



FORM 10-Q

CONCURRENT COMPUTER CORP/DE – CCUR

Filed: November 14, 2003 (period: September 30, 2003)

Quarterly report which provides a continuing view of a company's financial position

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

X Quarterly Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the Quarterly Period Ended September 30, 2003

or

Transition Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

For the Transition Period from ____ to ____

Commission File No. 0-13150

CONCURRENT COMPUTER CORPORATION
(Exact name of registrant as specified in its charter)

Delaware 04-2735766
(State of Incorporation) (I.R.S. Employer Identification No.)

4375 River Green Parkway, Duluth, GA 30096
(Address of principal executive offices)

Telephone: (678) 258-4000
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No
--- ---

Indicate by a check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes X No
--- ---

Number of shares of the Registrant's Common Stock, par value \$0.01 per share, outstanding as of November 12, 2003 was 62,337,025.

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONCURRENT COMPUTER CORPORATION
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
 (DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	THREE MONTHS ENDED SEPTEMBER 30,	
	2003	2002
	-----	-----
Revenues:		
Product		
Real-time systems	\$ 4,394	\$ 4,092
VOD systems	9,147	12,449
	-----	-----
Total product revenues	13,541	16,541
Service		
Real-time systems	4,146	4,678
VOD systems	1,215	922
	-----	-----
Total service revenues	5,361	5,600
	-----	-----
Total revenues	18,902	22,141
Cost of sales:		
Product		
Real-time systems	1,356	1,776
VOD systems	3,657	5,241
	-----	-----
Total product cost of sales	5,013	7,017
Service		
Real-time systems	2,184	2,607
VOD systems	755	660
	-----	-----
Total service cost of sales	2,939	3,267
	-----	-----
Total cost of sales	7,952	10,284
	-----	-----
Gross margin	10,950	11,857
Operating expenses:		
Sales and marketing	4,080	4,404
Research and development	4,668	4,447
General and administrative	2,169	2,328
	-----	-----
Total operating expenses	10,917	11,179
	-----	-----
Operating income	33	678
Recovery of previously recognized impairment loss	1,060	-
Interest income - net	60	196
Other expense - net	(134)	(47)
	-----	-----
Income before income taxes	1,019	827
Provision for income taxes	407	207
	-----	-----
Net income	\$ 612	\$ 620
	=====	=====
Net income per share		
Basic	\$ 0.01	\$ 0.01
	=====	=====
Diluted	\$ 0.01	\$ 0.01
	=====	=====
Basic average shares outstanding	62,085	61,860
	=====	=====
Diluted average shares outstanding	62,722	62,368
	=====	=====

The accompanying notes are an integral part of the condensed consolidated financial statements.

CONCURRENT COMPUTER CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(DOLLARS IN THOUSANDS)

	SEPTEMBER 30, 2003	JUNE 30, 2003
	-----	-----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 25,181	\$ 30,697
Accounts receivable - net	13,335	10,371
Inventories	6,483	7,174
Deferred tax asset	998	998
Prepaid expenses and other current assets	1,597	879
	-----	-----
Total current assets	47,594	50,119
Property, plant and equipment - net	11,806	11,862
Purchased developed computer software - net	1,156	1,203
Goodwill	10,744	10,744
Investment in minority owned company	553	553
Deferred tax asset	1,749	1,749
Other long-term assets - net	1,464	1,609
	-----	-----
Total assets	\$ 75,066	\$ 77,839
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$ 11,147	\$ 14,644
Deferred revenue	5,556	5,433
	-----	-----
Total current liabilities	16,703	20,077
Long-term liabilities:		
Deferred revenue	2,562	2,212
Deferred tax liability	1,960	2,107
Pension liability	9,842	9,617
Other	438	368
	-----	-----
Total liabilities	31,505	34,381
Stockholders' equity:		
Common stock	623	623
Capital in excess of par value	173,717	174,396
Accumulated deficit	(122,317)	(122,929)
Treasury stock	(58)	(58)
Unearned compensation	(491)	(576)
Accumulated other comprehensive loss	(7,913)	(7,998)
	-----	-----
Total stockholders' equity	43,561	43,458
	-----	-----
Total liabilities and stockholders' equity	\$ 75,066	\$ 77,839
	=====	=====

The accompanying notes are an integral part of the condensed consolidated financial statements.

CONCURRENT COMPUTER CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(DOLLARS IN THOUSANDS)

	THREE MONTHS ENDED	
	SEPTEMBER 30,	
	2003	2002
	-----	-----
OPERATING ACTIVITIES		
Net income	\$ 612	\$ 620
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Reduction in accrual of non-cash warrants	(970)	(54)
Depreciation and amortization	1,257	1,183
Other non cash expenses	559	289
Changes in operating assets and liabilities:		
Accounts receivable	(2,653)	5,405
Inventories	230	66
Prepaid expenses and other current assets	(718)	(1,210)
Other long-term assets	144	6
Accounts payable and accrued expenses	(3,497)	(3,415)
Deferred revenue	473	276
Pension liability	225	244
	-----	-----
Total adjustments to net income	(4,950)	2,790
	-----	-----
Net cash provided by (used in) operating activities	(4,338)	3,410
INVESTING ACTIVITIES		
Net additions to property, plant and equipment	(1,198)	(1,533)
Note receivable from minority owned company	-	(3,000)
Other	-	(29)
	-----	-----
Net cash used in investing activities	(1,198)	(4,562)
FINANCING ACTIVITIES		
Net repayment of capital lease obligation	(22)	(21)
Proceeds from sale and issuance of common stock	8	4
	-----	-----
Net cash used in financing activities	(14)	(17)
Effect of exchange rates on cash and cash equivalents	34	(226)
	-----	-----
Decrease in cash and cash equivalents	(5,516)	(1,395)
Cash and cash equivalents at beginning of period	30,697	30,519
	-----	-----
Cash and cash equivalents at end of period	\$25,181	\$29,124
	=====	=====
Cash paid during the period for:		
Interest	\$ 3	\$ 5
	=====	=====
Income taxes (net of refunds)	\$ 78	\$ 56
	=====	=====

The accompanying notes are an integral part of the condensed consolidated financial statements.

CONCURRENT COMPUTER CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. OVERVIEW OF BUSINESS AND BASIS OF PRESENTATION

Concurrent Computer Corporation ("Concurrent" or the "Company") is a leading supplier of high-performance computer systems, software, and services and operates in two segments, the Video-On-Demand ("VOD") division, Xtreme, located in Duluth, Georgia, and the Integrated Solutions division located in Fort Lauderdale, Florida. Concurrent also provides sales and support from offices and subsidiaries throughout North America, Europe, Asia, and Australia.

Concurrent's Xtreme division provides VOD systems consisting of hardware and software as well as integration services, primarily to residential cable companies that have upgraded their networks to support interactive, digital services. Concurrent's Integrated Solutions division provides high-performance, real-time computer systems to commercial and government customers for use in applications such as simulation and data acquisition.

The condensed, consolidated interim financial statements of Concurrent are unaudited and reflect all adjustments (consisting of only normal recurring adjustments) necessary for a fair statement of Concurrent's financial position, results of operations and cash flows at the dates and for the periods indicated. These financial statements should be read in conjunction with the Annual Report on Form 10-K for the year ended June 30, 2003. There have been no significant changes to Concurrent's Accounting Policies as disclosed in the Annual Report on Form 10-K for the year ended June 30, 2003. Certain reclassifications have been made to prior year amounts to conform with the current year presentation. The results reported in these condensed, consolidated quarterly financial statements should not be regarded as necessarily indicative of results that may be expected for the entire year.

2. BASIC AND DILUTED NET INCOME PER SHARE

Basic net income per share is computed by dividing net income by the weighted average number of common shares outstanding during each period. Diluted net income per share is computed by dividing net income by the weighted average number of shares including dilutive common share equivalents. Under the treasury stock method, incremental shares representing the number of additional common shares that would have been outstanding if the dilutive potential common shares had been issued are included in the computation. Common share equivalents of 5,635,000 and 4,509,000 for the three month periods ended September 30, 2003 and 2002, respectively, were excluded from the calculation as their effect was antidilutive. The following table presents a reconciliation of the numerators and denominators of basic and diluted net income per share for the periods indicated:

	(IN THOUSANDS, EXCEPT PER SHARE DATA)			
	THREE MONTHS ENDED SEPTEMBER 30, 2003		THREE MONTHS ENDED SEPTEMBER 30, 2002	
	BASIC	DILUTED	BASIC	DILUTED
	-----	-----	-----	-----
Average outstanding shares	62,085	62,085	61,860	61,860
Dilutive effect of options and warrants	-	637	-	508
Equivalent shares	62,085	62,722	61,860	62,368
	=====	=====	=====	=====
Net income	\$ 612	\$ 612	\$ 620	\$ 620
	=====	=====	=====	=====
Net income per share	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01
	=====	=====	=====	=====

3. STOCK-BASED COMPENSATION

At September 30, 2003, Concurrent had stock-based employee compensation plans which are described in Note 15 in our annual report on Form 10-K for the year ended June 30, 2003. The Company accounts for these plans under the recognition and measurement principles of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. For the quarter ended September 30, 2003, Concurrent recognized \$32,000 of stock compensation expense for the issuance of restricted stock awards. There is no other stock-based employee compensation expense reflected in net income for the quarter ended September 30, 2003. For the quarter ended September 30, 2002, there was no stock-based employee compensation expense reflected in net income, as all options granted had an exercise price equal to the market value of the underlying stock on the grant date.

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 148, "Accounting for Stock Based Compensation - Transition and Disclosure - An Amendment of FASB Statement No. 123," the following table illustrates the effect on net income (loss) and earnings (loss) per share if the Company had applied the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-Based Compensation", to stock-based employee compensation:

(IN THOUSANDS, EXCEPT PER SHARE DATA)

	THREE MONTHS ENDED	
	SEPTEMBER 30,	
	2003	2002
	-----	-----
Net income as reported	\$ 612	\$ 620
Deduct: Total stock-based employee compensation expense determined under the fair value method, net of related taxes	(1,057)	(1,919)
	-----	-----
Pro forma net loss	\$ (445)	\$ (1,299)
	=====	=====
Earnings (loss) per share		
Basic-as reported	\$ 0.01	\$ 0.01
	=====	=====
Basic-pro forma	\$ (0.01)	\$ (0.02)
	=====	=====
Diluted-as reported	\$ 0.01	\$ 0.01
	=====	=====
Diluted-pro forma	\$ (0.01)	\$ (0.02)
	=====	=====

4. REVENUE RECOGNITION AND RELATED MATTERS

VOD and real-time system revenues are recognized based on the guidance in American Institute of Certified Public Accountants Statement of Position ("SOP") 97-2, "Software Revenue Recognition" ("SOP 97-2") and related amendments, SOP 98-4, "Deferral of the Effective Date of a Provision of SOP 97-2, Software Revenue Recognition" and SOP 98-9, "Modification of SOP 97-2, Software Revenue Recognition, With Respect to Certain Transactions." Concurrent recognizes revenue from VOD and real-time systems when persuasive evidence of an arrangement exists, the system has been shipped, the fee is fixed or determinable and collectibility of the fee is probable. Under multiple element arrangements, Concurrent allocates revenue to the various elements based on vendor-specific objective evidence ("VSOE") of fair value. Concurrent's VSOE of fair value is determined based on the price charged when the same element is sold separately. If evidence of fair value does not exist for all elements in a multiple arrangement, Concurrent recognizes revenue using the residual method. Under the residual method, the fair value of the undelivered elements is deferred and the remaining portion of the arrangement is recognized as revenue.

5. INVENTORIES

Inventories are valued at the lower of cost or market, with cost being determined by using the first-in, first-out method. The components of inventories are as follows:

	(DOLLARS IN THOUSANDS)	
	SEPTEMBER 30, 2003	JUNE 30, 2003
	-----	-----
Raw materials, net	\$ 4,634	\$ 5,933
Work-in-process	1,499	1,024
Finished goods	350	217
	-----	-----
	\$ 6,483	\$ 7,174
	=====	=====

6. INVESTMENTS IN AND RECEIVABLE FROM MINORITY OWNED COMPANIES

In March 2002, Concurrent purchased a 14.4% equity ownership interest in Thirdspace Living Limited ("Thirdspace"). Thirdspace is a closely held United Kingdom global software services corporation that offered interactive and on-demand television solutions for digital subscriber line ("DSL") and other broadband networks. Concurrent invested cash of \$4 million and issued 291,461 shares of its common stock (valued at \$10.29 per share) in exchange for 1,220,601 series C shares of Thirdspace, giving Concurrent a 14.4% ownership interest in all shares outstanding as of the investment date. As part of this transaction, Concurrent capitalized approximately \$300,000 in various transaction costs and as a result, the total equity investment in Thirdspace was \$7.3 million. This investment was accounted for under the cost method of accounting.

In addition to the equity investment, Concurrent also loaned Thirdspace \$6.0 million in exchange for two \$3.0 million long-term convertible notes receivable.

In the third and fourth quarters of fiscal 2003, Concurrent recorded, in the aggregate, a \$13.0 million net impairment charge due to an other than temporary decline in the market value of the investment in Thirdspace, which included a \$6.1 million charge for the write-off of two \$3.0 million notes receivable and related accrued interest. The impairment of the investment and write-off of the related notes receivable and accrued interest was based upon Thirdspace's deteriorating financial condition and actual performance relative to expected performance, the status of Thirdspace's capital raising initiatives, the market conditions of the telecommunications sector, the uncertainty of the collectibility of the notes, the state of the overall economy and the reduced market value of Thirdspace. In May 2003, Thirdspace sold the majority of its assets to Alcatel Telecom Ltd. As a result of the sale of these certain assets, Concurrent received \$471,000 in proceeds, net of legal costs of \$75,000, and an additional \$275,000 was placed in escrow for the benefit of Concurrent, pending resolution of certain outstanding items. In return for these proceeds and a perpetual, royalty-free license to the patents and patent applications previously owned by Thirdspace, Concurrent relinquished its security interest in the intellectual assets of Thirdspace; however, Concurrent still remains a secured party to all other assets retained by Thirdspace.

In the quarter ended September 30, 2003, the majority of Thirdspace's remaining assets were sold and as a result, Concurrent received \$1.1 million in additional proceeds and recorded the proceeds in the line item "Recovery of previously recognized impairment loss" in the Condensed Consolidated Statements of Operations. As of September 30, 2003, uncertainty remained as to the amount and timing of receipt of additional proceeds as a result of further liquidation of Thirdspace's remaining assets.

In April 2002, Concurrent invested cash of \$500,000 in Everstream Holdings, Inc. ("Everstream") in exchange for 480,770 shares of Series C Preferred stock giving Concurrent a 4.9% ownership interest. Everstream is a privately held company specializing in broadband advertising systems, software, infrastructure and related integration services. Concurrent is accounting for its investment in the Series C Preferred stock of Everstream using the cost method, as Concurrent does not believe it exercises significant influence on Everstream. This investment is reviewed quarterly for impairment, and as of September 30, 2003, there has been no impairment of the Everstream investment.

All of Concurrent's equity investments and related notes receivable are reviewed for impairment on a quarterly basis in accordance with Accounting Principles Board Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock" and SFAS 115, "Accounting for Certain Investments in Debt and Equity Securities," respectively.

7. RESTRUCTURING ACTIVITIES

During the fourth quarter of fiscal 2003, Concurrent implemented a restructuring plan to realign resources to focus on more strategic and immediate growth opportunities and to align the Company's cost structure with revenue projections. As part of the restructuring plan, Concurrent terminated approximately 7% of its global workforce and reduced office space in certain international locations. The restructuring plan was accounted for in accordance with SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities." The activities related to this restructuring plan for the quarter ended September 30, 2003 were as follows:

(DOLLARS IN THOUSANDS)			
	WORKFORCE REDUCTION	LEASE TERMINATIONS AND OTHER	TOTAL
	-----	-----	-----
Restructuring accrual at June 30, 2003	\$ 866	\$ 223	\$1,089
Cash payments	411	129	540
	-----	-----	-----
Restructuring accrual at September 30, 2003	\$ 455	\$ 94	\$ 549
	=====	=====	=====

8. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

The components of accounts payable and accrued expenses are as follows:

(DOLLARS IN THOUSANDS)		
	SEPTEMBER 30, 2003	JUNE 30, 2003
	-----	-----
Accounts payable, trade	\$ 2,900	\$ 4,138
Accrued payroll, vacation and other employee expenses	3,838	4,760
Warranty accrual	1,429	2,131
Restructuring accrual	549	1,089
Other accrued expenses	2,431	2,526
	-----	-----
	\$ 11,147	\$ 14,644
	=====	=====

9. COMPREHENSIVE INCOME

Concurrent's total comprehensive income (loss) is as follows:

(DOLLARS IN THOUSANDS)

	THREE MONTHS ENDED	
	SEPTEMBER 30,	
	2003	2002
	-----	-----
Net income	\$ 612	\$ 620
Other comprehensive income (loss):		
Foreign currency translation income (loss)	85	(218)
	-----	-----
Total comprehensive income	\$ 697	\$ 402
	=====	=====

10. SEGMENT INFORMATION

Concurrent operates its business in two segments: Integrated Solutions and Xtreme. Concurrent's Integrated Solutions division is a leading provider of high-performance, real-time computer systems, solutions and software for commercial and government markets focusing on strategic market areas that include hardware-in-the-loop and man-in-the-loop simulation, data acquisition, industrial systems, and software and embedded applications. Concurrent's Xtreme division is a leading supplier of interactive digital video streaming systems primarily to the broadband cable television market. Shared expenses are primarily allocated based on either revenues or headcount. Corporate costs include costs related to the offices of the Chief Executive Officer, Chief Financial Officer, General Counsel, Investor Relations, Human Resources and other administrative costs including annual audit and tax fees, legal fees, Board of Directors fees and similar costs.

The following summarizes the operating income (loss) by segment for the three month periods ended September 30, 2003 and September 30, 2002, respectively:

(DOLLARS IN THOUSANDS)				
THREE MONTHS ENDED SEPTEMBER 30, 2003 (UNAUDITED)				
	INTEGRATED SOLUTIONS	XSTREME	CORPORATE	TOTAL
Revenues:				
Product	\$ 4,394	\$ 9,147	\$ -	\$13,541
Service	4,146	1,215	-	5,361
Total	8,540	10,362	-	18,902
Cost of sales:				
Product	1,356	3,657	-	5,013
Service	2,184	755	-	2,939
Total	3,540	4,412	-	7,952
Gross margin	5,000	5,950	-	10,950
Operating expenses:				
Sales and marketing	1,807	2,156	117	4,080
Research and development	1,482	3,186	-	4,668
General and administrative	419	173	1,577	2,169
Total operating expenses	3,708	5,515	1,694	10,917
Operating income (loss)	\$ 1,292	\$ 435	\$ (1,694)	\$ 33
	=====	=====	=====	=====
THREE MONTHS ENDED SEPTEMBER 30, 2002 (UNAUDITED)				
	INTEGRATED SOLUTIONS	XSTREME	CORPORATE	TOTAL
Revenues:				
Product	\$ 4,092	\$ 12,449	\$ -	\$16,541
Service	4,678	922	-	5,600
Total	8,770	13,371	-	22,141
Cost of sales:				
Product	1,776	5,241	-	7,017
Service	2,607	660	-	3,267
Total	4,383	5,901	-	10,284
Gross margin	4,387	7,470	-	11,857
Operating expenses:				
Sales and marketing	1,844	2,404	156	4,404
Research and development	1,399	3,048	-	4,447
General and administrative	429	563	1,336	2,328
Total operating expenses	3,672	6,015	1,492	11,179
Operating income (loss)	\$ 715	\$ 1,455	\$ (1,492)	\$ 678
	=====	=====	=====	=====

11. ISSUANCE AND ACCRUAL OF NON-CASH WARRANTS

Comcast Cable Communications, Inc. Warrants

On March 29, 2001, Concurrent entered into a three-year definitive purchase agreement with Comcast Cable Communications, Inc., or Comcast, providing for the purchase of VOD equipment. As part of that agreement, Concurrent agreed to issue three different types of warrants.

Concurrent issued a warrant to purchase 50,000 shares of its Common Stock on March 29, 2001, exercisable at \$5.196 per share over a four-year term. This warrant is referred to as the "Initial Warrant."

Concurrent is also generally obligated to issue new warrants to purchase shares of its Common Stock to Comcast at the end of each quarter through March 31, 2004, based upon specified performance goals which are measured by the number of Comcast basic cable subscribers that have the ability to utilize the VOD service. The incremental number of subscribers that have access to VOD at each quarter end as compared to the prior quarter end multiplied by a specified percentage is the number of additional warrants that were earned during the quarter. These warrants are referred to as the "Performance Warrants". Concurrent issued to Comcast a performance warrant for 4,431 shares on October 9, 2001, exercisable at \$6.251 per share over a four-year term, a performance warrant for 52,511 shares on January 15, 2002, exercisable at \$15.019 per share over a four year term, and a performance warrant for 1,502 shares on August 10, 2002, exercisable at \$5.707 per share over a four year term.

Concurrent will also issue additional warrants to purchase shares of its Common Stock, if at the end of any quarter the then total number of Comcast basic cable subscribers with the ability to utilize the VOD services exceeds specified threshold levels. These warrants are referred to as the "Cliff Warrants".

Concurrent is recognizing the value of the Performance Warrants and the Cliff Warrants over the term of the agreement as Comcast purchases additional VOD equipment from Concurrent and makes the service available to its customers. The value of the warrants is determined using the Black-Scholes valuation model. The weighted-average assumptions used for the quarters ended September 30, 2003 and 2002, respectively, were: expected dividend yield of 0% for both periods; risk-free interest rate of 2.40% and 2.57%; expected life of 4 years for both periods; and an expected volatility of 112% and 116%. Concurrent will adjust the value of the earned but unissued warrants on a quarterly basis using the Black-Scholes valuation model until the warrants are actually issued. The value of the new warrants earned and any adjustments in value for warrants previously earned will be determined using the Black-Scholes valuation model and recognized as part of revenue on a quarterly basis.

The exercise price of the warrants is subject to adjustments for stock splits, combinations, stock dividends, mergers, and other similar recapitalization events. The exercise price is also subject to adjustment for issuance of additional equity securities at a purchase price less than the then current fair market value of Concurrent's Common Stock. Based on the information that is currently available, Concurrent does not expect the warrants to be issued to Comcast to exceed 1% of its outstanding shares of Common Stock over the term of the agreement. The exercise price of the warrants to be issued to Comcast will equal the average closing price of Concurrent's Common Stock for the 30 trading days prior to the applicable warrant issuance date and will be exercisable over a four year term.

For the three months ended September 30, 2003, Concurrent recognized \$351,000 as a reduction in revenue for the Performance Warrants and Cliff Warrants that have been earned but unissued as of September 30, 2003. The decrease in revenue during the three month period ended September 30, 2003 is due from the increase in the number of Comcast basic cable subscribers that have the ability to utilize VOD services and the increase in the Black-Scholes value of the warrants earned but unissued. For the three months ended September 30, 2002, Concurrent recorded an increase in revenue of \$57,000 for the Performance Warrants and Cliff Warrants that were earned but unissued due primarily to a decrease in the Black-Scholes value of the warrants earned but unissued as of September 30, 2002.

In accordance with a five year definitive agreement with Scientific Atlanta, Inc. ("SAI") executed in August of 1998, Concurrent agreed to issue warrants to SAI upon achievement of pre-determined revenue targets. The value of these warrants could not exceed 5% of applicable revenue and the number of shares of Concurrent common stock related to the warrants are determined using the Black-Scholes valuation model and could not exceed 888,888 shares for every \$30 million of revenue from the sale of VOD servers using the SAI platform. The Black-Scholes value of these warrants could not impact gross margin by more than \$1.5 million per \$30 million of applicable revenue. Concurrent accrued for this cost as a part of cost of sales at the time of recognition of applicable revenue. Concurrent issued warrants to SAI upon reaching the first \$30 million threshold on April 1, 2002, exercisable at \$7.106 per share over a four-year term, all of which are still outstanding as of September 30, 2003.

The five year definitive agreement with SAI expired on August 17, 2003, and at that time Concurrent had not reached the second \$30 million threshold of revenue using the SAI platform. As a result, Concurrent was not obligated to issue a warrant under the agreement regarding the second \$30 million threshold, and accordingly, reversed \$1.3 million of expense during the three month period ended September 30, 2003, which had been previously accrued in anticipation of reaching the next \$30 million threshold. This reversal was recorded in VOD systems cost of sales. For the three month period ended September 30, 2002, Concurrent recognized \$3,000, as part of VOD product cost of sales for the SAI warrants that had been earned but unissued.

12. RECENT ACCOUNTING PRONOUNCEMENTS

In December 2002, the FASB issued Interpretation No. ("FIN") 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," which provides for additional disclosures to be made by a guarantor in its interim and annual financial statements about its obligations and requires, under certain circumstances, a guarantor to recognize at the inception of a guarantee a liability for the fair value of the obligation undertaken in issuing the guarantee. Concurrent adopted the disclosure requirements for fiscal year ended June 30, 2003. The adoption of FIN 45 has not had a material impact on Concurrent's consolidated financial statements.

In May 2003, FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity." SFAS No. 150 clarifies the definition of a liability as currently defined in FASB Concepts Statement No. 6, "Elements of Financial Statements," as well as other planned revisions. This statement requires a financial instrument that embodies an obligation of an issuer to be classified as a liability. In addition, the statement establishes standards for the initial and subsequent measurement of these financial instruments and disclosure requirements. SFAS No. 150 became effective for Concurrent on July 1, 2003. The adoption of this standard did not have a material impact on Concurrent's consolidated financial statements.

In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities." This interpretation clarifies the application of Accounting Research Bulletin No. 51, "Consolidated Financial Statements," in determining whether a reporting entity should consolidate certain legal entities, including partnerships, limited liability companies, or trusts, among others, collectively defined as variable interest entities. This interpretation applies to variable interest entities created or obtained after January 31, 2003, and as of July 1, 2003, to variable interest entities in which an enterprise holds a variable interest that it acquired before February 1, 2003. The FASB subsequently issued FASB Staff Position FIN 46-6, which defers the effective date for applying the provisions of FIN 46 to financial statements for (1) interests held by public entities in variable interest entities or potential variable interest entities created before February 1, 2003 and (2) non-registered investment companies. Concurrent does not have any variable interest entities; therefore, management believes this statement will not have a material impact on Concurrent's consolidated financial statements.

13. CONTINGENCIES

Concurrent, from time to time, is involved in litigation incidental to the conduct of its business. Concurrent believes that such pending litigation will not have a material adverse effect on Concurrent's results of operations or financial condition.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SELECTED OPERATING DATA AS A PERCENTAGE OF TOTAL REVENUE

The following table sets forth selected operating data as a percentage of total revenue, unless otherwise indicated, for certain items in our consolidated statements of operations for the periods indicated.

	THREE MONTHS ENDED	
	SEPTEMBER 30,	
	2003	2002
	-----	-----
	(Unaudited)	
Revenues:		
Product sales		
Real-time systems	23.2%	18.5%
VOD systems	48.4	56.2
	-----	-----
Total product sales	71.6	74.7
Service		
Real-time systems	21.9	21.1
VOD systems	6.5	4.2
	-----	-----
Total service sales	28.4	25.3
	-----	-----
Total	100.0	100.0
Cost of sales (% of respective sales category):		
Product		
Real-time systems	30.9	43.4
VOD systems	40.0	42.1
	-----	-----
Total product cost of sales	37.0	42.4
Service		
Real-time systems	52.7	55.7
VOD systems	62.1	71.6
	-----	-----
Total service cost of sales	54.8	58.3
	-----	-----
Total cost of sales	42.1	46.4
	-----	-----
Gross margin	57.9	53.6
Operating expenses:		
Sales and marketing	21.6	19.9
Research and development	24.7	20.1
General and administrative	11.4	10.5
	-----	-----
Total operating expenses	57.7	50.5
	-----	-----
Operating income	0.2	3.1
Recovery of previously recognized impairment loss	5.6	-
Interest income - net	0.3	0.9
Other expense - net	(0.7)	(0.2)
	-----	-----
Income before income taxes	5.4	3.7
Provision for income taxes	2.2	0.9
	-----	-----
Net income	3.2%	2.8%
	=====	=====

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RESULTS OF OPERATIONS

THE QUARTER ENDED SEPTEMBER 30, 2003 COMPARED TO THE QUARTER ENDED SEPTEMBER 30, 2002

Product Sales. Total product sales were \$13.5 million for the three months ended September 30, 2003, a decrease of \$3.0 million, or 18.1%, from \$16.5 million for the same period of the prior year. The decrease in product sales resulted primarily from the decrease in VOD product sales of \$3.3 million, or 26.5%, to \$9.1 million in the three month period ended September 30, 2003 from \$12.4 million for same period of the prior year. The decrease in VOD product sales for the three months ended September 30, 2003 was due primarily to a different mix of customers and products, including decreased sales of QAMs and Upconverters and a decrease in prices of certain system components in the three months ended September 30, 2003 as compared to the prior year period. The decrease in VOD product sales was also due to an increase of approximately \$400,000 in revenue reductions resulting from additional warrants being earned by Comcast as compared to the same period of the prior year. The decrease in VOD product sales was partially offset by software sales of our newly released Real-Time Media content ingestion product as compared to the prior year period.

Sales of real-time products increased \$0.3 million, or 7.4%, to \$4.4 million for the three month period ended September 30, 2003 from \$4.1 million for the same period of the prior year. The increase in real-time product revenue was due to a more favorable product mix in the three month period ended September 30, 2003 as compared to same period of the prior year.

Service Revenue. Service revenue decreased \$0.2 million, or 4.3%, to \$5.4 million for the three month period ended September 30, 2003, from \$5.6 million for the same period of the prior year. VOD service revenue increased \$0.3 million, or 31.8%, to \$1.2 million in the three month period ended September 30, 2003 from \$0.9 million for the same period of the prior year, as the Xstreme division continued to recognize deferred maintenance revenue and expand its VOD customer base requiring additional installation, training, technical support, and software and hardware maintenance services. The increase in VOD service revenue was offset by a \$0.5 million, or 11.4%, decrease in real-time service revenue to \$4.2 million for the three month period ended September 30, 2003 from \$4.7 million for the same period of the prior year. Real-time service revenue continued to decline primarily due to the cancellation of maintenance contracts as machines were removed from service and from customers purchasing our new products that are less expensive to maintain.

Product Gross Margin. Product gross margin decreased \$1.0 million, or 10.5%, to \$8.5 million for the three months ended September 30, 2003 from \$9.5 million for the same period of the prior year. The product gross margin as a percentage of sales increased to 63.0% in the three month period ended September 30, 2003 from 57.6% in the three month period ended September 30, 2002. VOD product gross margin increased to 60.0% in the three month period ended September 30, 2003 from 57.9% in the same period of the prior year due to the \$1.3 million reversal from cost of sales of previously recognized warrant expense in the three months ended September 30, 2003. The favorable impact from the warrant expense reversal was partially offset by an increase in the revenue reduction from the warrant accrual for Comcast of approximately \$400,000 over the prior year period due to an increase in the Black-Scholes value of the warrants and increased sales to Comcast during the three months ended September 30, 2003. Real-time product gross margin increased to 69.1% in the three month period ended September 30, 2003 from 56.6% for the same period of the prior year due to a more favorable product mix, particularly related to higher margin software sales in the current quarter, as compared to the same period of the prior fiscal year.

Service Gross Margin. The gross margin on service sales increased to 45.2% for the three month period ended September 30, 2003 from 41.7% for the same period of the prior year. VOD service margins increased to 37.9% compared to 28.4% in the prior year period as the Xstreme division continues to build its VOD customer base and revenue at a faster rate than the costs required to support these services. Real-time service gross margin increased to 47.3% from 44.3% due primarily to reduced costs from the restructuring initiatives implemented in the fourth quarter of fiscal 2003.

Sales and Marketing. Sales and marketing expenses increased as a percentage of sales to 21.6% for the three months ended September 30, 2003 from 19.9% for the same period of the prior year. These expenses decreased \$0.3 million, or 7.4%, to \$4.1 million during the three month period ended September 30, 2003

from \$4.4 million in the same period of the prior year. The Integrated Solutions division's sales and marketing expenses remained relatively constant as compared to the same period of the prior year. The Xtreme division's sales and marketing expenses decreased \$0.3 million primarily due to reduced salaries and wages as a result of the realignment of resources in the fourth quarter of fiscal 2003, and a decrease in trade show and other advertising expenses and commissions.

Research and Development. Research and development expenses increased as a percentage of sales to 24.7% for the three months ended September 30, 2003 from 20.1% for the same period of the prior year. These expenses increased \$0.2 million, or 5.0%, to \$4.7 million during the three month period ended September 30, 2003 from \$4.5 million during the same period of the prior year. The \$0.2 million increase in research and development expense is due to an increase in salaries and related costs as the Xtreme and Integrated Solutions divisions added new development staff since the same period of the prior year and an increase in depreciation expense in the Xtreme division, partially offset by a decrease in consulting expenses in the Xtreme division as compared to the same period of the prior year.

General and Administrative. General and administrative expenses increased as a percentage of sales to 11.4% for the three months ended September 30, 2003 from 10.5% for the same period of the prior year. These expenses decreased \$0.1 million, or 6.8%, to \$2.2 million during the three months ended September 30, 2003 compared to \$2.3 million in same period of the prior year due primarily to a reduction in the bad debt reserve of \$0.3 million, partially offset by an increase in legal costs, accounting salaries and wages and consulting fees in the three months ended September 30, 2003 as compared to the same period of the prior year.

Recovery of Previously Recognized Impairment Loss. In the third and fourth quarters of fiscal 2003, we recorded, in the aggregate, a net impairment charge of \$13.0 million due to an other-than-temporary decline in the market value of our equity investment in Thirdspace, which included a \$6.1 million charge for the write off of two \$3.0 million notes receivable and related accrued interest. As a result of a partial liquidation of Thirdspace's remaining assets in the quarter ended September 30, 2003, we received net proceeds of \$1.1 million as a partial recovery of the previously written off notes receivable. The income recognized related to these proceeds is recorded in the line item "Recovery of previously recognized impairment loss" in the Condensed Consolidated Statements of Operations and the value of the investment and notes receivables remain at zero on our September 30, 2003 Condensed Consolidated Balance Sheets. As of September 30, 2003, uncertainty remained as to the amount and timing of receipt of additional proceeds as a result of further liquidation of Thirdspace's remaining assets.

Income Taxes. We recorded income tax expense for our domestic and foreign subsidiaries of \$0.4 million and \$0.2 million during the three month periods ended September 30, 2003 and 2002, respectively. This expense is based on a pre-tax income of \$1.0 million and \$0.8 million in the three month periods ended September 30, 2003 and 2002, respectively. For the three months ended September 30, 2003, this expense is primarily attributable to U.S. federal income tax that is offset by net operating losses originating prior to our quasi-reorganization in November 1991. For accounting purposes, the benefit from the utilization of the pre quasi-reorganization net operating losses must be recognized directly in equity rather than through the income statement. For the three months ended September 30, 2002, this expense was primarily attributable to foreign withholding taxes and income earned in foreign locations, which cannot be offset by net operating loss carryforwards.

Net Income. We recorded net income of \$0.6 million or \$0.01 per basic and diluted share for the three months ended September 30, 2003 and 2002.

LIQUIDITY AND CAPITAL RESOURCES

Our liquidity is dependent on many factors, including sales volume, operating profit and the efficiency of asset use and turnover. Our future liquidity will be affected by, among other things:

- The actual versus anticipated decline in sales of real-time proprietary systems and service maintenance revenue;
- Revenues from real-time systems;
- Revenue growth from VOD systems and the pace at which cable companies implement VOD technology;
- Ongoing cost control actions and expenses, including for example, research and development and capital expenditures;
- The margins on the VOD and real-time businesses;
- The ability to raise additional capital, if necessary;
- The ability to obtain bank financing, if necessary;
- Timing of product shipments which occur primarily during the last month of the quarter;
- The percentage of sales derived from outside the United States where there are generally longer accounts receivable collection cycles;
- The number of countries in which we operate, which may require maintenance of minimum cash levels in each country and, in certain cases, may restrict the repatriation of cash, such as cash held on deposit to secure office leases; and
- The success of the fourth generation VOD platform.

We used cash of \$4.3 million from operating activities during the three months ended September 30, 2003 compared to providing cash of \$3.4 million during the same period of the prior year. The decrease in cash from operations was due to decreased collections of accounts receivable as compared to the same period of the prior year.

We invested \$1.2 million in property plant and equipment during the three months ended September 30, 2003 compared to \$1.5 million during the three months ended September 30, 2002. Capital additions during the first three months of fiscal 2004 related primarily to product development and testing equipment and demonstration equipment for our Xtreme division.

At September 30, 2003, we had working capital of \$30.9 million and had no material commitments for capital expenditures. We believe that the existing cash balances and funds generated by operations will be sufficient to meet the anticipated working capital and capital expenditure requirements for the next 12 months.

Deferred revenues increased \$0.5 million from \$7.6 million at June 30, 2003 to \$8.1 million at September 30, 2003, due primarily to the growing base of cable customers with maintenance programs where the revenue is recognized ratably over the maintenance period.

We maintain pension plans for certain employees and former employees in the United Kingdom and Germany. The projected benefit obligation for the benefit plans at June 30, 2003 and June 30, 2002 as determined in accordance with SFAS No. 87, "Employers Accounting for Pensions", was \$21.5 million and \$17.0 million, respectively, and the value of the plans assets was \$12.9 million and \$12.0 million, respectively. As a result, the plans were underfunded by \$8.6 million at June 30, 2003 and by \$5.0 million at June 30, 2002. The value of plan assets was \$12.9 million at September 30, 2003. It is likely that the amount of our contribution to the plans will increase from the \$394,000 of contributions made in fiscal 2003. In addition, management expects the pension cost to be recognized in the financial statements will increase from the \$747,000 recognized in fiscal 2003 to approximately \$1,060,000 in fiscal 2004, of which approximately \$265,000 was recognized in the three months ended September 30, 2003. The expense to be recognized in future periods could increase further, depending upon the amount of the change in the fair market value of the plan assets and the change in the projected benefit obligation.

The funding deficiency of \$8.6 million at June 30, 2003 may increase further or decrease in the future depending primarily upon the actual investment performance of the pension assets as compared to the assumed rate of return on plan assets and the amount of contributions to the plan by the Company. The Company is currently in the process of completing its valuation to determine the amount of contributions to the plan that the Company will be required to make for the next 3 years. We also recorded a reduction to stockholders' equity as of June 30, 2003 and 2002, amounting to \$3.0 million and \$1.6 million, respectively, due to the decrease in the discount rate used to calculate the accumulated benefit obligation and the less than anticipated investment returns.

Our only significant contractual obligations and commitments relate to certain operating leases for sales, service and manufacturing facilities in the United States, Europe and Asia.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made or incorporated by reference in this report on Form 10-Q may constitute "forward-looking statements" within the meaning of the federal securities laws. When used or incorporated by reference in this prospectus, the words "believes," "expects," "estimates", "anticipates" and similar expressions are intended to identify forward-looking statements. Statements regarding future events and developments and our future performance, as well as our expectations, beliefs, plans, estimates or projections relating to the future, are forward-looking statements within the meaning of these laws. All forward-looking statements are subject to certain risks and uncertainties that could cause actual events to differ materially from those projected. The risks and uncertainties which could affect our financial condition or results of operations include, without limitation:

- availability of VOD content;
- delays or cancellations of customer orders;
- changes in product demand;
- economic conditions;
- various inventory risks due to changes in market conditions;
- uncertainties relating to the development and ownership of intellectual property;
- uncertainties relating to our ability and the ability of other companies to enforce their intellectual property rights;
- the pricing and availability of equipment, materials and inventories;
- the limited operating history of our VOD segment;
- the concentration of our customers;
- failure to effectively manage growth;
- delays in testing and introductions of new products;
- rapid technology changes;
- demand shifts from high-priced, proprietary real-time systems to low-priced, open server systems;
- system errors or failures;
- reliance on a limited number of suppliers;
- uncertainties associated with international business activities, including foreign regulations, trade controls, taxes, and currency fluctuations;
- the highly competitive environment in which we operate and predatory pricing pressures;
- failure to effectively service the installed base;
- the entry of new well-capitalized competitors into our markets;
- the valuation of equity investments and collectibility of notes receivable;
- capital spending patterns by a limited customer base; and
- contract obligations that could impact revenue recognition.

Other important risk factors are discussed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2003.

Our forward-looking statements are based on current expectations and speak only as of the date of such statements. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of future events, new information or otherwise.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are exposed to market risk from changes in interest rates and foreign currency exchange rates. We are exposed to the impact of interest rate changes on our short-term cash investments, which are backed

by U.S. government obligations, and other investments in respect of institutions with the highest credit ratings, all of which have maturities of three months or less. These short-term investments carry a degree of interest rate risk. We believe that the impact of a 10% increase or decline in interest rates would not be material to the financial statements.

We conduct business in the United States and around the world. The most significant foreign currency transaction exposures relate to the United Kingdom, those Western European countries that use the Euro as a common currency, Australia, and Japan. We do not hedge against fluctuations in exchange rates and believe that a hypothetical 10% upward or downward fluctuation in foreign currency exchange rates relative to the United States dollar would not have a material impact on future earnings, fair values, or cash flows.

ITEM 4. CONTROLS AND PROCEDURES

As required by Securities and Exchange Commission rules, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2003, the end of the quarter to which this report relates. This evaluation was carried out under the supervision and with the participation of our management, including our principal executive officer and principal financial officer. Based on this evaluation, these officers have concluded that the design and operation of our disclosure controls and procedures are effective. There were no changes to our internal controls over financial reporting during the period covered by this report that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting subsequent to the date of the their evaluation.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act of 1934, as amended, are recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be involved in litigation relating to claims arising out of our ordinary course of business. We are not presently involved in any material litigation, but have the following matters pending:

- SeaChange International, Inc. v. Putterman, et al, Arkansas Court of Appeals, Case No. CA 01-1126. The suit was filed on June 14, 1999 alleging that we defamed SeaChange International, Inc. ("SeaChange"). On June 14, 2000, we counterclaimed against SeaChange alleging that SeaChange defamed us. On January 4, 2001, the court granted our motion to dismiss all claims against us. SeaChange subsequently and successfully appealed and the matter is set for trial in January 2004.

- Eason v. Concurrent Computer Corp, et al., Superior Court of New Jersey, Appellate Division, Docket No. A-003181-02T2. This suit arose out of personal injury claim filed in 1994 wherein plaintiff alleged that he was injured when a lamp post in our parking lot fell. The case against us was dismissed in 1995, but in 2000 the plaintiff amended the cause of action and refiled against us alleging spoliation of evidence. The plaintiff obtained a default judgment for \$119,800 in December 2001 that was vacated in August 2002. Plaintiff subsequently refiled and in February 2003 the court granted our motion to dismiss all claims. Plaintiff has appealed, and the matter has been briefed. A decision by the appellate court is expected this fiscal year.

We are involved in various other legal proceedings. We believe that any liability which may arise as a result of these proceedings, including the proceedings specifically discussed above, will not have a material adverse effect on our financial condition.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

- 3.1 - Restated Certificate of Incorporation of the Registrant (incorporated by reference to the Registrant's Registration Statement on Form S-2 (No. 33-62440)).
- 3.2 - Amended and Restated Bylaws of the Registrant Certificate (incorporated by reference to the Registrants Quarterly report on Form 10-Q for the quarter ended March 31, 2003).
- 3.3 - Certificate of Correction to Restated Certificate of Incorporation of the Registrant (incorporated by reference to the Registrant's Annual Report on Form 10-K for the fiscal year ended June 30, 2002).
- 3.4 - Amended Certificate of Designations of Series A Participating Cumulative Preferred Stock (incorporated by reference to the Form 8-A/A, dated August 9, 2002).
- 3.5 - Amendment to Amended Certificate of Designations of Series A Participating Cumulative Preferred Stock (incorporated by reference to the Form 8-A/A, dated August 9, 2002).
- 4.1 - Form of Common Stock Certificate (incorporated by reference to the Registrants Quarterly report on Form 10-Q for the quarter ended March 31, 2003).
- 4.2 - Form of Rights Certificate (incorporated by reference to the Registrant's Current Report on Form 8-K/A filed August 12, 2002).
- 4.3 - Amended and Restated Rights Agreement dated as of August 7, 2002 between the Registrant and American Stock Transfer & Trust Company, as Rights Agent (incorporated by reference to the Registrant's Current Report on Form 8-K/A filed on August 12, 2002).
- 10.1** - Form Indemnifications Agreement and Schedule of Directors who have entered into such agreement.
- 11.1* - Statement Regarding Computation of Per Share Earnings.
- 31.1** - Certification of Chief Executive Officer, pursuant to Rule 13a-14 (a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2** - Certification of Chief Financial Officer, pursuant to Rule 13a-14 (a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1** - Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2** - Certification of Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Data required by Statement of Financial Accounting Standards No. 128, "Earnings per Share," is provided in the Notes to the condensed consolidated financial statements in this report.

** Filed herewith.

(b) Reports on Form 8-K.

The following reports on Form 8-K were filed during the period covered by this report:

- Current Report on Form 8-K furnished on August 22, 2003, relating to results of operations and financial condition as of and for the quarter and year ended June 30, 2003.
- Current Report on Form 8-K furnished on August 28, 2003, relating to required Regulation G Disclosures related to the conference call on August 21, 2003.
- Current Report on Form 8-K filed on September 25, 2003, relating to the resignation of Paul C. Meyer, president of Integrated Solutions Division, effective October 10, 2003.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this quarterly report for the quarter ended September 30, 2003, to be signed on its behalf by the undersigned thereunto duly authorized.

Date: November 14, 2003

CONCURRENT COMPUTER CORPORATION

By: /s/ Steven R. Norton

Steven R. Norton
Executive Vice President, Chief Financial
Officer and Secretary
(Principal Financial and Accounting Officer,
Authorized Officer)

EXHIBIT INDEX

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* Data required by Statement of Financial Accounting Standards No. 128, "Earnings per Share," is provided in the Notes to the condensed consolidated financial statements in this report.

** Filed herewith.

Schedule of Directors with whom the Company has executed Indemnification Agreements, a form of which follows:

Alex Best
Charles Blackmon
Michael Brunner
Jack Bryant
Bruce Hawthorne
C. James Shelton
Steve Nussrallah

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INDEMNIFICATION AGREEMENT

INDEMNIFICATION AGREEMENT, made and executed this _____ day of _____, 2003, by and between CONCURRENT COMPUTER CORPORATION, Delaware corporation (the "Company"), and _____, an individual resident of the State of _____ (the "Indemnitee").

WHEREAS, the Company is aware that, in order to induce highly competent persons to serve the Company as directors or officers or in other capacities, the Company must provide such persons with adequate protection through insurance and indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the Company;

WHEREAS, the Company recognizes that the increasing difficulty in obtaining directors' and officers' liability insurance, the increases in the cost of such insurance and the general reductions in the coverage of such insurance have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board of Directors of the Company has determined that it is essential to the best interests of the Company's stockholders that the Company act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify such persons to the fullest extent permitted by applicable law so that they will continue to serve the Company free from undue concern that they will not be so indemnified; and

WHEREAS, the Indemnitee is willing to serve, continue to serve, and take on additional service for or on behalf of the Company on the condition that he/she be so indemnified.

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Indemnitee do hereby agree as follows:

1. SERVICE BY THE INDEMNITEE. The Indemnitee agrees to serve and/or continue to serve as a director or officer of the Company faithfully and will discharge his/her duties and responsibilities to the best of his/her ability so long as the Indemnitee is duly elected or qualified in accordance with the provisions of the Restated Certificate of Incorporation, as amended (the "Certificate"), and Amended and Restated By-laws, as amended (the "By-laws") of the Company and the General Corporation Law of the State of Delaware, as amended (the "DGCL"), or until his/her earlier death, resignation or removal. The Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or other obligation imposed by operation of law), in which event the Company shall have no obligation under this Agreement to continue the Indemnitee in any such position. Nothing in this Agreement shall confer upon the Indemnitee the right to continue in the employ of the Company or as a director of the Company or affect the right of the Company to terminate the Indemnitee's employment at any time in the sole discretion of the Company, with or without cause, subject to any contract rights of the Indemnitee created or existing otherwise than under this Agreement.

2. INDEMNIFICATION. The Company shall indemnify the Indemnitee against all Expenses (as defined below), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Indemnitee as provided in this Agreement to the fullest extent permitted by the Certificate, By-laws and DGCL or other applicable law in effect on the date of this Agreement and to any greater extent that applicable law may in the future from time to time permit. Without diminishing the scope of the indemnification provided by this Section 2, the rights of indemnification of the Indemnitee provided hereunder shall include, but shall not be limited to, those rights hereinafter set forth, except that no indemnification shall be paid to the Indemnitee:

(a) on account of any suit in which judgment is rendered against the Indemnitee for disgorgement of profits made from the purchase or sale by the Indemnitee of securities of the Company pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended (the "Act"), or similar provisions of any federal, state or local statutory law;

(b) on account of conduct of the Indemnitee which is finally adjudged by a court of competent jurisdiction to have been knowingly fraudulent or to constitute willful misconduct;

(c) in any circumstance where such indemnification is expressly prohibited by applicable law;

(d) with respect to liability for which payment is actually made to the Indemnitee under a valid and collectible insurance policy or under a valid and enforceable indemnity clause, By-law or agreement (other than this Agreement), except in respect of any liability in excess of payment under such insurance, clause, By-law or agreement;

(e) if a final decision by a court having jurisdiction in the matter shall determine that such indemnification is not lawful (and, in this respect, both the Company and the Indemnitee have been advised that it is the position of the Securities and Exchange Commission that indemnification for liabilities arising under the federal securities laws is against public policy and is, therefore, unenforceable, and that claims for indemnification should be submitted to the appropriate court for adjudication); or

(f) in connection with any proceeding by the Indemnitee against the Company or its directors, officers, employees or other Indemnitees, (i) unless such indemnification is expressly required to be made by law, (ii) unless the proceeding was authorized by the Board of Directors of the Company, (iii) unless such indemnification is provided by the Company, in its sole discretion, pursuant to the powers vested in the Company under applicable law, or (iv) except as provided in Sections 11 and 13 hereof.

3. ACTIONS OR PROCEEDINGS OTHER THAN AN ACTION BY OR IN THE RIGHT OF THE COMPANY. The Indemnitee shall be entitled to the indemnification rights provided in this Section 3 if the Indemnitee was or is a party or is threatened to be a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative in nature, other than an action by or in the right of the Company, by reason of the fact that the Indemnitee is or was a director, officer, employee, agent or fiduciary of the Company, or is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of any other entity, including, but not limited to, another corporation, partnership, limited liability company, employee benefit plan, joint venture, trust or other enterprise, or by reason of any act or omission by him/her in such capacity. Pursuant to this Section 3, the Indemnitee shall be indemnified against all Expenses, judgments, penalties (including excise and similar taxes), fines and amounts paid in settlement which were actually and reasonably incurred by the Indemnitee in connection with such action, suit or proceeding (including, but not limited to, the investigation, defense or appeal thereof), if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful.

4. ACTIONS BY OR IN THE RIGHT OF THE COMPANY. The Indemnitee shall be entitled to the indemnification rights provided in this Section 4 if the Indemnitee was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding brought by or in the right of the Company to procure a judgment in its favor by reason of the fact that the Indemnitee is or was a director, officer, employee, agent or fiduciary of the Company, or is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another entity, including, but not limited to, another corporation, partnership, limited liability company, employee benefit plan, joint venture, trust or other enterprise, or by reason of any act or omission by him/her in any such capacity. Pursuant to this Section 4, the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by him/her in connection with the defense or settlement of such action, suit or proceeding (including, but not limited to the investigation, defense or appeal thereof), if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to

be in or not opposed to the best interests of the Company; provided however, that no such indemnification shall be made in respect of any claim, issue, or matter as to which the Indemnitee shall have been adjudged to be liable to the Company, unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action, suit or proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the Indemnitee is fairly and reasonably entitled to be indemnified against such Expenses actually and reasonably incurred by him/her which such court shall deem proper.

5. GOOD FAITH DEFINITION. For purposes of this Agreement, the Indemnitee shall be deemed to have acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal action or proceeding to have had no reasonable cause to believe the Indemnitee's conduct was unlawful, if such action was based on (i) the records or books of the account of the Company or other enterprise, including financial statements; (ii) information supplied to the Indemnitee by the officers of the Company or other enterprise in the course of their duties; (iii) the advice of legal counsel for the Company or other enterprise; or (iv) information or records given in reports made to the Company or other enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or other enterprise.

6. INDEMNIFICATION FOR EXPENSES OF SUCCESSFUL PARTY. Notwithstanding the other provisions of this Agreement, to the extent that the Indemnitee has served on behalf of the Company as a witness or other participant in any class action or proceeding, or has been successful, on the merits or otherwise, in defense of any action, suit or proceeding referred to in Section 3 and 4 hereof, or in defense of any claim, issue or matter therein, including, but not limited to, the dismissal of any action without prejudice, the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee in connection therewith, regardless of whether or not the Indemnitee has met the applicable standards of Section 3 or 4 and without any determination pursuant to Section 8.

7. PARTIAL INDEMNIFICATION. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by the Indemnitee in connection with the investigation, defense, appeal or settlement of such suit, action, investigation or proceeding described in Section 3 or 4 hereof, but is not entitled to indemnification for the total amount thereof, the Company shall nevertheless indemnify the Indemnitee for the portion of such Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the Indemnitee to which the Indemnitee is entitled.

8. PROCEDURE FOR DETERMINATION OF ENTITLEMENT TO INDEMNIFICATION. (a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including documentation and information which is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification. Any Expenses incurred by the Indemnitee in connection with the Indemnitee's request for indemnification hereunder shall be borne by the Company. The Company hereby indemnifies and agrees to hold the Indemnitee harmless for any Expenses incurred by Indemnitee under the immediately preceding sentence irrespective of the outcome of the determination of the Indemnitee's entitlement to indemnification.

(b) Upon written request by the Indemnitee for indemnification pursuant to Section 3 or 4 hereof, the entitlement of the Indemnitee to indemnification pursuant to the terms of this Agreement shall be determined by the following person or persons, who shall be empowered to make such determination: (i) if a Change in Control (as hereinafter defined) shall have occurred, by Independent Counsel (as hereinafter defined) (unless the Indemnitee shall request in writing that such determination be made by the Board of Directors (or a committee thereof) in the manner provided for in clause (ii) of this Section 8(b)) in a written opinion to the Board of Directors, a copy of which shall be delivered to the Indemnitee; or (ii) if a Change in Control shall not have occurred, (A)(1) by the Board of Directors of the Company, by a majority vote of Disinterested Directors (as hereinafter defined) even though less than a quorum, or (2) by a committee of

Disinterested Directors designated by majority vote of Disinterested Directors, even though less than a quorum, or (B) if there are no such Disinterested Directors or, even if there are such Disinterested Directors, if the Board of Directors, by the majority vote of Disinterested Directors, so directs, by Independent Counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the Indemnitee. Such Independent Counsel shall be selected by the Board of Directors and approved by the Indemnitee. Upon failure of the Board of Directors to so select, or upon failure of the Indemnitee to so approve, such Independent Counsel shall be selected by the Chancellor of the State of Delaware or such other person as the Chancellor shall designate to make such selection. Such determination of entitlement to indemnification shall be made not later than 45 days after receipt by the Company of a written request for indemnification. If the person making such determination shall determine that the Indemnitee is entitled to indemnification as to part (but not all) of the application for indemnification, such person shall reasonably prorate such part of indemnification among such claims, issues or matters. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten days after such determination.

9. PRESUMPTIONS AND EFFECT OF CERTAIN PROCEEDINGS. (a) In making a determination with respect to entitlement to indemnification, the Indemnitee shall be presumed to be entitled to indemnification hereunder and the Company shall have the burden of proof in the making of any determination contrary to such presumption.

(b) If the Board of Directors, or such other person or persons empowered pursuant to Section 8 to make the determination of whether Indemnitee is entitled to indemnification, shall have failed to make a determination as to entitlement to indemnification within 45 days after receipt by the Company of such request, the requisite determination of entitlement to indemnification shall be deemed to have been made and the Indemnitee shall be absolutely entitled to such indemnification, absent actual and material fraud in the request for indemnification or a prohibition of indemnification under applicable law. The termination of any action, suit, investigation or proceeding described in Section 3 or 4 hereof by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself: (a) create a presumption that the Indemnitee did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, that the Indemnitee has reasonable cause to believe that the Indemnitee's conduct was unlawful; or (b) otherwise adversely affect the rights of the Indemnitee to indemnification, except as may be provided herein.

10. ADVANCEMENT OF EXPENSES. All reasonable Expenses actually incurred by the Indemnitee in connection with any threatened or pending action, suit or proceeding shall be paid by the Company in advance of the final disposition of such action, suit or proceeding, if so requested by the Indemnitee, within 20 days after the receipt by the Company of a statement or statements from the Indemnitee requesting such advance or advances. The Indemnitee may submit such statements from time to time. The Indemnitee's entitlement to such Expenses shall include those incurred in connection with any proceeding by the Indemnitee seeking an adjudication or award in arbitration pursuant to this Agreement. Such statement or statements shall reasonably evidence the Expenses incurred by the Indemnitee in connection therewith and shall include or be accompanied by a written affirmation by Indemnitee of Indemnitee's good faith belief that Indemnitee has met the standard of conduct necessary for indemnification under this Agreement and an undertaking by or on behalf of the Indemnitee to repay such amount if it is ultimately determined that the Indemnitee is not entitled to be indemnified against such Expenses by the Company pursuant to this Agreement or otherwise. Each written undertaking to pay amounts advanced must be an unlimited general obligation but need not be secured, and shall be accepted without reference to financial ability to make repayment.

11. REMEDIES OF THE INDEMNITEE IN CASES OF DETERMINATION NOT TO INDEMNIFY OR TO ADVANCE EXPENSES. In the event that a determination is made that the Indemnitee is not entitled to indemnification hereunder or if the payment has not been timely made following a determination of entitlement to indemnification pursuant to Sections 8 and 9, or if Expenses are not advanced pursuant to Section 10, the Indemnitee shall be entitled to a final adjudication in an appropriate court of the State of Delaware or any other court of competent jurisdiction of the Indemnitee's entitlement to such indemnification or advance. Alternatively, the Indemnitee may, at the Indemnitee's option, seek an award in arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association, such award to be made within 60 days following the filing of the demand for arbitration. The Company shall not oppose the Indemnitee's right to seek any such adjudication or

award in arbitration or any other claim. Such judicial proceeding or arbitration shall be made de novo, and the Indemnitee shall not be prejudiced by reason of a determination (if so made) that the Indemnitee is not entitled to indemnification. If a determination is made or deemed to have been made pursuant to the terms of Section 8 or Section 9 hereof that the Indemnitee is entitled to indemnification, the Company shall be bound by such determination and shall be precluded from asserting that such determination has not been made or that the procedure by which such determination was made is not valid, binding and enforceable. The Company further agrees to stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement and is precluded from making any assertions to the contrary. If the court or arbitrator shall determine that the Indemnitee is entitled to any indemnification hereunder, the Company shall pay all reasonable Expenses actually incurred by the Indemnitee in connection with such adjudication or award in arbitration (including, but not limited to, any appellate proceedings).

12. NOTIFICATION AND DEFENSE OF CLAIM. Promptly after receipt by the Indemnitee of notice of the commencement of any action, suit or proceeding, the Indemnitee will, if a claim in respect thereof is to be made against the Company under this Agreement, notify the Company in writing of the commencement thereof; but the omission to so notify the Company will not relieve the Company from any liability that it may have to the Indemnitee otherwise than under this Agreement or otherwise, except to the extent that the Company may suffer material prejudice by reason of such failure. Notwithstanding any other provision of this Agreement, with respect to any such action, suit or proceeding as to which the Indemnitee gives notice to the Company of the commencement thereof:

(a) The Company will be entitled to participate therein at its own expense.

(b) Except as otherwise provided in this Section 12(b), to the extent that it may wish, the Company, jointly with any other indemnifying party similarly notified, shall be entitled to assume the defense thereof with counsel reasonably satisfactory to the Indemnitee. After notice from the Company to the Indemnitee of its election to so assume the defense thereof, the Company shall not be liable to the Indemnitee under this Agreement for any legal or other Expenses subsequently incurred by the Indemnitee in connection with the defense thereof other than reasonable costs of investigation or as otherwise provided below. The Indemnitee shall have the right to employ the Indemnitee's own counsel in such action or lawsuit, but the fees and Expenses of such counsel incurred after notice from the Company of its assumption of the defense thereof shall be at the expense of the Indemnitee unless (i) the employment of counsel by the Indemnitee has been authorized by the Company, (ii) the Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and the Indemnitee in the conduct of the defense of such action and such determination by the Indemnitee shall be supported by an opinion of counsel, which opinion shall be reasonably acceptable to the Company, or (iii) the Company shall not in fact have employed counsel to assume the defense of the action, in each of which cases the fees and Expenses of counsel shall be at the expense of the Company. The Company shall not be entitled to assume the defense of any action, suit or proceeding brought by or on behalf of the Company or as to which the Indemnitee shall have reached the conclusion provided for in clause (ii) above.

(c) The Company shall not be liable to indemnify the Indemnitee under this Agreement for any amounts paid in settlement of any action or claim effected without its written consent, which consent shall not be unreasonably withheld. The Company shall not be required to obtain the consent of Indemnitee to settle any action or claim which the Company has undertaken to defend if the Company assumes full and sole responsibility for such settlement and such settlement grants Indemnitee a complete and unqualified release in respect of potential liability.

(d) If, at the time of the receipt of a notice of a claim pursuant to this Section 12, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of the policies.

13. OTHER RIGHT TO INDEMNIFICATION. The indemnification and advancement of Expenses provided by this Agreement are cumulative, and not exclusive, and are in addition to any other rights to which the Indemnitee may now or in the future be entitled under any provision of the By-laws or Certificate of the Company, any vote of stockholders or Disinterested Directors, any provision of law or otherwise. Except as required by applicable law, the Company shall not adopt any amendment to its By-laws or Certificate the effect of which would be to deny, diminish or encumber the Indemnitee's right to indemnification under this Agreement.

14. DIRECTOR AND OFFICER LIABILITY INSURANCE. The Company shall maintain directors' and officers' liability insurance for so long as Indemnitee's services are covered hereunder, provided and to the extent that such insurance is available on a commercially reasonable basis. In the event the Company maintains directors' and officers' liability insurance, the Indemnitee shall be named as an insured in such manner as to provide the Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's officers or directors. However, the Company agrees that the provisions hereof shall remain in effect regardless of whether liability or other insurance coverage is at any time obtained or retained by the Company; except that any payments made to, or on behalf of, the Indemnitee under an insurance policy shall reduce the obligations of the Company hereunder.

15. SPOUSAL INDEMNIFICATION. The Company will indemnify the Indemnitee's spouse to whom the Indemnitee is legally married at any time the Indemnitee is covered under the indemnification provided in this Agreement (even if Indemnitee did not remain married to him or her during the entire period of coverage) against any pending or threatened action, suit, proceeding or investigation for the same period, to the same extent and subject to the same standards, limitations, obligations and conditions under which the Indemnitee is provided indemnification herein, if the Indemnitee's spouse (or former spouse) becomes involved in a pending or threatened action, suit, proceeding or investigation solely by reason of his or her status as Indemnitee's spouse, including, without limitation, any pending or threatened action, suit, proceeding or investigation that seeks damages recoverable from marital community property, jointly-owned property or property purported to have been transferred from the Indemnitee to his/her spouse (or former spouse). The Indemnitee's spouse or former spouse also may be entitled to advancement of Expenses to the same extent that Indemnitee is entitled to advancement of Expenses herein. The Company may maintain insurance to cover its obligation hereunder with respect to Indemnitee's spouse (or former spouse) or set aside assets in a trust or escrow fund for that purpose.

16. INTENT. This Agreement is intended to be broader than any statutory indemnification rights applicable in the State of Delaware and shall be in addition to any other rights Indemnitee may have under the Company's Certificate, By-laws, applicable law or otherwise. To the extent that a change in applicable law (whether by statute or judicial decision) permits greater indemnification by agreement than would be afforded currently under the Company's Certificate, By-laws, applicable law or this Agreement, it is the intent of the parties that Indemnitee enjoy by this Agreement the greater benefits so afforded by such change.

17. ATTORNEY'S FEES AND OTHER EXPENSES TO ENFORCE AGREEMENT. In the event that the Indemnitee is subject to or intervenes in any proceeding in which the validity or enforceability of this Agreement is at issue or seeks an adjudication or award in arbitration to enforce the Indemnitee's rights under, or to recover damages for breach of, this Agreement the Indemnitee, if he/she prevails in whole or in part in such action, shall be entitled to recover from the Company and shall be indemnified by the Company against any actual expenses for attorneys' fees and disbursements reasonably incurred by the Indemnitee.

18. EFFECTIVE DATE. The provisions of this Agreement shall cover claims, actions, suits or proceedings whether now pending or hereafter commenced and shall be retroactive to cover acts or omissions or alleged acts or omissions which heretofore have taken place. The Company shall be liable under this Agreement, pursuant to Sections 3 and 4 hereof, for all acts of the Indemnitee while serving as a director and/or officer, notwithstanding the termination of the Indemnitee's service, if such act was performed or omitted to be performed during the term of the Indemnitee's service to the Company.

19. DURATION OF AGREEMENT. This Agreement shall survive and continue even though the Indemnitee may have terminated his/her service as a director, officer, employee, agent or fiduciary of the Company or as a director, officer, employee, agent or fiduciary of any other entity, including, but not limited to another corporation, partnership, limited liability company, employee benefit plan, joint venture, trust or other enterprise or by reason of any act or omission by the Indemnitee in any such capacity. This Agreement shall be binding upon the Company and its successors and assigns, including, without limitation, any corporation or other entity which may have acquired all or substantially all of the Company's assets or business or into which the Company may be consolidated or merged, and shall inure to the benefit of the Indemnitee and his/her spouse, successors, assigns, heirs, devisees, executors, administrators or other legal representations. The Company shall require any successor or assignee (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by written agreement in form and substance reasonably satisfactory to the Company and the Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession or assignment had taken place.

20. DISCLOSURE OF PAYMENTS. Except as expressly required by any Federal or state securities laws or other Federal or state law, neither party shall disclose any payments under this Agreement unless prior approval of the other party is obtained.

21. SEVERABILITY. If any provision or provisions of this Agreement shall be held invalid, illegal or unenforceable for any reason whatsoever, (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, but not limited to, all portions of any Sections of this Agreement containing any such provision held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (b) to the fullest extent possible, the provisions of this Agreement (including, but not limited to, all portions of any paragraph of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifest by the provision held invalid, illegal or unenforceable.

22. COUNTERPARTS. This Agreement may be executed by one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought shall be required to be produced to evidence the existence of this Agreement.

23. CAPTIONS. The captions and headings used in this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

24. DEFINITIONS. For purposes of this Agreement:

(a) "Change in Control" shall mean a change in control of the Company occurring after the date hereof of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Act, whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, a

Change in Control shall include: (i) the acquisition (other than from the Company) by any person, entity or "group" within the meaning of Section 13(d)(3) or 14(d)(2) of the Act (excluding, for this purpose, the Company or its subsidiaries, any employee benefit plan of the Company or its subsidiaries which acquires beneficial ownership of voting securities of the Company, and any qualified institutional investor who meets the requirements of Rule 13d-1(b)(1) promulgated under the Act) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Act), of 20% or more of either the then-outstanding shares of common stock or the combined voting power of the Company's then-outstanding capital stock entitled to vote generally in the election of directors; (ii) individuals who, as of the date hereof, constitute the Board of Directors (the "Incumbent Board") ceasing for any reason to constitute at least a majority of the Board of Directors, provided that any person becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then

comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company) shall be, for purposes of this Agreement, considered as though such person were a member of the Incumbent Board; or (iii) approval by the stockholders of the Company of (A) a reorganization, merger, or consolidation, in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger, or consolidation do not, immediately thereafter, own more than 75% of the combined voting power entitled to vote generally in the election of directors of the reorganized, merged, consolidated or other surviving corporation's then-outstanding voting securities, (B) a liquidation or dissolution of the Company, or (C) the sale of all or substantially all of the assets of the Company.

(b) "Disinterested Director" shall mean a director of the Company who is not or was not a party to the action, suit, investigation or proceeding in respect of which indemnification is being sought by the Indemnitee.

(c) "Expenses" shall include all attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating or being or preparing to be a witness in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative in nature.

(d) "Independent Counsel" shall mean a law firm or a member of a law firm that neither is presently nor in the past five years has been retained to represent (i) the Company or the Indemnitee in any matter material to either such party or (ii) any other party to the action, suit, investigation or proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's right to indemnification under this Agreement.

25. ENTIRE AGREEMENT, MODIFICATION AND WAIVER. This Agreement constitutes the entire agreement and understanding of the parties hereto regarding the subject matter hereof, and no supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver. No supplement, modification or amendment of this Agreement shall limit or restrict any right of the Indemnitee under this Agreement in respect of any act or omission of the Indemnitee prior to the effective date of such supplement, modification or amendment unless expressly provided therein.

26. NOTICES. All notices, requests, demands or other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand with receipt acknowledged by the party to whom said notice or other communication shall have been directed or if (ii) mailed by certified or registered mail, return receipt requested with postage prepaid, on the date shown on the return receipt:

(a) If to the Indemnitee to:

(b) If to the Company, to:

Concurrent Computer Corporation
4375 RiverGreen Parkway
Duluth, GA 30096
Attention: General Counsel

with a copy to:

King & Spalding LLP
Attn: John D. Capers, Jr.
191 Peachtree Street
Atlanta, Georgia 30303

or to such other address as may be furnished to the Indemnitee by the Company or to the Company by the Indemnitee, as the case may be.

27. GOVERNING LAW. The parties hereto agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, applied without giving effect to any conflicts-of-law principles.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

CONCURRENT COMPUTER CORPORATION

By _____
Name: _____
Title: _____

INDEMNITEE:

By _____
Name: _____

CERTIFICATION

I, Jack A. Bryant, III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Concurrent Computer Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2003

/s/ Jack A. Bryant, III

Name: Jack A. Bryant, III
Title: President and Chief Executive Officer

CERTIFICATION

I, Steven R. Norton, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Concurrent Computer Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2003

/s/ Steven R. Norton

Name: Steven R. Norton
Title: Executive Vice President, Chief
Financial Officer and Secretary

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and in connection with the Quarterly Report on Form 10-Q of Concurrent Computer Corporation (the "Corporation") for the quarter ended September 30, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, the President and Chief Executive Officer of the Corporation certifies that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Corporation.

November 14, 2003

/s/ Jack A. Bryant, III

Jack A. Bryant, III
President and Chief Executive Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and in connection with the Quarterly Report on Form 10-Q of Concurrent Computer Corporation (the "Corporation") for the quarter ended September 30, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, the Executive Vice President, Chief Financial Officer and Secretary of the Corporation certifies that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Corporation.

November 14, 2003

/s/ Steven R. Norton

Steven R. Norton
Executive Vice President, Chief Financial
Officer and Secretary

