

FULBRIGHT
& Jaworski L.L.P.
Attorneys at Law

666 Fifth Avenue, 31st Floor • New York, New York 10103-3198
• Main: 212 318 3000 • Facsimile: 212 318 3400

August 31, 2012

BY E-MAIL

Louis Rambo
U.S. Securities and Exchange Commission
100 F. Street NE
Washington, D.C. 20549

Re: MRV Communications, Inc.

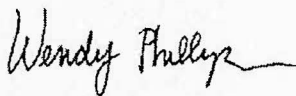
Dear Mr. Rambo:

On behalf of MRV Communications, Inc. (the "Company") I attach the following:

1. The Company's SEC comment response letter filed via EDGAR on August 30, 2012.
2. The Company's proposed changed pages to the Company's preliminary proxy statement on Schedule 14A filed on August 9, 2012 to address the Commission's comments pertaining to (i) the Alcadon Deltaco transaction and (ii) the updating requirements of Rule 11-02 of Regulation S-X.

If you have any questions or comments please feel free to contact Steven Suzzan at 212-318-3092.

Very truly yours,



Wendy Phillips

cc: Steven Suzzan

52229061.1

AUSTIN • BEIJING • DALLAS • DENVER • DUBAI • HONG KONG • HOUSTON • LONDON • LOS ANGELES • MINNEAPOLIS
MUNICH • NEW YORK • PITTSBURGH-SCOTTSBORO • RIYADH • SAN ANTONIO • ST. LOUIS • WASHINGTON DC

www.fulbright.com

MRV Communications, Inc.
20415 Nordhoff Street
Chatsworth, CA 91311

August 30, 2012

U.S. Securities and Exchange Commission
100 F. St. NE
Washington, D.C. 20549

BY EDGAR

FOR ATTENTION: RUSSELL MANCUSO, BRANCH CHIEF
DIVISION OF CORPORATION FINANCE

Ladies and Gentlemen:

Reference is made to the comment letter dated August 27, 2012 in respect of MRV Communications, Inc.'s (the "Company") Preliminary Proxy Statement on Schedule 14A (the "Proxy Statement") filed on August 9, 2012 (File No. 001-11174) from the staff of the Division of Corporation Finance (the "Staff") of the United States Securities and Exchange Commission (the "Commission"). Set forth below in detail are the responses to the Staff's comments, which have been provided in each case following the text of the comment in the Staff letter:

Summary Term Sheet with Respect to Proposed Sale of Alcadon, page 7

1. *We note your disclosure that you have not yet entered into a definitive agreement for the sale of Alcadon to Deltaco, and that the terms presented in your preliminary proxy statement are subject to negotiation. Please tell us how you determined that it is appropriate to submit this proposal to shareholders prior to entering into a definitive agreement, explaining in detail how you determined that the disclosure in your document provides adequate information for shareholders to make an informed voting decision. In your response, please address the adequacy of your disclosure regarding the specific terms of the proposed transaction, including the purchase price, representations and warranties, and the material terms of the escrow agreement. Also, provide us your analysis of whether you would be required to resolicit proxies if the terms of the transaction were to change. Cite all authority upon which you rely.*

Response. The Company wishes to advise the Staff that we are in the process of finalizing the stock purchase agreement with Deltaco. The Company proposes to modify the relevant disclosure in the Proxy Statement relating to the sale of Alcadon to Deltaco to reflect the current terms of the draft agreement. The Company believes that it is appropriate to submit the proposal to stockholders prior to entering into a definitive agreement as the Company does not anticipate that the ultimate definitive agreement will contain terms that differ materially from the terms described in the Proxy Statement. Specifically, we do not anticipate that the final terms relating to the purchase price, the

Mr. Russell Mancuso, Branch Chief
Division of Corporation Finance
August 30, 2012
Page 2

representations and warranties and the terms of the escrow agreement as we describe such terms in the Proxy Statement, will differ materially from the related terms in the definitive agreement.

Section 271 of the General Corporation Law of the State of Delaware,¹ which governs sales of all or substantially all of a corporation's assets, permits corporations to solicit and obtain stockholder approval of the sale in advance of board approval of the definitive terms of a specific transaction.² Section 271 therefore differs from the General Corporation Law provision regarding mergers, which expressly requires directors to approve a specific agreement prior to stockholder action.³

In *Clarke Memorial College v. Monaghan Land Co.*, the Delaware Court of Chancery upheld a stockholder resolution authorizing the directors of a corporation to sell all real estate held by the corporation upon such terms and conditions as the directors deemed in the best interest of the corporation and its stockholders, subject only to the requirement that the corporation receive not less than a specified minimum amount as a result of the transaction.⁴ The Court explained that while Section 271 requires stockholders to receive at least 20 days' notice of a proposed sale, the statute does not require that stockholders receive notice of, or approve, the precise terms of the proposed sale.⁵

In 1990, the Court of Chancery considered a challenge to an asset sale in *Russell v. Morris*.⁶ The Court affirmed that the stockholders of a Delaware corporation may approve a sale of assets pursuant to Section 271 in advance of board approval of a specific deal, subject only to the limitation that stockholders must approve the basic financial parameters of the prospective transaction.⁷ The Court in *Russell* ultimately concluded that the asset sale was invalid because, among other things, stockholders approved only "general guidelines" for the asset sale rather than financial parameters.⁸

In light of this authority, we determined that it was appropriate to submit a proposal regarding the sale of Alcadon to stockholders prior to entering into a definitive agreement with Deltaco. In particular, the Letter of Intent, attached as Annex D to our Proxy Statement, goes far beyond outlining "general guidelines," and provides stockholders with the information necessary to understand and approve financial parameters for the sale of Alcadon, as required by *Russell*. Further, since the date of filing the preliminary

¹ 8 Del. C. § 271. The discussion regarding Delaware law herein is based on advice from Richards, Layton & Finger, P.A., the Company's special Delaware law counsel.

² See 2 David A. Drexler et al., *Delaware Corporation Law and Practice* § 37.02, at 37-3 (2004 Supp. 2011).

³ See 1 R. Franklin Balotti & Jesse A. Finkelstein, *The Delaware Law of Corporations and Business Organizations* § 10.3, at 10-15 n.45 (3d ed. 1998 Supp. 2012).

⁴ 257 A.2d 234, 237 (Del. Ch. 1969).

⁵ *Id.* at 240.

⁶ 1990 WL 15618 (Del. Ch. Feb. 14, 1990).

⁷ *Id.* at *4 n.1; see also 2 Edward P. Welch et al., *Folk on the Delaware General Corporation Law* § 271.3.S, at GCL-X-19 (5th ed. 2006 Supp. 2012). *Clarke* teaches that such parameters need not be elaborate; there the stockholder approved only a minimum price of \$2.4 million for the transaction. 257 A.2d at 237.

⁸ *Russell*, 1990 WL 15618, at *5.

Mr. Russell Mancuso, Branch Chief
Division of Corporation Finance
August 30, 2012
Page 3

Proxy Statement, we have progressed in our discussions with Deltaco, and are able to provide further information in the disclosure related to that proposed transaction.

If the terms of the transaction change to the extent that the disclosure previously provided to stockholders is materially misleading, or if the waiver of any material condition to the consummation of the transaction renders such previously provided disclosure materially misleading, the Company will re-solicit proxies.

Pro Forma Financial Statements, page 66

2. *Please revise your filing to comply with the updating requirements of Rule 11-02 of Regulation S-X.*

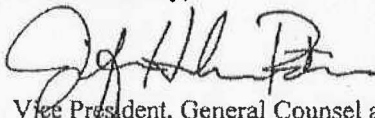
Response: The Company acknowledges the Staff's comments and confirms that it will comply with the updating requirements of Rule 11-02 of Regulation S-X.

We will provide Mr. Louis Rambo with our proposed modifications to the Proxy Statement, in response to your comments. We will also file a definitive proxy statement on Schedule 14A upon acceptance of our proposed changes.

The Company acknowledges that it is responsible for the adequacy and accuracy of the disclosure in the filings it makes with the Commission. It understands that Staff comments or changes to disclosure in response to Staff comments do not foreclose the Commission from taking any action with respect to the filing and that the Company may not assert Staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

If you have any questions regarding the Company's responses or would like to discuss any of its views further, please feel free to contact me at (818) 773-0900 ext. 276 or contact Steven Suzzan of Fulbright & Jaworski L.L.P. at (212) 318-3092.

Yours faithfully,



Vice President, General Counsel and Secretary
MRV Communications, Inc.

cc: Steven Suzzan
Louis Rambo

SUMMARY TERM SHEET WITH RESPECT TO PROPOSED SALE OF ALCADON

This summary highlights selected information from this proxy statement and may not contain all of the information that is important to you. To understand the requested authorization for the sale of Alcadon fully, you should read carefully this entire proxy statement and the documents to which we refer. The letter of intent is attached as Annex D to this proxy statement and is incorporated herein by reference. We encourage you to read it. For a more detailed description of the requested authorization for the sale of Alcadon, please refer to Proposal No. 3 "Approval of the Sale of Alcadon" beginning on page 48.

The Sale

The letter of intent provides that, subject to the terms and conditions of a definitive purchase agreement, Deltaco AB (publ) ("Deltaco") will purchase from the Company all of the shares of Alcadon free and clear of all encumbrances, on a cash-free, debt-free basis. Alcadon is a wholly-owned subsidiary of the Company and is a Swedish supplier of a wide range of optical communication equipment and passive products (both copper and fiber) from leading global manufacturers, test instruments and tools, technical support and training serving the Scandinavian market. The acquisition is expected to be structured as a stock purchase by a Swedish corporation directly owned by Deltaco. The proposed purchase price set forth in the letter of intent is \$6.5 million plus Net Cash. "Net Cash" means Alcadon's cash and cash equivalents minus Alcadon's bank debt and other financial debt. Accordingly, the final purchase price payable to the Company will be dependent on the Company's Net Cash which would be calculated as of September 30, 2012.

The Letter of Intent

The letter of intent is attached as Annex D to this proxy statement. There can be no assurance that the Company will successfully negotiate a definitive agreement with Deltaco and the proposed transaction as set forth in the terms in the letter of intent may not occur. The parties to the letter of intent may enter into a definitive agreement that contains different terms than the terms identified below. Stockholders are being asked to vote on the proposed sale of Alcadon and the terms of the sale may differ from the terms discussed herein.

Company's Reasons for the Sale

After careful consideration, the Board of Directors approved the letter of intent, which included a binding exclusivity provision, and believes that completing a sale pursuant to the terms included in the letter of intent would be in the best interests of the Company and its stockholders. The Board of Directors recommends that Company stockholders vote FOR the approval of the proposed sale of Alcadon per the terms described in the letter of intent.

In reaching its decision to approve the letter of intent, the Board of Directors consulted with the Company's management and the Company's financial and legal advisors and considered a number of strategic, financial and other considerations referred to under "Company's Reasons for the Sale" on page 48.

Material Terms to be included in the Stock Purchase Agreement

We anticipate that the final stock purchase agreement between Deltaco and the Company will have the following terms:

The Company's conduct

The Company would agree that from the date of the stock purchase agreement to the date of the closing, the following conditions, amongst other conditions, must be satisfied, except to the extent Deltaco may otherwise consent in writing:

- Each party would, as promptly as practicable, take all commercially reasonable steps necessary or desirable to obtain all consents, approvals or actions of, make all filings with, and give all notices to, any person or entity required of Deltaco, the Company, Alcadon or any subsidiary, as the case may be, to consummate the transactions contemplated by the agreement;
- The Company would call a stockholder meeting to approve the transaction;
- The Company would provide access to information by Deltaco and Deltaco's financing sources;
- The Company would not take, nor would it permit Alcadon or its subsidiaries or any affiliate of the Company to take, directly or indirectly, any action to solicit, encourage, receive, negotiate, assist or otherwise facilitate any offer or inquiry from any person concerning an acquisition proposal;
- Generally, the Company would cause Alcadon and its subsidiaries to conduct business only in the ordinary course consistent with past practice;
- Except as otherwise provided, the Company would use commercially reasonable efforts to obtain from each member of the board of directors of Alcadon and its subsidiaries a letter of resignation;
- Except as otherwise provided, all indebtedness and other liabilities under contracts or otherwise between the Company, any officer, director or affiliate (other than Alcadon or any subsidiary) of the Company, on the one hand, and Alcadon and its subsidiaries, on the other, would be paid in full, and the Company would terminate and would cause any such officer, director or affiliate to terminate each contract with Alcadon or any subsidiary; and
- No rights of whatever nature related to the use of the name "Alcadon" would be retained by the Company after the closing.

Deltaco's conduct

Deltaco would comply with the following conditions, except to the extent the Company may otherwise consent in writing:

- No rights of whatever nature related to the use of the name "MRV" would be retained by Deltaco or Alcadon or any subsidiary; and
- Deltaco would use its best efforts to provide reasonable access to the Company to obtain information after the closing.

Termination

The stock purchase agreement is not expected to be terminated (i) before the closing by mutual written agreement of the Company and Deltaco, (ii) by the Company and Deltaco before the closing in the event (s) of a material breach by the non-terminating party of its covenants contained in the agreement, if such non-terminating party fails to cure such breach within five business days following notification thereof by the terminating party or (v) upon notification of the non-terminating party by the terminating party that the satisfaction of any condition to the terminating party's obligations under the agreement becomes impossible or impracticable with the use of commercially reasonable efforts if the failure of such condition to be satisfied is not caused by a breach by the terminating party, (iii) at any time by the Company or Deltaco after the Annual Meeting has been held and the stockholder approval has not been obtained or (iv) at any time after October 31, 2012 by the Company or Deltaco upon notification of the non-terminating party by the terminating party if the closing has not occurred on or before such date and such failure to consummate the transaction is not caused by a breach of the agreement by the terminating party.

Expense Reimbursement

If the parties enter into the anticipated stock purchase agreement, and Deltaco or the Company exercises its right to terminate the stock purchase agreement because Company stockholder approval has not been obtained, the Company will promptly pay to Deltaco \$250,000 as a non-accountable expense reimbursement by wire transfer of immediately available funds to an account designated by Deltaco.

Indemnification

Under the anticipated stock purchase agreement, the Company would indemnify Deltaco for any losses suffered, incurred or sustained by it or Alcadon or any subsidiary resulting from, arising out of or relating to any breach of warranty it makes pursuant to the representations section of the agreement or non-fulfillment of or failure to perform any covenant on the part of the Company contained in the agreement.

Deltaco would indemnify the Company for any losses suffered, incurred or sustained by the Company resulting from, arising out of or relating to any breach of warranty or non-fulfillment of or failure to perform any covenant or agreement on the part of Deltaco contained in the agreement or any document delivered thereunder.

The stock purchase agreement will establish thresholds and limits for the amounts payable pursuant to indemnification claims.

Escrow Arrangement

At the closing, Deltaco would pay the Escrow Amount to the escrow agent, pursuant to the terms of the stock purchase agreement and the escrow agreement to be entered into by the Company, Deltaco and the escrow agent. "Escrow Amount" is expected to be 10% of the estimated purchase price, and would be released to the Company (subject to any pending claims thereon) no later than December 31, 2012.

Regulatory Approvals

The Company is not aware of any material governmental or regulatory approval required for the sale of Alcadon.

APPROVAL OF THE SALE OF ALCADON
(Proposal No. 3)

General

On July 20, 2011, the Company executed a letter of intent with Deltaco for purposes of completing the sale of Alcadon. Alcadon is a wholly-owned subsidiary of the Company and is a Swedish supplier of a wide range of optical communication equipment and passive products (both copper and fiber) from leading global manufacturers, test instruments and tools, technical support and training serving the Scandinavian market. The letter of intent provides that, subject to the terms and conditions of the definitive purchase agreement, Deltaco will purchase from the Company all of the shares of Alcadon, free and clear of all encumbrances, on a cash-free, debt-free basis. The letter of intent is attached as Annex D to this proxy statement. We encourage you to read the letter of intent in its entirety.

The parties to the proposed sale of Alcadon are:

Deltaco AB (Publ)
Alfred Nobels Allé 109
146 48 Tullinge
Sweden
Tel: 46-8-555-762-00

MRV Communications, Inc.
20415 Nordhoff Street
Chatsworth, CA 91311
Tel: (818) 773-0900

Background of the Sale

Historically, from time to time, our Board of Directors has reviewed the Company's various business units and the Company as a whole and assessed, among other things, the performance, prospects and strategic direction of those units and the Company as a whole.

In a current report on Form 8-K filed on September 2, 2011, the Company announced that it was exploring strategic alternatives with respect to its OCS division and CES, its Swiss subsidiary in the aerospace and defense industry. The Company engaged Oppenheimer & Co. Inc. as a financial advisor in connection with OCS, and Headwaters BD, LLC for CES.

In a current report on Form 8-K filed on February 8, 2012, the Company announced that it had expanded the engagement of Oppenheimer & Co. Inc. as its financial advisor, to include a review of the strategic alternatives for all of the Company, including the OCS division, the European Network Integration subsidiaries (including Alcadon) and the assets and liabilities of the parent company.

In the first week of March 2012, Pierre Phors, the chief executive officer of Alcadon, met with Deltaco AB ("Deltaco"), a supplier and distributor of IT products in the Nordic region of Europe, and introduced the Deltaco representatives to the Company's management shortly thereafter.

On March 9, 2012, Kenneth Traub, the Company's Chairman of the Board of Directors, and Barry Gorsun, the Company's Chief Executive Officer, met with Alcadon management as well as potential financial advisors in Sweden and representatives from Deltaco. Mr. Traub and Mr. Gorsun reviewed the Company's plans with Deltaco and solicited an offer from Deltaco at that time.

In April 2012, Alcadon became aware that it would be losing its largest customer of OCS products. Following that event, the Board determined that Alcadon's remaining business was not sufficiently related to the Company's core business, and decided to accept proposals to sell Alcadon. On April 13, 2012, Deltaco provided their first proposed letter of intent with a purchase price of \$6 million for the equity of Alcadon, consisting of their estimated enterprise value of \$4 million in cash and a return of \$2 million in estimated net cash. The Company's management continued discussions with Deltaco over the next few months, and Deltaco conducted preliminary due diligence on Alcadon.

On June 14, 2012, Messrs. Gorsun and Traub met with Deltaco representatives a second time to discuss a potential sale of Alcadon. During the remainder of June, the parties continued to discuss a potential transaction, and on June 29, 2012, Deltaco provided the Company with an initial draft of a non-binding letter of intent reflecting the terms of a potential transaction, including a purchase price for Alcadon equal to \$6.5 million, on a cash-free debt-free basis. In July 2012, the Company's management and Fulbright & Jaworski L.L.P., U.S. counsel to the Company, with input from Swedish counsel, negotiated the letter of intent with representatives of Deltaco and Advokatfirman Lindahl KB, Deltaco's counsel. The parties negotiated a draft of the letter of intent substantially in final form, and on July 20, 2012, the Company executed Deltaco's letter of intent following the review and approval of members of the Board.

On August 1, 2012, the Board met with management and Fulbright & Jaworski and reviewed the terms of the proposed sale of Alcadon. Following these discussions, and review and discussion among the members of the Board, including consideration of the factors under the section entitled "—Company's Reasons for the Sale," the Board unanimously determined that the transactions contemplated by the letter of intent and related transactions and agreements are advisable and in the best interests of the Company, and the directors voted unanimously to approve the transaction, and instructed management to negotiate definitive agreements with Deltaco consistent with the terms of the letter of intent, and to recommend that the MRV stockholders vote in favor of the transaction.

Company's Reasons for the Sale

The Board determined that the sale of Alcadon is in the best interests of the Company, based on a number of factors including the following:

- The opportunity that the sale would secure the possibility of additional capital return to the Company's stockholders, as described further below;

- The price to be received by the Company for Alcadon;
- Alcadon's position in the industry relative to a number of larger competitors with greater financial and other resources;
- Management's belief that retention of Alcadon by the Company would require a substantial investment by the Company in Alcadon in order for it to match the size and geographic scope of many of its competitors; and

The Board also considered a number of potentially countervailing factors in its deliberations concerning the proposed sale of Alcadon, including the following:

- The possibility that the sale might not be completed as a result of, among other matters, the failure of the Company's stockholders to authorize the sale or of Deltaco to secure the required debt financing for its proposed purchase of Alcadon, and the effect the termination of the transaction may have on Alcadon and its business, operating results and prospects;
- The possibility that Deltaco may, as a result of its right to conduct additional due diligence, determine not to proceed with the transaction.

Letter of intent

Below are the material provisions of the letter of intent. There can be no assurance that the Company will successfully negotiate a definitive agreement with Deltaco and the proposed transaction as set forth in the terms in the letter of intent may not occur. The parties have not begun negotiating a definitive agreement with respect to the sale. The parties to the letter of intent may enter into a definitive agreement that contains different terms than the terms identified below. Stockholders are being asked to vote on the proposed sale of Alcadon and the terms of the sale may differ from the terms discussed herein. The summary below may not contain all of the information about the letter of intent and sale of Alcadon that is important to you. The following summary is qualified by reference to the complete text of the letter of intent, which is attached as Annex D to this proxy statement and incorporated by reference herein. You are urged to read the full text of the letter of intent.

The Sale

The letter of intent provides that, subject to a definitive purchase agreement, Deltaco will purchase from the Company all of the shares of Alcadon free and clear of all encumbrances, on a cash-free, debt-free basis. The acquisition is expected to be structured as a stock purchase by a Swedish corporation directly owned by Deltaco. The purchase price for the shares is currently expected to be \$6.5 million plus Net Cash. "Net Cash" means Alcadon's cash and cash equivalents minus Alcadon's bank debt and other financial debt. By way of example, if Alcadon has Net Cash as of the closing of \$2 million, the total purchase price payable at consummation of the sale will be \$8.5 million. Alcadon will provide a good faith estimate of Net Cash as of the date of closing (which amount is not expected to materially deviate from a target to be specified in the purchase agreement), which shall serve as the basis for the calculation of the purchase price payable at closing; such amount shall be subject to a post-closing "true-up" procedure. Accordingly, the final purchase price payable to the Company will be dependent on the Company's Net Cash which would be calculated as of September 30, 2012. The purchase price will be payable in cash at the closing, subject to an escrow arrangement.

Material Terms to be Included in the Stock Purchase Agreement

We anticipate that the final stock purchase agreement will have the following terms:

The Company's conduct. The Company would agree that from the date of the stock purchase agreement to the date of the closing, the following conditions, amongst other conditions, must be satisfied, except to the extent Deltaco may otherwise consent in writing:

- Each party would as promptly as practicable, take all commercially reasonable steps necessary or desirable to obtain all consents, approvals or actions of, make all filings with and give all notices to, any person or entity required of Deltaco, the Company, Alcadon or any subsidiary, as the case may be, to consummate the transactions contemplated by the agreement;
- The Company would call a stockholder meeting to approve the transaction;
- The Company would provide access to information by Deltaco and Deltaco's financing sources;
- The Company would not take, nor would it permit Alcadon or its subsidiaries or any affiliate of the Company to take, directly or indirectly, any action to solicit, encourage, receive, negotiate, assist or otherwise facilitate any offer or inquiry from any person concerning an acquisition proposal;
- Generally, the Company would cause Alcadon and its subsidiaries to conduct business only in the ordinary course consistent with past practice;
- Except as otherwise provided, the Company would use commercially reasonable efforts to obtain from each member of the board of directors of Alcadon and its subsidiaries a letter of resignation;
- Except as otherwise provided, all indebtedness and other liabilities under contracts or otherwise between the Company, any officer, director or affiliate (other than Alcadon or any subsidiary) of the Company, on the one hand, and Alcadon and its subsidiaries, on the other, would be paid in full, and the Company would terminate and would cause any such officer, director or affiliate to terminate each contract with Alcadon or any subsidiary; and
- No rights of whatever nature related to the use of the name "Alcadon" would be retained by the Company after the closing.

Deltaco's conduct. Deltaco would comply with the following conditions, except to the extent the Company would otherwise consent in writing:

- No rights of whatever nature related to the use of the name "MRV" would be retained by Deltaco or Alcadon or any subsidiary; and
- Deltaco would use best efforts to provide reasonable access to the Company to certain information after the closing.

Conditions to Closing. The obligations of Deltaco and the Company to consummate the transaction would be subject to the satisfaction or waiver, as the case may be, on or prior to the closing date, of the following conditions:

- All necessary authorizations, consents, orders or approvals of, or declarations or filings with, or imposed by, any governmental entity would be obtained or made;
- No governmental entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any law, judgment, injunction, decree or other order that is in effect and restrains, enjoins or otherwise prohibits the transaction; and
- The Company's stockholder approval has been obtained.

The obligations of Deltaco to consummate the transaction would be subject to the satisfaction or waiver by Deltaco, as the case may be, on or prior to the closing date, of the following conditions:

- The Company has performed in all material respects all obligations required to be performed by it under the stock purchase agreement;
- The estimated net cash statement has been delivered to Deltaco;
- Continued employment of certain key employees, or a substantial portion of key employees, to be determined, of Alcadon and its subsidiaries;
- The escrow agreement has been executed by the Company; and
- The Company's delivery of a certificate certifying the conditions above.

The obligations of the Company to consummate the transaction would be subject to the satisfaction or waiver by the Company, as the case may be, on or prior to the closing date, of the following conditions:

- Deltaco has performed all obligations required to be performed by it under the stock purchase agreement;
- The escrow agreement has been executed by Deltaco; and
- Deltaco's delivery of a certificate certifying the conditions above.

Representations and Warranties. The Company would make certain representations and warranties to Deltaco regarding, among other things:

- The organization and good standing of the Company;
- The Company's authority to execute and deliver the agreement and to consummate the transaction;
- The Company's execution of the agreement will not result in (i) a breach or violation of the organizational documents of the Company or Alcadon or any subsidiary of Alcadon, (ii) a breach or violation or the acceleration of any obligations or creation of a lien on the assets of the Company or Alcadon or any subsidiary of Alcadon, (iii) conflict with, breach or violate any law applicable to the Company or Alcadon or any subsidiary of Alcadon (except in the case for matters that would not have a material adverse effect (for the matters referred to in (ii) and (iii) above));
- The Company's ownership of the shares; and
- Brokers and finders.

The Company would make certain representations and warranties to Deltaco regarding Alcadon and its subsidiaries, with respect to, among other things:

- The organization, good standing and qualification of Alcadon;
- The capitalization of Alcadon;
- The ownership of Alcadon's subsidiaries' shares by Alcadon;
- The organization, good standing and qualification of Alcadon's subsidiaries;
- The capitalization of Alcadon's subsidiaries;
- Governmental filings and certain contracts;
- Financial statements and undisclosed liabilities;
- Guarantees and commitments;
- Absence of certain changes;
- Litigation matters;
- Employees and directors matters;
- Compliance with laws; permits matters;
- Tax matters;
- Real property matters;
- Intellectual property matters;
- Matters related to material contracts;
- Inventory matters;
- Affiliate transaction matters; and
- Insurance matters.

Deltaco would make certain representations and warranties to the Company regarding, among other things:

- Deltaco's organization of good standing;
- Deltaco's authority to execute and deliver the stock purchase agreement and to consummate the transaction;
- Absence of notices, reports, filings or other approvals to be obtained from any governmental entity in connection with the transaction;
- Deltaco's execution of the agreement would not result in (i) a breach or violation of the organizational documents of Deltaco, (ii) a breach or violation or the acceleration of any obligations or creation of a lien on the assets of Deltaco, (iii) conflict with, breach or violate any law applicable to Deltaco (except in the case for matters that would not, individually or in the aggregate, reasonably be likely to prevent the ability of Deltaco to consummate the transaction (for the matters referred to in (ii) and (iii) above);
- Deltaco has sufficient funds to consummate the transaction; and
- Deltaco has conducted an independent investigation in connection with the transaction.

Non-Competition. The Company would agree that it would not, on its own account or for any other person, directly or indirectly, within a period to be determined, but only as the following relate to Denmark, Finland, Norway and Sweden: (i) solicit, induce or attempt to induce any employee to leave the employ of Alcadon or any subsidiary of Alcadon; (ii) hire or assist in hiring any employee to become an employee of a person that the Company controls or to work for any business that competes with Alcadon or any subsidiary of Alcadon; (iii) interfere with or entice away any person who is or has been a customer, supplier or business partner of Alcadon or any subsidiary of Alcadon; (iv) in any way interfere with the relationships between Alcadon and any of its subsidiaries and their employees, suppliers, customers, business partners and/or consultants; or (v) carry out, directly or indirectly, any activity or be engaged, concerned or interested or become a shareholder (except as shareholder of a listed company with 5% or less interest in such listed company) of a person or other business that is active in the business field.

MRV Communications - Boston Division, Inc.'s conduct of its business as conducted as of the date of the agreement, including its business relationship with the Alcadon, would not be a violation of the non-competition provisions in the agreement.

Assignment. No party would be able to assign, delegate or otherwise transfer any of its rights or obligations under the agreement without the prior written consent of the other party; provided, however, that Deltaco would be able to assign its rights to one of its affiliates.

Termination. The stock purchase agreement is not expected to be terminated (i) before the closing by mutual written agreement of the Company and Deltaco; (ii) by the Company and Deltaco before the closing in the event (x) of a material breach by the non-terminating party of its covenants contained in the agreement, if such non-terminating party fails to cure such breach within five business days following notification thereof by the terminating party or (y) upon notification of the non-terminating party by the terminating party that the satisfaction of any condition to the terminating party's obligations under the agreement becomes impossible or impracticable with the use of commercially reasonable efforts if the failure of such condition to be satisfied is not caused by a breach by the terminating party; (iii) at any time by the Company or Deltaco after the Annual Meeting has been held and the stockholder approval has not been obtained or (iv) at any time after October 31, 2012 by the Company or Deltaco upon notification of the non-terminating party by the terminating party if the closing has not occurred on or before such date and such failure to consummate the transaction is not caused by a breach of the agreement by the terminating party.

Expense Reimbursement. If the parties enter into the anticipated stock purchase agreement, and Deltaco or the Company exercises its right to terminate the stock purchase agreement because Company stockholder approval has not been obtained, the Company will promptly pay to Deltaco \$250,000 as a non-accountable expense reimbursement by wire transfer of immediately available funds to an account designated by Deltaco.

Indemnification. Under the anticipated stock purchase agreement, the Company would indemnify Deltaco for any losses suffered, incurred or sustained by it or Alcadon or any subsidiary resulting from, arising out of or relating to any breach of warranty it makes pursuant to the representations section of the agreement or non-fulfillment of or failure to perform any covenant on the part of the Company contained in the agreement.

Deltaco would indemnify the Company for any losses suffered, incurred or sustained by the Company resulting from, arising out of or relating to any breach of warranty or non-fulfillment of or failure to perform any covenant or agreement on the part of Deltaco contained in the agreement or any document delivered thereunder.

The stock purchase agreement will establish thresholds and limits for the amounts payable pursuant to indemnification claims.

Escrow Arrangement. At the closing, Deltaco would pay the Escrow Amount to the escrow agent, pursuant to the terms of the stock purchase agreement and the escrow agreement to be entered into by the Company, Deltaco and the escrow agent. "Escrow Amount" is expected to be 10% of the estimated purchase price, and would be released to the Company (subject to any pending claims thereon) no later than December 31, 2012.

Governing Law. The stock purchase agreement would be governed by Swedish law without regard to conflict of law principles thereof. Any dispute, controversy or claim arising out of or in connection with the agreement, or the breach, termination or invalidity thereof, would be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce. The place of arbitration would be Stockholm.

For a discussion of the pro forma financial information for the sale of Alcadon, see "— Pro Forma Financial Statements." In addition, the Company's Annual Report on Form 10-K for the year ended December 31, 2011 is being mailed to stockholders together with this proxy statement, containing financial data of the Company.

Required Vote of Stockholders

For approval of the sale of Alcadon, an affirmative vote of the holders of a majority in voting power of the shares of Common Stock represented in person or represented by proxy and entitled to vote on the item will be required for approval. A properly executed proxy marked "ABSTAIN" with respect to proposal 3 will have the effect of a negative vote.

Board of Directors' Recommendation

On August 1, 2012, the Board, by a unanimous vote, approved of the sale of Alcadon and deemed the sale to be in the best interests of the Company, and authorized the Company to submit the sale of Alcadon to the stockholders of the Company for authorization.

The Board of Directors recommends that the stockholders vote "FOR" the approval of the sale of Alcadon.

MRV Communications, Inc.Unaudited Pro Forma Condensed Consolidated Statements of Operations and Consolidated Balance Sheet

The following presents our unaudited pro forma statements of operations for the fiscal years ended December 31, 2011, 2010 and 2009 and six months ended June 30, 2012 and 2011 and our unaudited pro forma balance sheet as of June 30, 2012. The pro forma statements of operations give effect to (i) the sale of Alcadon, (ii) the sale of Interdata (collectively, the "Sale Proposals") and (iii) the combined effect of the Sale Proposals. These financial statements should be read together with the Notes provided thereto.

The unaudited pro forma financial information is for informational purposes only and does not purport to present what our results would actually have been had these transactions actually occurred on the dates presented or to project our results of operations or financial position for any future period. The information set forth below should be read together with (i) MRV's unaudited consolidated financial statements as of June 30, 2012 and 2011 included in MRV's Quarterly Report filed with the SEC on Form 10-Q for the quarter ended June 30, 2012, and (ii) MRV's audited consolidated financial statements for each of the years in the three-year period ended December 31, 2011, included in MRV's Annual Report filed with the SEC on Form 10-K for the year ended December 31, 2011.

MRV Communications, Inc.

Index

	Page
<u>Unaudited Pro Forma Condensed Consolidated Statements of Operations and Consolidated Balance Sheet</u>	
Unaudited Pro Forma <u>Condensed</u> Consolidated Statements of Operations for the Year Ended December 31, 2009	F-2
Unaudited Pro Forma <u>Condensed</u> Consolidated Statements of Operations for the Year Ended December 31, 2010	F-3
Unaudited Pro Forma <u>Condensed</u> Consolidated Statements of Operations for the Year Ended December 31, 2011	F-4
Unaudited Pro Forma <u>Condensed</u> Consolidated Statements of Operations for the Six Months Ended June 30, 2012	F-5
Unaudited Pro Forma <u>Condensed</u> Consolidated Statements of Operations for the Six Months Ended June 30, 2011	F-6
Unaudited Pro Forma Consolidated Balance Sheet as of June 30, 2012	F-7

MRV Communications, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Operations For the Year Ended December 31, 2009

[illegible]

MRV Communications, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Operations For the Year Ended December 31, 2010

Year Ended December 31, 2012		Comcast Financials																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000	1001	1002	1003	1004	1005	1006	1007	1008	1009	1010	1011	1012	1013	1014	1015	1016	1017	1018	1019	1020	1021	1022	1023	1024	1025	1026	1027	1028	1029	1030	1031	1032	1033	1034	1035	1036	1037	1038	1039	1040	1041	1042	1043	1044	1045	1046	1047	1048	1049	1050	1051	1052	1053	1054	1055	1056	1057	1058	1059	1060	1061	1062	1063	1064	1065	1066	1067	1068	1069	1070	1071	1072	1073	1074	1075	1076	1077	1078	1079	1080	1081	1082	1083	1084	1085	1086	1087	1088	1089	1090	1091	1092	1093	1094	1095	1096	1097	1098	1099	1100	1101	1102	1103	1104	1105	1106	1107	1108	1109	1110	1111	1112	1113	1114	1115	1116	1117	1118	1119	1120	1121	1122	1123	1124	1125	1126	1127	1128	1129	1130	1131	1132	1133	1134	1135	1136	1137	1138	1139	1140	1141	1142	1143	1144	1145	1146	1147	1148	1149	1150	1151	1152	1153	1154	1155	1156	1157	1158	1159	1160	1161	1162	1163	1164	1165	1166	1167	1168	1169	1170	1171	1172	1173	1174	1175	1176	1177	1178	1179	1180	1181	1182	1183	1184	1185	1186	1187	1188	1189	1190	1191	1192	1193	1194	1195	1196	1197	1198	1199	1200	1201	1202	1203	1204	1205	1206	1207	1208	1209	1210	1211	1212	1213	1214	1215	1216	1217	1218	1219	1220	1221	1222	1223	1224	1225	1226	1227	1228	1229	1230	1231	1232	1233	1234	1235	1236	1237	1238	1239	1240	1241	1242	1243	1244	1245	1246	1247	1248	1249	1250	1251	1252	1253	1254	1255	1256	1257	1258	1259	1260	1261	1262	1263	1264	1265	1266	1267	1268	1269	1270	1271	1272	1273	1274	1275	1276	1277	1278	1279	1280	1281	1282	1283	1284	1285	1286	1287	1288	1289	1290	1291	1292	1293	1294	1295	1296	1297	1298	1299	1300	1301	1302	1303	1304	1305	1306	1307	1308	1309	1310	1311	1312	1313	1314	1315	1316	1317	1318	1319	1320	1321	1322	1323	1324	1325	1326	1327	1328	1329	1330	1331	1332	1333	1334	1335	1336	1337	1338	1339	1340	1341	1342	1343	1344	1345	1346	1347	1348	1349	1350	1351	1352	1353	1354	1355	1356	1357	1358	1359	1360	1361	1362	1363	1364	1365	1366	1367	1368	1369	1370	1371	1372	1373	1374	1375	1376	1377	1378	1379	1380	1381	1382	1383	1384	1385	1386	1387	1388	1389	1390	1391	1392	1393	1394	1395	1396	1397	1398	1399	1400	1401	1402	1403	1404	1405	1406	1407	1408	1409	1410	1411	1412	1413	1414	1415	1416	1417	1418	1419	1420	1421	1422	1423	1424	1425	1426	1427	1428	1429	1430	1431	1432	1433	1434	1435	1436	1437	1438	1439	1440	1441	1442	1443	1444	1445	1446	1447	1448	1449	1450	1451	1452	1453	1454	1455	1456	1457	1458	1459	1460	1461	1462	1463	1464	1465	1466	1467	1468	1469	1470	1471	1472	1473	1474	1475	1476	1477	1478	1479	1480	1481	1482	1483	1484	1485	1486	1487	1488	1489	1490	1491	1492	1493	1494	1495	1496	1497	1498	1499	1500	1501	150

Cumulative Marked Proof: From Cycle 4.0 to 10.0

10.501
10.502

10.504
10.505

10.505
10.506

F-3

10.505
10.506

Task
Deleted

MRV Communications, Inc.
 Unaudited Pro Forma Condensed Consolidated Statement of Operations For the Year Ended December 31, 2011

	Year Ended December 31, 2011		Consolidated Pro Forma		Without Leasehold		Without Leasehold		Without Leasehold	
	11	12	13	14	15	16	17	18	19	20
Revenue										
Product revenue	\$ 114,465	\$ 114,591	\$ 114,591	\$ 114,591	\$ 114,591	\$ 114,591	\$ 114,591	\$ 114,591	\$ 114,591	\$ 114,591
Service revenue	52,885	52,885	52,885	52,885	52,885	52,885	52,885	52,885	52,885	52,885
Licence revenue	212,118	212,118	212,118	212,118	212,118	212,118	212,118	212,118	212,118	212,118
Cost of goods sold	144,442	144,442	144,442	144,442	144,442	144,442	144,442	144,442	144,442	144,442
Cost of goods sold	87,468	87,468	87,468	87,468	87,468	87,468	87,468	87,468	87,468	87,468
Operating costs and expenses										
Product development and engineering	14,662	14,662	14,662	14,662	14,662	14,662	14,662	14,662	14,662	14,662
Selling, general, and administrative	24,749	24,749	24,749	24,749	24,749	24,749	24,749	24,749	24,749	24,749
Total operating costs and expenses	39,411	39,411	39,411	39,411	39,411	39,411	39,411	39,411	39,411	39,411
Operating income (loss)										
Operating income (loss)	41,540	41,540	41,540	41,540	41,540	41,540	41,540	41,540	41,540	41,540
Interest income (expense)	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071
Other income (expense), net	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181
Income (loss) before taxes										
Income (loss) before taxes	43,792	43,792	43,792	43,792	43,792	43,792	43,792	43,792	43,792	43,792
Provision (benefit) for income taxes	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182
Income (loss) from continuing operations	40,610	40,610	40,610	40,610	40,610	40,610	40,610	40,610	40,610	40,610
Loss per share										
Basic	0.694	0.694	0.694	0.694	0.694	0.694	0.694	0.694	0.694	0.694
Diluted	0.691	0.691	0.691	0.691	0.691	0.691	0.691	0.691	0.691	0.691
Weighted average shares outstanding										
Basic	157,561	157,561	157,561	157,561	157,561	157,561	157,561	157,561	157,561	157,561
Diluted	157,561	157,561	157,561	157,561	157,561	157,561	157,561	157,561	157,561	157,561
For more information, see Item 19, Financial Statements, and Item 20, Related Data, in the Annual Report.										

10.511
10.511

10.514
10.514

10.511
10.511

10.511
10.511

10.511
10.511

10.511
10.511

10.511
10.511

10.511
10.511

10.511
10.511

10.511
10.511

10.511
10.511

10.511
10.511

10.511
10.511

(In thousands, except share data)

[illegible]

MRV Communications, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Operations For the Six Months Ended June 30, 2011

Statement of Income	2011		2010		2009		2008		2007		2006		2005		2004		2003		2002		2001		2000		1999		1998		1997		1996		1995		1994		1993		1992		1991		1990		1989		1988		1987		1986		1985		1984		1983		1982		1981		1980		1979		1978		1977		1976		1975		1974		1973		1972		1971		1970		1969		1968		1967		1966		1965		1964		1963		1962		1961		1960		1959		1958		1957		1956		1955		1954		1953		1952		1951		1950		1949		1948		1947		1946		1945		1944		1943		1942		1941		1940		1939		1938		1937		1936		1935		1934		1933		1932		1931		1930		1929		1928		1927		1926		1925		1924		1923		1922		1921		1920		1919		1918		1917		1916		1915		1914		1913		1912		1911		1910		1909		1908		1907		1906		1905		1904		1903		1902		1901		1900		1899		1898		1897		1896		1895		1894		1893		1892		1891		1890		1889		1888		1887		1886		1885		1884		1883		1882		1881		1880		1879		1878		1877		1876		1875		1874		1873		1872		1871		1870		1869		1868		1867		1866		1865		1864		1863		1862		1861		1860		1859		1858		1857		1856		1855		1854		1853		1852		1851		1850		1849		1848		1847		1846		1845		1844		1843		1842		1841		1840		1839		1838		1837		1836		1835		1834		1833		1832		1831		1830		1829		1828		1827		1826		1825		1824		1823		1822		1821		1820		1819		1818		1817		1816		1815		1814		1813		1812		1811		1810		1809		1808		1807		1806		1805		1804		1803		1802		1801		1800		1799		1798		1797		1796		1795		1794		1793		1792		1791		1790		1789		1788		1787		1786		1785		1784		1783		1782		1781		1780		1779		1778		1777		1776		1775		1774		1773		1772		1771		1770		1769		1768		1767		1766		1765		1764		1763		1762		1761		1760		1759		1758		1757		1756		1755		1754		1753		1752		1751		1750		1749		1748		1747		1746		1745		1744		1743		1742		1741		1740		1739		1738		1737		1736		1735		1734		1733		1732		1731		1730		1729		1728		1727		1726		1725		1724		1723		1722		1721		1720		1719		1718		1717		1716		1715		1714		1713		1712		1711		1710		1709		1708		1707		1706		1705		1704		1703		1702		1701		1700		1699	
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699																																																																																																																																																																																																																																																																																																																									
Net income	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3																																																																																								

9-31

Cumulative Marked Proof: From Cycle 4.0 to 10.0

MRV Communications, Inc.
 Unaudited Pro Forma Consolidated Balance Sheet as of June 30, 2012

Assets	June 30, 2012				June 30, 2011				June 30, 2010			
	Assets	Liabilities	Equity	Assets	Liabilities	Equity	Assets	Liabilities	Equity	Assets	Liabilities	Equity
Current assets:												
Cash and cash equivalents	\$ 43,172	\$ 15,433	\$ 16,000	\$ 111,459	\$ 8,092	\$ 17,331	\$ 24,422	\$ 40,033	\$ 54,642	\$ 51,133	\$ 2,550	\$ 1,550
Short-term investments	1,721	710	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Accounts receivable, net	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Prepaid expenses	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Other current assets	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Total current assets	\$ 48,356	\$ 19,605	\$ 20,163	\$ 116,632	\$ 13,255	\$ 22,504	\$ 29,615	\$ 43,796	\$ 59,815	\$ 56,306	\$ 7,713	\$ 6,742
Property and equipment, net	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Goodwill	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Intangible assets	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Other non-current assets	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Total non-current assets	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865	\$ 6,865
Total assets	\$ 55,221	\$ 26,470	\$ 27,028	\$ 123,497	\$ 20,120	\$ 29,369	\$ 36,480	\$ 50,661	\$ 66,680	\$ 63,171	\$ 14,578	\$ 13,607
Current liabilities:												
Accounts payable	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550
Accrued liabilities	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Deferred revenue	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Other current liabilities	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Total current liabilities	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993	\$ 6,993
Long-term liabilities:												
Debt	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721
Other long-term liabilities	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Total long-term liabilities	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442	\$ 3,442
Total liabilities	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435	\$ 10,435
Equity:												
Common stock	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721	\$ 1,721
Additional paid-in capital	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Accumulated deficit	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Accumulated other comprehensive loss	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721
Total equity	\$ 44,786	\$ 16,035	\$ 16,593	\$ 113,062	\$ 9,685	\$ 18,934	\$ 26,045	\$ 40,226	\$ 56,245	\$ 52,736	\$ 4,143	\$ 3,172
Total liabilities and equity	\$ 55,221	\$ 26,470	\$ 27,028	\$ 123,497	\$ 20,120	\$ 29,369	\$ 36,480	\$ 50,661	\$ 66,680	\$ 63,171	\$ 14,578	\$ 13,607

F-7

MRV Communications, Inc.

Unaudited Pro Forma Condensed Consolidated Statements of Operations and Consolidated Balance Sheet

Note 1. Basis of Presentation

The historical information is derived from the historical financial statements of MRV which are incorporated by reference in the proxy statement. The unaudited pro forma consolidated balance sheet as of June 30, 2012 is presented to illustrate the estimated effects of each of the proposed sales of Alcadon and Interdata and the Sale Proposals combined and other pro forma transactions as if the transactions had occurred on June 30, 2012. The unaudited pro forma condensed consolidated statements of operations for the years ended December 31, 2011, 2010 and 2009 and six months ended June 30, 2012 are presented to illustrate the estimated effects of the Sale Proposals and the other pro forma transactions as if the transactions had occurred on January 1st of each year.

Note 2. Pro Forma Adjustments and Assumptions

Unaudited Pro Forma Consolidated Statements of Operations

(a) Reflects the historical operations of Alcadon, including intercompany revenues and cost of goods sold with the Company as shown below. These amounts are included in the Company's unaudited pro forma financial statements based on existing channel partner agreements under the terms of which Alcadon should continue to purchase products from the Company.

<u>(In thousands, except share data)</u>	<u>Revenues*</u>	<u>Cost of Goods Sold**</u>	<u>Gross Margin*</u>
<u>Year Ended December 31, 2009</u>	\$2,231	\$2,165	\$ 66
<u>Year Ended December 31, 2010</u>	\$6,689	\$6,251	\$ 438
<u>Year Ended December 31, 2011</u>	\$8,814	\$8,111	\$ 702
<u>Six Months Ended June 30, 2012</u>	\$3,028	\$2,709	\$ 320
<u>Six Months Ended June 30, 2011</u>	\$5,288	\$4,460	\$ 828

* Revenues and Gross Margin adjusted on Company's pro forma financials

** COGs adjusted on Alcadon's pro forma financials

(b) Reflects the historical operations of Interdata, including intercompany revenues and cost of goods sold with the Company as shown below. These amounts are included in the Company's unaudited pro forma financial statements based on existing channel partner agreements under the terms of which Interdata should continue to purchase products from the Company.

<u>(In thousands, except share data)</u>	<u>Revenues*</u>	<u>Cost of Goods Sold**</u>	<u>Gross Margin*</u>
<u>Year Ended December 31, 2009</u>	\$4,198	\$4,198	\$ 0
<u>Year Ended December 31, 2010</u>	\$5,906	\$5,906	\$ 0
<u>Year Ended December 31, 2011</u>	\$6,781	\$6,631	\$150
<u>Six Months Ended June 30, 2012</u>	\$3,394	\$3,430	(\$ 36)
<u>Six Months Ended June 30, 2011</u>	\$3,738	\$3,616	\$ 122

* Revenues and Gross Margin adjusted on Company's pro forma financials

** COGs adjusted on Interdata's pro forma financials

(c) Reflects the historical operations of both Alcadon and Interdata combined, including intercompany revenues with the Company.

(d) Reflects the Company's historical operations excluding Alcadon's historical operations adjusted for intercompany transactions as noted in (a) above.

(e) Reflects the Company's historical operations excluding Interdata's historical operations adjusted for intercompany transactions as noted in (b) above.

(f) Reflects the Company's historical operations excluding both Alcadon's and Interdata's historical operations adjusted for intercompany transactions as noted in (a) and (b) above.

Unaudited Pro Forma Consolidated Balance Sheet

(g) Adjustment to eliminate the assets and liabilities of Alcadon as of June 30, 2012.

(h) Adjustment to eliminate the assets and liabilities of Interdata as of June 30, 2012.

(i) Adjustment to eliminate the assets and liabilities of Alcadon and Interdata as of June 30, 2012.

(j) Reflects the pro forma adjustment for the sale of Alcadon to Deltaco for \$8.5 million less expenses of approximately \$0.3 million. Excludes cash dividend to be paid by Alcadon to MRV prior to the closing of the sale for approximately \$3.2 million. Also reflects an adjustment to exclude the impact of intercompany profit in inventory. The corresponding offset is in cost of goods sold.

(k) Reflects the pro forma adjustment for the sale of Interdata to HBG for \$18.1 million less expenses of approximately \$0.8 million. Also reflects an adjustment to exclude the impact of intercompany profit in inventory. The corresponding offset is in cost of goods sold.

(l) Reflects the pro forma adjustment for the sale of both Alcadon and Interdata. Also reflects an adjustment to exclude the impact of intercompany profit in inventory. The corresponding offset is in cost of goods sold.

(m) Reflects the Company's historical balance sheet excluding Alcadon adjusted for the transaction proceeds and \$0.3 million in inventory.

(n) Reflects the Company's historical balance sheet excluding Interdata adjusted for the transaction proceeds and \$0.2 million in inventory and \$0.3 million in goodwill.

(o) Reflects the Company's historical balance sheet excluding Alcadon and Interdata adjusted for the transaction proceeds and \$0.5 million in inventory and \$0.3 million in goodwill.

Note 3. Pro Forma Illustrating Effect of Proposal Number 4, Reverse Stock Split

The pro forma earnings per share information is derived from the historical financial statements of MRV and the unaudited pro forma condensed consolidated statements of operation for the years ended December 31, 2011, 2010 and 2009 and the six months ended June 30, 2011 and 2012 presented as if Proposal Number 4, Reverse Stock Split, was approved using the 1:15 ratio of new shares to prior shares. The 1:15 ratio is the mid-point of the range 1:10 to 1:20 stipulated in the proposal whereby 15 shares of MRV's Common Stock would be combined, converted and changed into one share of Common Stock after giving effect to the reverse stock split. The calculation of the 1:15 reverse split calculation is given below:

		<u>Year to Date</u> <u>June 30, 2012</u>
Loss from Continuing operations		\$ (6,477)
Weighted average shares outstanding	157,794	
Conversion	1:15	
New weighted average shares outstanding		10,516
Loss per share of Common Stock for 1:15		\$ (0.62)

