich, Switzerland
980 Pump Laser Chip

[GRAPHIC]

Santa Rosa, US
Thin Film Filters

[GRAPHIC]

Kanata, Canada
R&D

[GRAPHIC]

San Jose, US
XFP/SFP Transceivers

[GRAPHIC]

**Post-NNOC Consolidation completed:
delivered 50% reduction in overhead spend while supporting revenue growth**

[CHART]

Completed

Amplifier facilities: 2 into 1, completed Q4 '02

Chip preparation from Caswell and Ottawa to Paignton, completed Q4 '02

Caswell A&T consolidated into Paignton, completed Q1 '03

Harlow speciality fiber activity, closed end Q1 '03

Poughkeepsie E2 manufacturing, closed end Q2 '03

ASOC engineering and manufacturing restructured Q1-Q2 '03, closed Q3 '02

Ottawa fab consolidated into Caswell, completed ahead of schedule, Q3 '03

Programs completed ahead of plan: delivered savings/stability faster

World-Class Operations Performance maintained throughout integration/consolidation

Delivery to Customer Required Date

[CHART]

Delivery to Customer Required Date >95% typical

With high level of responsiveness to short-leadtime opportunities

High delivered quality; high reliability

Driving improving trends in key performance parameters

Cost-reduction opportunity:

New Focus assembly facility in Shenzhen

[GRAPHIC]

State-of-the-art components assembly facility in China (Shenzhen), close to Huawei

Size 247k square feet, fully equipped (currently not staffed)

New Focus Acquisition

Bookham would acquire New Focus for approximately 84 million shares

Cash distribution of approximately \$144 million to New Focus stockholders

27% pro forma ownership for current stockholders of New Focus

Acquisition would give Bookham:

\$27 million per year non-telecom optical components/RF business, close to breakeven with improving margins and revenue growth prospects

Approximately \$105 million of cash on closing balance sheet

Low-cost China manufacturing facility

Financials

17

Financial highlights Q4 2003

Revenues £24.0 million (\$40.5 million)

up 9.2% in US Dollars; 3.9% in Sterling

Nortel Networks and Marconi Communications represented 58% and 9% of revenues respectively

Other customers up to 33% of revenues

Gross margin up to +6% (UK GAAP), despite FX drop

Net loss of £7.1 million (including exceptionals) compared with £29.2 million in Q3 2003 (75% improvement)

Cash burn of £8.9 million (down from £22.9 million in Q3 03)

Summary P&L account
UK GAAP (£ million)

	Q4 03	Q3 03	Q2 03	Q1 03
Net revenues	24.0	23.1	21.0	21.0
Gross profit/loss*	1.5	(0.4)	(3.2)	(5.0)
Gross margin %	6.3%	(1.5)%	(15.1)%	(23.9)%
OPEX*	(14.7)	(14.1)	(15.1)	(17.4)
Operating loss*	(13.2)	(14.5)	(18.3)	(22.4)
FX and interest	1.9	(0.1)	1.9	0.4
Exceptional items	4.3	(14.6)	(1.8)	(3.0)
Net loss (excluding exceptional items)	(11.4)	(14.6)	(16.3)	(22.0)
Net loss (with exceptional items)	(7.1)	(29.2)	(18.1)	(25.0)

* **Excluding exceptional items**

NB: Figures include Ignis Optics and Cierra Photonics

Consistent quarterly improvement

Revenues increasing

Margins improving

OPEX down 15% from Q1 2003

Operating loss improved 41%

FX £2 million gain on loan notes

Q4 exceptionals: sale of equipment, Ottawa closure ahead of plan, R&D tax credits

Summary P&L account - full year**UK GAAP (£ million)**

	FY 03	FY 02
Net revenues	89.1	34.6
Gross loss*	(7.1)	(18.1)
Gross margin %	(7.9)%	(52.3)%
OPEX*	(61.2)	(52.0)
Operating loss*	(68.3)	(70.0)
FX and interest	4.1	5.3
Exceptional items	(15.1)	(36.7)
Net loss (excluding exceptional items)	(62.3)	(64.7)
Net loss (with exceptional items)	(79.4)	(101.2)

*** Excluding exceptional items**

Bookham repositioned

Market leader

Established products

Strong customer relationship

Major restructuring actions completed

Results

Revenue up 150%

Gross loss improved 61%

Net loss reduced £21.7 million, 21%

Driving cost reductions and improving margins: 50% reduction in overhead spend

Gross margin: Result 45 point improvement in gross margin

[CHART]

Q1 consolidated Assembly and Test plus Chip preparation

Q2 closed speciality fiber site and equipment engineering site

Q3 closed Milton ASOC fab

End Q3 closed Ottawa fab, products transferred to Caswell

Opex: Result spending 40 points reduction as % of revenue

Revenue Q4 03: £24 million; \$40.5 million

[CHART]

Q1 consolidated sales force and finance functions

Q1 Reduced ASOC Research & Development spend and consolidated product portfolios

Q2 transition information systems to Bookham systems

Q3 stopped ASOC development

Q3 outsourced information systems infrastructure maintenance and support

Balance sheet: solid financial position**UK GAAP (£ million)**

	Dec 03		Dec 02	
Cash	£	39.0	£	105.4
Trade debtors		20.9		21.4
Stocks		24.9		36.5
Current assets	£	84.8	£	163.3
Intangibles		35.6		30.7
Tangibles		53.5		51.4
Total assets		173.9		245.4
Current liabilities		(24.8)		(30.1)
Long term liabilities		(32.9)		(34.8)
Net assets	£	116.2	£	180.5

Debtors (A/R) to 59 DSO

Generated £11.6 million cash from inventory in 2003

Purchase price reclassification: inventory £12.8 million

Capital spending £11.7 million in 2003; £1.6 million in Q4 03

Intangibles from acquisition

FX impact on loan notes

Financial impact

Pro-forma income statement (in \$US million)

Q4 2003	Bookham	New Focus	Combined
Revenue	\$ 40.5	\$ 7.0	\$ 47.5
Cost of Sales (1)	36.2	4.9	41.1
Gross Profit (Loss) (1)	4.3	2.1	6.4
R&D (1)	12.0	1.5	13.5
SG&A (1)	8.9	3.6	12.5
Operating Income (Loss) (1)	\$ (16.6)	\$ (3.0)	\$ (19.6)
Operating Cash Flow (2)	(15.5)	(3.4)	(18.9)

(1). Excludes charges which generally have included restructuring costs

(2). Represents earnings before interest, taxes, depreciation and amortisation and excluding exceptional items

NB: New Focus figures are as reported in their Q403 release of February 9, 2004

NUFO Q4 Results

Revenues at high end of guidance

Q4 revenue include product sales only: up 9% from Q3

Gross margin improved to 30% from 22%

Operating cash burn \$1.8 million

Cash up to \$252.6 million, \$2.9 million above Q3

Anticipated next steps

Synergies of G&A consolidation

Financial impact: NUFO acquisition

Summary balance sheet (in \$US million)

Strong financial position from which to grow

Pro-forma December 31 2003	Bookham	New Focus (1)	Combined
Cash & short term investments	\$ 65.8	\$ 108.6	\$ 174.4
Net Current Assets	\$ 98.7	\$ 105.1	\$ 203.8
Long-Term Liabilities	\$ (55.5)	\$ (10.5)	\$ (66.0)
Net Assets	\$ 155.5	\$ 115.6	\$ 271.1

(1) New Focus cash figure is post distribution of \$144m (and potential proceeds from New Focus option exercises) but excludes deal costs

Outlook

Excludes impact of New Focus:

Q1 04 revenue projection:

Seasonal decline 3% to 7% dollar terms

FX 7% to 10% decline

£20.5 million to £22 million

Gross margin affected by FX

Range negative 3% to negative 8%

Cash burn in Q1 04: between £10 million to £12 million

Summary

26

Summary

Strong market position: #2 worldwide in telecom optical components

Growing revenues

Hugely improved financials

Strong telecom customer base and product line-up, steadily expanding (new customers, new products)

Attacking non-telecom markets for added profits leveraging current assets and know-how

Strong cost-effective manufacturing base, exceptional operational execution

Deep management expertise

Proposed New Focus acquisition to be voted on March 5, 2004, should add additional non-telecom revenues, significant cash and low-cost assembly site in China

Track record of consolidation and successful integration

[LOGO]

Thinking optical solutions

28

Appendix

Key facts

Founded in 1988

1998: First commercial products (transceivers)

1998: Intel and Cisco invest in Bookham

April 2000: IPO, started trading on NASDAQ and London Stock Exchange

(market downturn: developed new strategy)

Feb 2002: acquired Marconi's optical component business

November 2002: Acquired Nortel Networks Optical Components (NNOC)

One of largest and most widely deployed product lines in the industry

Leaders in Tx and Rx, and in amplification/pumps

July 2003: acquired Cierra Photonics (thin film filters)

August 2003: Completed integration of former Nortel facilities

September 2003: announced acquisition of New Focus

October 2003: acquired Ignis Optics (XFP/SFP transceivers)

Now number 2 position worldwide in telecom optical components

Current Bookham positioning

No. 2 worldwide in telecom optical components

Eight quarters of sequential revenue growth

Comprehensive, end-to-end product portfolio of active components and amplifiers, now broadening to remaining telecom market segments (passives, transceivers)

Strong and expanding customer base

Strategic relationship with Nortel (supply and R&D agreements), the No. 1 optical systems vendor

Marconi and Huawei significant current customers

Expanding to other tier-1 OEMs

Emerging non-telecom optical business leveraging existing Bookham technologies

Proven ability to acquire and consolidate companies (Marconi-Nortel-Cierra-Ignis)

Efficient, very strong integrated manufacturing capability

Facilities consolidation completed

Caswell fab upgraded and ramping up Ottawa designs: leading-edge 3 InP and 6 GaAs

Rapidly improving financials

Proposed acquisition of New Focus brings:

Additional market segments

Low cost China assembly facility

Significant additional cash on balance sheet

Number 2 worldwide in telecom optical components

[CHART]

Source: public filings, Bookham estimates.

Consolidation

Share migrating to top players

Customer pull for fewer, broader suppliers

Full product coverage, plus subsystems capability

[CHART]

Transmit

DFB

Thermal Tunability

Electronic Tunability

Direct Mod

InP MZ

GaAs MZ

Transceiver

Transponder

Mux

TFF

Add/Drop

Skip Filters

Amplify

Amplifiers

980 pump

Photodiodes

GFF

OSC

Control

EVOA

DeMux

TFF

Receivers

PINs

APDs

Transceivers

Transponders

Fully integrated position in active components and subsystems

[GRAPHIC]

34

Fully integrated position in line components

[GRAPHIC]

35

Chip Technology as Key Element in Innovation and Cost-Reduction

Example: Tunable Lasers (Digital Supermode DS-DBR laser)

[GRAPHIC]

Single-chip solution (no multiple mechanical parts)

Cost-effective (semiconductor mass-production, not labor-intensive assembly)

Strong IP content

Full >32nm wavelength tuning range

Building upon successive chip generations

8 x 50 Gb/s tuning: qualified

16 x 50 Gb/s tuning: qualified

Packaging cost similar to current-generation (fixed wavelength) DFB lasers

[GRAPHIC]

IMPORTANT ADDITIONAL INFORMATION FILED WITH THE SECURITIES AND EXCHANGE COMMISSION

Bookham has filed with the SEC a Registration Statement on Form F-4 in connection with the transaction and Bookham and New Focus have filed with the SEC and mailed to the stockholders of New Focus, a Proxy Statement/Prospectus in connection with the transaction. The Registration Statement and the Proxy Statement/Prospectus contain important information about Bookham, New Focus, the transaction and related matters. Investors and security holders are urged to read the Registration Statement and the Proxy Statement/Prospectus carefully.

Investors and security holders are able to obtain free copies of the Registration Statement and the Proxy Statement/Prospectus and other documents filed with the SEC by Bookham and New Focus through the web site maintained by the SEC at <http://www.sec.gov>.

In addition, investors and security holders are able to obtain free copies of the Registration Statement and the Proxy Statement/Prospectus from Bookham by contacting Investor Relations on +44 (0) 1235 837000 or from New Focus by contacting the Investor Relations Department at +1 408 919 2736.

Bookham and New Focus, and their respective directors and executive officers, may be deemed to be participants in the solicitation of proxies in respect of the transactions contemplated by the merger agreement. Information regarding Bookham's directors and executive officers is contained in Bookham's Annual Report on Form 20-F for the year ended December 31, 2002, as amended, which is filed with the SEC. As of September 1, 2003, Bookham's directors and executive officers beneficially owned approximately 33,806,421 shares (including shares underlying options exercisable within 60 days), or 15.92%, of Bookham's ordinary shares. Information regarding New Focus's directors and executive officers is contained in New Focus's Annual Report on Form 10-K for the year ended December 29, 2002 and its proxy statement dated April 15, 2003, which are filed with the SEC. As of April 15, 2003, New Focus's directors and executive officers beneficially owned approximately 3,317,696 shares (including shares underlying options exercisable within 60 days), or 5.2%, of New Focus's common stock. A more complete description is available in the Registration Statement and the Proxy Statement/Prospectus.

Statements in this document regarding the proposed transaction between Bookham and New Focus, the expected timetable for completing the transaction, future financial and operating results, benefits and synergies of the transaction, future opportunities for the combined company and any other statements about Bookham or New Focus managements' future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing the words believes, plans, anticipates, expects, estimates and similar expressions) should also be considered to be forward-looking statements. 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 ability to consummate the transaction, the ability of Bookham to successfully integrate New Focus's operations and employees, the ability to realize anticipated synergies and cost savings; recover

of industry demand, the need to manage manufacturing capacity, production equipment and personnel to anticipated levels of demand for products, possible disruption in New Focus's commercial activities caused by terrorist activities or armed conflicts, the related impact on margins, reductions in demand for optical components, expansion of our business operations, quarterly variations in results, currency exchange rate fluctuations, manufacturing capacity yields and inventory, intellectual property issues and the other factors described in Bookham's annual report on Form 20-F for the year ended December 31, 2002, as amended, and New Focus's annual report on Form 10-K for the year ended December 29, 2002 and New Focus's most recent quarterly report filed with the SEC. Bookham and New Focus disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this document.