

Tech Snippets

Ciena raises its FY26 guidance - again. Positive read-across to Nokia

The News: Ciena (covered by J.P. Morgan analyst Samik Chatterjee) reported better-than-consensus 2Q26 results, 3Q26 revenue guidance, and again raised its FY26 guidance. Their 2Q26 report of revenue of \$1.57bn is 4% above consensus expectations of \$1.51bn and the guided 3Q26 revenue of \$1.625 is 2.7% ahead of consensus. More importantly, Ciena has raised its FY26 sales guidance to \$6.3bn (+/- \$100m) or 32% YoY at the midpoint (top end of prior guidance) from the previous guidance range of 24%-32% growth (28% mid-point). Ciena's revenue in their fiscal Q2 (ending May 26) grew 42% YoY in optical networking and 87% YoY in routing and switching (which was 30% ahead of consensus).

Our Take: Ciena is the market leader in optical equipment into the AI/hyperscaler market and is the main competitor/peer to Nokia in optical equipment sales. With Ciena's 32% FY26 growth guidance, there is potential for Nokia to do better than the current guidance of 18-20% in the combined optical and IP Networks businesses. We have previously written in our [note](#) that Nokia should be in a position to raise its FY26 growth in these businesses due to strength in the optical market but also with the new design wins Nokia has had in switching at AI customers.

European Tech Hardware & Payments

Sandeep Deshpande ^{AC}

(44-20) 7134-5276

sandeep.s.deshpande@jpmorgan.com

Craig A McDowell

(44-20) 7742-4576

craig.mcdowell@jpmorgan.com

Anthony Girard

(44-20) 3493-6469

anthony.girard@jpmorgan.com

J.P. Morgan Securities plc

Specialist Sales contact details:

Scott Silver - Specialist Sales - European TMT

(44-20) 7134-0412

scott.silver@jpmorgan.com

J.P. Morgan

See page 2 for analyst certification and important disclosures, including non-US analyst disc

