

Reconciliation of Operating Income to Operating Income excluding In-Process Research and Development and Other Acquisition-Related Expenses

(In thousands)	Three months ended June 30,				Nine months ended June 30,			
	2008	% of net sales	2007	% of net sales	2008	% of net sales	2007	% of net sales
Operating income for the three months and nine months ended June 30 (GAAP basis)	\$ 2,985	6.4%	\$ 5,098	11.7%	\$ 11,237	8.3%	\$ 14,117	11.0%
Purchase accounting inventory adjustment included in cost of sales	162		-		162		-	
In-process research and development and other acquisition-related expenses included in total operating expenses	<u>2,083</u>		<u>-</u>		<u>2,083</u>		<u>-</u>	
Operating income excluding in-process research and development and other acquisition-related expenses, net of taxes (Non-GAAP basis)	<u>\$ 5,230</u>	11.1%	<u>\$ 5,098</u>	11.7%	<u>\$ 13,482</u>	10.0%	<u>\$ 14,117</u>	11.0%

Reconciliation of Net Income and Net Income per Diluted Share to Net Income and Net Income per Diluted Share, Excluding In-Process Research and Development and Other Acquisition-Related Expenses and Reversal of Tax Reserves and Other Discrete Tax Benefits

(In thousands, except per share amounts)	Three months ended June 30,				Nine months ended June 30,			
	2008		2007		2008		2007	
Net income and net income per common share, diluted (GAAP basis)	\$ 1,985	\$ 0.08	\$ 6,798	\$ 0.26	\$ 8,752	\$ 0.34	\$ 14,197	\$ 0.55
Acquisition-related expenses included in cost of sales	87	0.00	-		101	0.00	-	
In-process research and development and other acquisition-related expenses included in total operating expenses	1,998	0.08	-		2,015	0.08	-	
Reversal of tax reserves and other discrete tax benefits	<u>(197)</u>	<u>(0.01)</u>	<u>(2,927)</u>	<u>(0.11)</u>	<u>(197)</u>	<u>(0.01)</u>	<u>(3,432)</u>	<u>(0.13)</u>
Net income and net income per common share, diluted, adjusted for in-process research and development and other acquisition-related expenses, net of taxes, and reversal of tax reserves and other discrete tax benefits (Non-GAAP basis)	<u>\$ 3,873</u>	<u>\$ 0.15</u>	<u>\$ 3,871</u>	<u>\$ 0.15</u>	<u>\$ 10,671</u>	<u>\$ 0.40</u>	<u>\$ 10,765</u>	<u>\$ 0.41</u>