FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended December 31, 2017

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 Number 001-36632

EMCORE Corporation
(Exact name of registrant as specified in its charter)

New Jersey	**22-2746503**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2015 W. Chestnut Street, Alhambra, California, 91803
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(626) 293-3400**

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 ☐ **No**

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☑ **Yes** ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definition of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. ☐ Large accelerated filer ☑ **Accelerated filer** ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☑ **No**

As of January 31, 2018, the number of shares outstanding of our no par value common stock totaled 27,199,762.

CAUTIONARY STATEMENT
REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our current expectations and projections about future events and financial trends affecting the financial condition of our business. Such forward-looking statements include, in particular, projections about our future results included in our Exchange Act reports and statements about our plans, strategies, business prospects, changes and trends in our business and the markets in which we operate. These forward-looking statements may be identified by the use of terms and phrases such as “anticipates,” “believes,” “can,” “could,” “estimates,” “expects,” “forecasts,” “intends,” “may,” “plans,” “projects,” “should,” “targets,” “will,” “would,” and similar expressions or variations of these terms and similar phrases. Additionally, statements concerning future matters such as our expected liquidity, development of new products, enhancements or technologies, sales levels, expense levels, expectations regarding the outcome of legal proceedings and other statements regarding matters that are not historical are forward-looking statements. Management cautions that these forward-looking statements relate to future events or our future financial performance and are subject to business, economic, and other risks and uncertainties, both known and unknown, that may cause actual results, levels of activity, performance, or achievements of our business or our industry to be materially different from those expressed or implied by any forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include without limitation the following: (a) the rapidly evolving markets for the Company's products and uncertainty regarding the development of these markets; (b) the Company's historical dependence on sales to a limited number of customers and fluctuations in the mix of products and customers in any period; (c) delays and other difficulties in commercializing new products; (d) the failure of new products: (i) to perform as expected without material defects, (ii) to be manufactured at acceptable volumes, yields, and cost, (iii) to be qualified and accepted by our customers, and (iv) to successfully compete with products offered by our competitors; (e) uncertainties concerning the availability and cost of commodity materials and specialized product components that we do not make internally; (f) actions by competitors; (g) risks and uncertainties related to applicable laws and regulations, including the impact of changes to applicable tax laws, and (h) other risks and uncertainties discussed in Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K for the fiscal year ended September 30, 2017, as updated by our subsequent periodic reports we file with the Securities and Exchange Commission (“SEC”). These cautionary statements apply to all forward-looking statements wherever they appear in this Quarterly Report.

Forward-looking statements are based on certain assumptions and analysis made in light of our experience and perception of historical trends, current conditions and expected future developments as well as other factors that we believe are appropriate under the circumstances. While these statements represent our judgment on what the future may hold, and we believe these judgments are reasonable, these statements are not guarantees of any events or financial results. All forward-looking statements in this Quarterly Report are made as of the date hereof, based on information available to us as of the date hereof, and subsequent facts or circumstances may contradict, obviate, undermine, or otherwise fail to support or substantiate such statements. We caution you not to rely on these statements without also considering the risks and uncertainties associated with these statements and our business that are addressed in this Quarterly Report and our Annual Report on Form 10-K for the fiscal year ended September 30, 2017. Certain information included in this Quarterly Report may supersede or supplement forward-looking statements in our other reports filed with the SEC. We assume no obligation to update any forward-looking statement to conform such statements to actual results or to changes in our expectations, except as required by applicable law or regulation.

EMCORE Corporation
FORM 10-Q
For The Quarterly Period Ended December 31, 2017

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PART I. Financial Information.

ITEM 1. Financial Statements

EMCORE CORPORATION
Condensed Consolidated Statements of Operations And Comprehensive Income
For the three months ended December 31, 2017 and 2016
(in thousands, except net (loss) income per share)
(unaudited)

	For the three months ended December 31,	
	2017	**2016**
Revenue	$ 24,036	$ 30,176
Cost of revenue	16,122	20,133
Gross profit	7,914	10,043
Operating expense:		
Selling, general, and administrative	4,819	5,578
Research and development	3,800	2,199
Loss on sale of assets	107	—
Total operating expense	8,726	7,777
Operating (loss) income	(812)	2,266
Other income (expense):		
Interest income, net	111	23
Foreign exchange gain (loss)	286	(403)
Total other income (expense)	397	(380)
(Loss) income from continuing operations before income tax benefit (expense)	(415)	1,886
Income tax benefit (expense)	333	(120)
(Loss) income from continuing operations	(82)	1,766
Loss from discontinued operations, net of tax	—	(9)
Net (loss) income	$ (82)	$ 1,757
Foreign exchange translation adjustment	253	(260)
Comprehensive income	$ 171	$ 1,497
Per share data:		
Net (loss) income per basic share:		
Continuing operations	$ (0.00)	$ 0.07
Discontinued operations	—	(0.00)
Net (loss) income per basic share	$ (0.00)	$ 0.07
Net (loss) income per diluted share:		
Continuing operations	$ (0.00)	$ 0.07
Discontinued operations	—	(0.00)
Net (loss) income per diluted share	$ (0.00)	$ 0.07
Weighted-average number of basic shares outstanding	27,032	26,279
Weighted-average number of diluted shares outstanding	27,032	27,039

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

EMCORE CORPORATION
Condensed Consolidated Balance Sheets
As of December 31, 2017 and September 30, 2017
(in thousands, except per share data)
(unaudited)

	As of December 31, 2017	As of September 30, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	$ 64,200	$ 68,333
Restricted cash	33	421
Accounts receivable, net of allowance of $39 and $22, respectively	23,130	22,265
Inventory	23,401	25,139
Prepaid expenses and other current assets	8,461	8,527
Total current assets	119,225	124,685
Property, plant, and equipment, net	17,157	16,635
Non-current inventory	2,510	2,686
Other non-current assets	576	78
Total assets	$ 139,468	$ 144,084
LIABILITIES and SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 7,414	$ 11,818
Accrued expenses and other current liabilities	9,206	9,825
Total current liabilities	16,620	21,643
Asset retirement obligations	1,655	1,638
Other long-term liabilities	42	29
Total liabilities	18,317	23,310
Commitments and contingencies (Note 11)		
Shareholders' equity:		
Preferred stock, $0.0001 par value, 5,882 shares authorized; none issued or outstanding	—	—
Common stock, no par value, 50,000 shares authorized; 34,062 shares issued and 27,152 shares outstanding as of December 31, 2017; 33,938 shares issued and 27,028 shares outstanding as of September 30, 2017	731,112	730,906
Treasury stock at cost; 6,910 shares	(47,721)	(47,721)
Accumulated other comprehensive income	814	561
Accumulated deficit	(563,054)	(562,972)
Total shareholders' equity	121,151	120,774
Total liabilities and shareholders' equity	$ 139,468	$ 144,084

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

EMCORE CORPORATION
Condensed Consolidated Statements of Cash Flows
For the three months ended December 31, 2017 and 2016
(in thousands)
(unaudited)

	For the three months ended December 31,	
	2017	**2016**
Cash flows from operating activities:		
Net (loss) income	$ (82)	$ 1,757
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and accretion expense	1,202	758
Stock-based compensation expense	915	772
Provision adjustments related to doubtful accounts	17	—
Provision adjustments related to product warranty	58	88
Net loss on disposal of equipment	107	—
Other	(132)	—
Total non-cash adjustments	2,167	1,618
Changes in operating assets and liabilities:		
Accounts receivable	(883)	(2,645)
Inventory	2,169	(4,549)
Other assets	(277)	149
Accounts payable	(4,322)	4,824
Accrued expenses and other current liabilities	(727)	(495)
Total change in operating assets and liabilities	(4,040)	(2,716)
Net cash (used in) provided by operating activities	(1,955)	659
Cash flows from investing activities:		
Purchase of equipment	(1,881)	(3,242)
Proceeds from disposal of property, plant and equipment	8	—
Net cash used in investing activities	(1,873)	(3,242)
Cash flows from financing activities:		
Proceeds from stock plans	16	104
Tax withholding paid on behalf of employees for stock-based awards	(724)	—
Net cash provided by financing activities	(708)	104
Effect of exchange rate changes on foreign currency	15	352
Net decrease in cash, cash equivalents and restricted cash	(4,521)	(2,127)
Cash, cash equivalents and restricted cash at beginning of period	68,754	64,870
Cash, cash equivalents and restricted cash at end of period	$ 64,233	$ 62,743
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for interest	$ 16	$ 20
Cash paid during the period for income taxes	$ 33	$ 2
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Changes in accounts payable related to purchases of equipment	$ (176)	$ (455)

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

EMCORE Corporation
Notes to our Condensed Consolidated Financial Statements

NOTE 1. Description of Business

Business Overview

EMCORE Corporation (referred to herein, together with its subsidiaries, as the "Company," "we," "our," or "EMCORE") was established in 1984 as a New Jersey corporation. The Company became publicly traded in 1997 and is listed on the Nasdaq stock exchange under the ticker symbol EMKR. EMCORE pioneered the linear fiber optic transmission technology that enabled the world's first delivery of Cable TV directly on fiber, and today is a leading provider of advanced *Mixed-Signal Optics* products that enable communications systems and service providers to meet growing demand for increased bandwidth and connectivity. The *Mixed-Signal Optics* technology at the heart of our broadband communications products is shared with our fiber optic gyros and inertial sensors to provide the aerospace and defense markets with state-of-the-art navigation systems technology. With both analog and digital circuits on multiple chips, or even a single chip, the value of *Mixed-Signal* device solutions is often far greater than traditional digital applications and requires a specialized expertise held by EMCORE which is unique in the optics industry.

We currently have one reporting segment: Fiber Optics.

Interim Financial Statements
The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim information, and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and notes required by U.S. GAAP for annual financial statements. In our opinion, the interim financial statements reflect all normal adjustments that are necessary to provide a fair presentation of the financial results for the interim periods presented. Operating results for interim periods are not necessarily indicative of results that may be expected for an entire fiscal year. The condensed consolidated balance sheet as of September 30, 2017 has been derived from the audited consolidated financial statements as of such date as adjusted for discontinued operations. For a more complete understanding of our business, financial position, operating results, cash flows, risk factors and other matters, please refer to our Annual Report on Form 10-K for the fiscal year ended September 30, 2017.

NOTE 2. Recent Accounting Pronouncements and U.S. Tax Reform

There have been no recent accounting pronouncements or changes in accounting pronouncements that are of significance, or of potential significance, to us other than those discussed below:

- In May 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2017-09, *Compensation — Stock Compensation (Topic 718): Scope of Modification Accounting*. ASU 2017-09 clarifies when changes to the terms or conditions of a share-based payment award must be accounted for as modifications. The new guidance is intended to reduce diversity in practice and result in fewer changes to the terms of an award being accounted for as a modification. Under ASU 2017-09, an entity will not apply modification accounting to a share-based payment award if the award's fair value, vesting conditions and classification as an equity or liability instrument are the same immediately before and after the change. ASU 2017-09 will be applied prospectively to awards modified on or after the adoption date. The new guidance is effective for annual periods, beginning after December 15, 2017 and interim periods within those annual periods. The Company does not expect the adoption of ASU 2017-09 will have a material impact on the Company's consolidated financial statements.

- In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 introduces a lessee model that requires recognition of assets and liabilities arising from qualified leases on the consolidated balance sheets and disclosure of qualitative and quantitative information about lease transactions. This guidance is effective for fiscal years beginning after December 15, 2018 and interim periods within those years. The new standard will be effective for our fiscal year beginning October 1, 2019 and early adoption is permitted.

This update will be applied using a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The operating lease obligations at December 31, 2017 were approximately $4.1 million. Assuming an average discounted rate of 4% applied to these remaining lease payments, we estimate that the impact to our balance sheet as of October 1, 2019 upon adoption would be within the range of $2.0 million to $3.0 million due to recognition of the right-of-use asset and lease liability related to current operating leases. The Company is continuing to evaluate the effect of this update on its consolidated financial statements and related disclosures.

- In July 2015, the FASB issued ASU 2015-11, Inventory (Topic 330): *Simplifying the Measurement of Inventory*. This standard requires inventory to be measured at the lower of cost and net realizable value. The guidance clarifies that net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. This guidance was effective for fiscal years beginning after December 15, 2016 and interim periods within those fiscal years. The new standard was effective for our fiscal year beginning October 1, 2017, but there was no significant impact on our condensed consolidated financial statements.

- In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* which will supersede most current U.S. GAAP guidance on this topic. In April 2016, the FASB issued ASU No. 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing* to clarify two aspects of the guidance within ASU No. 2014-09 on identifying performance obligations and the licensing implementation guidance. Under the new standards, recognition of revenue occurs when the seller satisfies a performance obligation by transferring to the customer promised goods or services in an amount that reflects the consideration the entity expects to receive for those goods or services. The new standard, as amended through December 2016, will be effective for our fiscal year beginning October 1, 2018 and early adoption is permitted as of October 1, 2017. The standard permits the use of either the full retrospective or modified retrospective method. We have established a cross-functional coordinated implementation team to implement ASU 2014-09. We are in the process of identifying and implementing changes to our systems, processes and internal controls to meet the reporting and disclosure requirements.

  Upon evaluation, we believe that the key revenue streams will be split between product sales and firm fixed price contracts, which comprise the majority of our business. Based upon the evaluation completed to date, the Company believes that the pattern of revenue recognition for these revenue streams will generally be at a point-in-time for product sales and over a period of time for firm fixed price contracts, which is consistent with current guidance. The Company does not believe the adoption of ASU 2014-09 will have a material impact on the Company's financial statements and related disclosures. As of December 31, 2017, the Company intends to adopt ASU 2014-09 utilizing a modified retrospective method on October 1, 2018.

U.S. Tax Reform

- On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act significantly revises the future ongoing U.S. corporate income tax by, among other things, lowering U. S. corporate income tax rates and implementing a territorial tax system. As the Company has a September 30 fiscal year-end, the lower corporate income tax rate will be phased in, resulting in a U.S. statutory federal rate of approximately 25% for our fiscal year ending September 30, 2018, and 21% for subsequent fiscal years. However, the Tax Act provides for a credit for historical Alternative Minimum Taxes ("AMT") paid against future taxes. As a result, the Company has taken a tax benefit of $0.5 million in the three months ended December 31, 2017 for historical AMT payments. In addition, the Tax Act eliminates the domestic manufacturing deduction and moves to a territorial system, which also eliminates the ability to credit certain foreign taxes that existed prior to enactment of the Tax Act. For the three months ended December 31, 2017, the elimination of the manufacturing deduction and credit for certain foreign taxes paid did not result in a significant impact on our financial statements.

  There are also certain transitional impacts of the Tax Act. As part of the transition to the new territorial tax system, the Tax Act imposes a one-time repatriation tax on deemed repatriation of historical earnings of foreign subsidiaries. In addition, the reduction of the U.S. corporate tax rate will cause us to adjust our U.S. deferred tax assets and liabilities to the lower federal base rate of 21%. Due to historical foreign losses and a full valuation allowance on our deferred tax assets as of September 30, 2017, these transitional impacts did not result in an impact on our financial statements for the three months ended December 31, 2017.

  The changes included in the Tax Act are broad and complex. The final transition impacts of the Tax Act may differ from the above estimate, possibly materially, due to, among other things, changes in interpretations of the Tax Act, any legislative action to address questions that arise because of the Tax Act, any changes in accounting standards for income taxes or related interpretations in response to the Tax Act, or any updates or changes to estimates the Company has utilized to calculate the transition impacts, including impacts from changes to current year earnings estimates and foreign exchange rates of foreign subsidiaries. The Securities Exchange Commission has issued rules that would allow for a measurement period of up to one year after the enactment date of the Tax Act to finalize the recording of the related tax impacts. We currently anticipate finalizing and recording any resulting adjustments by the end of our current fiscal year ending September 30, 2018.

NOTE 3. Cash, Cash Equivalents and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the unaudited condensed consolidated balance sheets that sum to the total of the same amounts shown in the unaudited statements of condensed consolidated cash flows:

(in thousands)	**As of December 31, 2017**	**As of September 30, 2017**	**As of December 31, 2016**
Cash	$ 3,769	$ 8,054	$ 2,215
Cash equivalents	$ 60,431	$ 60,279	$ 59,966
Restricted cash	33	421	562
Total cash, cash equivalents and restricted cash	$ 64,233	68,754	62,743

The Company's restricted cash includes cash balances which are legally or contractually restricted to use. The Company's restricted cash is included in current assets as of December 31, 2017 and 2016, and September 30, 2017.

NOTE 4. Fair Value Accounting

ASC Topic 820 ("ASC 820"), *Fair Value Measurements,* establishes a valuation hierarchy for disclosure of the inputs to valuation techniques used to measure fair value. This standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value:

- Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the assets or liabilities, either directly or indirectly, through market corroboration, for substantially the full term of the financial instrument.
- Level 3 inputs are unobservable inputs based on our own assumptions used to measure assets or liabilities at fair value.

Classification of an asset or liability within this hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs.

Cash consists primarily of bank deposits or highly liquid short-term investments with a maturity of three months or less at the time of purchase. Restricted cash represents temporarily restricted deposits held as compensating balances against short-term borrowing arrangements.

The carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, other current assets, and accounts payable approximate fair value because of the short maturity of these instruments.

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NOTE 5. Accounts Receivable

The components of accounts receivable consisted of the following:

(in thousands)	As of December 31, 2017	As of September 30, 2017
Accounts receivable, gross	$ 23,169	$ 22,287
Allowance for doubtful accounts	(39)	(22)
Accounts receivable, net	$ 23,130	$ 22,265

The allowance for doubtful accounts is based on the age of receivables and a specific identification of receivables considered at risk of collection.

The following table summarizes changes in the allowance for doubtful accounts for the three months ended December 31, 2017 and 2016.

Allowance for Doubtful Accounts *(in thousands)*	For the three months ended December 31,	
	2017	2016
Balance at beginning of period	$ 22	$ 36
Provision adjustment - expense, net of recoveries	17	—
Write-offs and other adjustments - deductions to receivable balances	—	(3)
Balance at end of period	$ 39	$ 33

NOTE 6. Inventory

The components of inventory consisted of the following:

(in thousands)	As of December 31, 2017	As of September 30, 2017
Raw materials	$ 13,663	$ 15,826
Work in-process	6,015	6,586
Finished goods	6,233	5,413
Inventory balance at end of period	$ 25,911	$ 27,825
Current portion	$ 23,401	$ 25,139
Non-Current portion	$ 2,510	$ 2,686

The non-current inventory balance of $2.5 million and $2.7 million as of December 31, 2017 and September 30, 2017, respectively, is comprised entirely of raw materials which we acquired as part of a last time purchase as a result of the vendor announcing they would cease manufacturing a part.

NOTE 7. Property, Plant, and Equipment, net

The components of property, plant, and equipment, net consisted of the following:

(in thousands)	As of December 31, 2017	As of September 30, 2017
Equipment	$ 31,622	$ 31,507
Furniture and fixtures	1,109	1,109
Computer hardware and software	2,927	2,974
Leasehold improvements	2,444	2,330
Construction in progress	4,339	4,539
Property, plant, and equipment, gross	$ 42,441	42,459
Accumulated depreciation	(25,284)	(25,824)
Property, plant, and equipment, net	$ 17,157	$ 16,635

NOTE 8. Accrued Expenses and Other Current Liabilities

The components of accrued expenses and other current liabilities consisted of the following:

(in thousands)	As of December 31, 2017	As of September 30, 2017
Compensation	$ 2,537	$ 3,904
Warranty	713	684
Professional fees	395	653
Customer deposits	16	20
Income and other taxes	4,309	2,920
Severance and restructuring accruals	488	628
Other	748	1,016
Accrued expenses and other current liabilities	$ 9,206	$ 9,825

Compensation: Compensation is primarily comprised of accrued employee salaries, taxes and benefits.

Income and other taxes: For the three months ended December 31, 2017, the Company recorded approximately $0.3 million of income tax benefit from continuing operations and $0 of income tax benefit within income from discontinued operations. For the three months ended December 31, 2016, the Company recorded $120,000 of income tax expense from continuing operations income and $0 of income tax expense within income from discontinued operations. The income tax benefit (expense) within discontinued operations includes estimated alternative minimum tax and other adjustments prescribed by ASC 740 in allocating expected annual income tax expense (benefit) between continuing operations and discontinued operations. Income and other taxes also includes foreign income and value added taxes.

Severance and restructuring accruals: In an effort to better align our current and future business operations, in November 2016, the Company announced a reduction in the workforce of approximately 5 individuals and recorded a charge of $0.2 million in the three months ended December 31, 2016 related to the outsourcing of our satellite communications assembly operations.

In March 2017, the Company announced an additional workforce reduction of approximately 14 individuals and recorded a charge of $0.1 million in the fiscal year ended September 30, 2017 related to the outsourcing of our wafer fabrication lab. During the fiscal year ended September 30, 2017, the Company recorded an additional charge of $0.4 million for six additional individuals related to the March 2017 workforce reduction. Also, in March 2017, in connection with our opening of a new manufacturing facility in China to reduce costs and improve efficiency later in fiscal year 2017, we accrued for a workforce reduction of approximately 265 individuals and recorded a charge of $0.5 million in the fiscal year ended September 30, 2017. During the fiscal year ended September 30, 2017, the Company recorded an additional charge of $0.4 million for the workforce reduction of 72 additional individuals related to the opening of our new manufacturing facility in China.

In September 2017, the Company announced it would be closing its Ivyland, Pennsylvania location during fiscal year 2018 and reducing its workforce by approximately 11 individuals and recorded a charge for severance for the affected employees in the amount of $0.3 million in the fiscal year ended September 30, 2017.

Our severance and restructuring-related accruals specifically relate to the separation agreements and reductions in force discussed above and non-cancelable obligations associated with an abandoned leased facility. Expense related to severance and restructuring accruals is included in selling, general, and administrative expense on our statements of operations and comprehensive income. The following table summarizes the changes in the severance accrual account:

(in thousands)		**Severance-related accruals**
Balance as of September 30, 2017	$	628
Expense - charged to accrual		41
Payments and accrual adjustments		(181)
Balance as of December 31, 2017	$	488

Warranty: The following table summarizes the changes in our product warranty accrual accounts:

Product Warranty Accruals	**For the three months ended December 31,**			
(in thousands)		**2017**		**2016**
Balance at beginning of period	$	684	$	871
Provision for product warranty - expense		58		88
Adjustments and utilization of warranty accrual		(29)		(168)
Balance at end of period	$	713	$	791

NOTE 9. Credit Facilities

On November 11, 2010, we entered into a Credit and Security Agreement (the “Credit Facility”) with Wells Fargo Bank, N.A. The Credit Facility is secured by the Company's assets and is subject to a borrowing base formula based on the Company's eligible accounts receivable, inventory, and machinery and equipment accounts.

On November 10, 2015, we entered into a Seventh Amendment of the Credit Facility which extended the maturity date of the facility to November 2018. On July 27, 2017, we entered into a Ninth Amendment of the Credit Facility which adjusted the interest rate to LIBOR plus 1.75%. The Credit Facility currently provides us with a revolving credit line of up to $15.0 million, subject to a borrowing base formula, that can be used for working capital requirements, letters of credit, and other general corporate purposes.

As of December 31, 2017, there were no amounts outstanding under this Credit Facility and the Company was in compliance with all financial covenants. Also, as of December 31, 2017, the Credit Facility had approximately $0.5 million reserved for one outstanding stand-by letter of credit and $9.1 million available for borrowing. As of January 31, 2018, there was no outstanding balance under this Credit Facility and $0.5 million reserved for one outstanding stand-by letter of credit.

NOTE 10. Income and other Taxes

For the three months ended December 31, 2017 and 2016, the Company recorded income tax benefit (expense) from continuing operations of approximately $0.3 million and $(0.1) million, respectively. For the three months ended December 31, 2017 and 2016, the Company recorded no income tax benefit from discontinued operations. Income tax benefit for the three months ended December 31, 2017 is primarily comprised of the effect of the Tax Act which eliminates AMT and will result in a refund to the Company of amounts paid in prior fiscal years. Income tax expense is comprised of estimated alternative minimum tax allocated between continuing operations and discontinued operations as prescribed by ASC 740 and foreign tax expense included within continuing operations.

For the three months ended December 31, 2017 and 2016, the effective tax rate on continuing operations was (80.2)% and 6.4%, respectively. The higher tax rate for the three months ended December 31, 2017 was primarily due to the effect of the Tax Act, which resulted in a credit to the Company on future tax payments for past AMT amounts paid. The lower tax rate for the three months ended December 31, 2016 compared to the current period was primarily due to permanent differences, state tax benefits and foreign tax rate differentials. The Company uses estimates to forecast the results from continuing operations for the current fiscal year as well as permanent differences between book and tax accounting.

We have not provided for income taxes on non-U.S. subsidiaries' undistributed earnings as of December 31, 2017 because we plan to indefinitely reinvest the unremitted earnings of our non-U.S. subsidiaries and all of our non-U.S. subsidiaries historically have negative earnings and profits.

All deferred tax assets have a full valuation allowance at December 31, 2017. However, on a quarterly basis, the Company will evaluate the positive and negative evidence to assess whether the more likely than not criteria, mandated by ASC 740, has been satisfied in determining whether there will be further adjustments to the valuation allowance.

During the three months ended December 31, 2017 and 2016, there were no material increases or decreases in unrecognized tax benefits. As of December 31, 2017 and September 30, 2017, we had approximately $0.4 million and $0.3 million, respectively, of interest and penalties accrued as tax liabilities on our balance sheet. Interest that is accrued on tax liabilities is recorded within interest expense on the income statement.

The Company’s Board of Directors has adopted a Tax Benefits Preservation Plan (the “Rights Plan”) to help preserve the value of our net operating losses and tax credit carryforwards by reducing the risk of limitation of these deferred tax assets. The Rights Plan was approved by the Company’s shareholders on March 10, 2015. On September 26, 2017, the Company extended the final expiration date of the rights contained therein from October 3, 2017 to October 3, 2018 (subject to earlier expiration as described in the Rights Plan). The Company has submitted the extension of the Rights Plan to shareholders for approval at the Company's 2018 annual meeting of shareholders, which is scheduled to be held on March 16, 2018. The Rights Plan is intended to reduce the likelihood that the Company will experience an ownership change for purposes of Internal Revenue Code Section 382 by discouraging any person or group from becoming a “5% shareholder” or increasing their ownership of the Company’s common stock if they are already a “5% shareholder.”

NOTE 11. Commitments and Contingencies

Operating Lease Obligations: We lease certain facilities and equipment under non-cancelable operating leases. Operating lease amounts exclude renewal option periods, property taxes, insurance, and maintenance expenses on leased properties. Our facility leases typically provide for rental adjustments for increases in base rent (up to specific limits), property taxes, insurance, and general property maintenance that would be recorded as rent expense. Rent expense was $0.3 million for the three months ended December 31, 2017 and 2016. There are no off-balance sheet arrangements other than our operating leases.

Asset Retirement Obligation: We have known conditional Asset Retirement Obligations (“AROs”) such as certain asset decommissioning and restoration of rented facilities to be performed in the future. Our ARO includes assumptions related to renewal option periods for those facilities where we expect to extend lease terms. The Company recognizes its estimate of the fair value of its ARO in the period incurred in long-term liabilities. The fair value of the ARO is also capitalized as property, plant and equipment.

In future periods, the ARO is accreted for the change in its present value and capitalized costs are depreciated over the useful life of the related assets. If the fair value of the estimated ARO changes, an adjustment will be recorded to both the ARO and the asset retirement capitalized cost. Revisions in estimated liabilities can result from revisions of estimated inflation rates, changes in estimated retirement costs, and changes in the estimated timing of settling the ARO. The fair value of our ARO was estimated by discounting projected cash flows over the estimated life of the related assets using credit adjusted risk-free rates which ranged from 1.20% to 4.20%. There was no ARO settled during the three months ended December 31, 2017 and 2016. Accretion expense of $17,000 was recorded during the three months ended December 31, 2017 and 2016.

EMCORE leases its primary facility in Alhambra, California covering six buildings where manufacturing, research and development, and general and administrative work is performed. Several leases related to these facilities expired in 2011, and were being maintained on a month-to-month basis. In September 2017, a new lease for four of the six buildings was signed, which was effective on October 1, 2017. The new lease extends the terms of the lease for three years plus a three year option to extend the lease through September 2023. In connection with the lease agreement, the Company has recorded an ARO liability at December 31, 2017 and September 30, 2017 of $1.7 million and $1.6 million, respectively.

The Company's ARO consists of legal requirements to return the existing leased facilities to their original state and certain environmental work to be performed due to the presence of a manufacturing fabrication operation and significant changes to the facilities over the past thirty years.

Indemnifications: We have agreed to indemnify certain customers against claims of infringement of intellectual property rights of others in our sales contracts with these customers. Historically, we have not paid any claims under these indemnification obligations.

Legal Proceedings: We are subject to various legal proceedings, claims, and litigation, either asserted or unasserted, that arise in the ordinary course of business. While the outcome of these matters is currently not determinable, we do not expect the resolution of these matters to have a material adverse effect on our business, financial position, results of operations, or cash flows. However, the results of these matters cannot be predicted with certainty. Professional legal fees are expensed when incurred. We accrue for contingent losses when such losses are probable and reasonably estimable. In the event that estimates or assumptions prove to differ from actual results, adjustments are made in subsequent periods to reflect more current information. Should we fail to prevail in any legal matter or should several legal matters be resolved against the Company in the same reporting period, then the financial results of that particular reporting period could be materially affected.

a) Intellectual Property Lawsuits

We protect our proprietary technology by applying for patents where appropriate and, in other cases, by preserving the technology, related know-how and information as trade secrets. The success and competitive position of our product lines are impacted by our ability to obtain intellectual property protection for our research and development efforts. We have, from time to time, exchanged correspondence with third parties regarding the assertion of patent or other intellectual property rights in connection with certain of our products and processes.

b) Mirasol Class Action

On December 15, 2015, Plaintiff Christina Mirasol ("Mirasol"), on her own behalf and on behalf of a putative class of similarly situated individuals composed of current and former non-exempt employees of the Company working in California since December 15, 2011, filed a complaint against the Company in the Superior Court of California, Los Angeles County (the "Court"). The complaint alleged seven causes of action related to: (1) failure to pay overtime; (2) failure to provide meal periods; (3) failure to pay minimum wages; (4) failure to timely pay wages upon termination; (5) failure to provide compliant wage statements; (6) unfair competition under the California Business and Professions Code § 17200 et seq.; and (7) penalties under the Private Attorneys General Act. The claims were premised primarily on the allegation that Mirasol and the putative class members were not provided with their legally required meal periods. Mirasol sought recovery on her own behalf and on behalf of the putative class in an unspecified amount for compensatory and liquidated damages as well as for declaratory relief, injunctive relief, statutory penalties, pre-judgment interest, costs and attorneys' fees.

In exchange for a one-time cash payment offered by the Company, certain current and former employees previously agreed to release the Company from all potential claims related to the matters alleged in the Mirasol lawsuit. The Company had recorded an accrual for these amounts at September 30, 2016 that was not material to the Company's results of operations, financial condition or cash flows, which had been recorded within Operating Expenses for the fiscal year ended September 30, 2016. On January 6, 2017, the Company and Mirasol agreed to a class action settlement of $0.3 million with regards to all outstanding claims. On January 24, 2018, the Court granted final approval of the formal settlement agreement entered into between the parties and ordered the parties to prepare and file a proposed judgment by February 7, 2018. As of December 31, 2017, the $0.3 million settlement remains outstanding. During the three months ended December 31, 2016, the Company recorded an accrual of $0.2 million within Operating Expenses related to the settlement.

c) Mirasol Wrongful Termination Lawsuit

In August 2016, EMCORE was served with a second lawsuit by former employee Mirsaol, in the Superior Court of Los Angeles alleging that the Company violated California’s employment laws in terminating her employment in November 2015. By her complaint, Mirasol asserted five causes of action: (1) wrongful termination in violation of public policy; (2) discrimination on the basis of disability and/or medical condition; (3) failure to accommodate; (4) failure to engage in the interactive process; and (5) intentional infliction of emotional distress. On September 26, 2016, Mirasol dismissed the fifth cause of action for intentional infliction of emotional distress. Mirasol alleged that EMCORE wrongfully terminated her at the conclusion of a Family and Medical Act leave, without engaging in the interactive process of offering to provide her with reasonable accommodations. The plaintiff sought general, special, and punitive damages. On January 6, 2017, the Company and Mirasol agreed to a settlement of $50,000 with regards to all outstanding claims. This amount was paid as of September 30, 2017.

NOTE 12. Equity

Equity Plans

We provide long-term incentives to eligible officers, directors, and employees in the form of equity-based awards. We maintain three equity incentive compensation plans, collectively described below as our “Equity Plans”:

- the 2000 Stock Option Plan,
- the 2010 Equity Incentive Plan (“2010 Plan”), and
- the 2012 Equity Incentive Plan (“2012 Plan”).

We issue new shares of common stock to satisfy awards issued under our Equity Plans.

Stock Options

Most of our stock options vest and become exercisable over a four to five year period and have a contractual life of 10 years. Certain stock options awarded are intended to qualify as incentive stock options pursuant to Section 422A of the Internal Revenue Code.

The following table summarizes stock option activity under the Equity Plans for the three months ended December 31, 2017:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (*) (in thousands)
Outstanding as of September 30, 2017	326,798	$19.54		
Granted	—	—		
Exercised	(3,479)	$4.50		$ 13
Forfeited	(780)	$4.22		
Expired	(12,941)	$27.59		
Outstanding as of December 31, 2017	309,598	$19.41	1.70	$ 143
Exercisable as of December 31, 2017	267,946	$21.71	0.76	$ 67
Vested and expected to vest as of December 31, 2017	309,598	$19.41	1.70	$ 143

(*) Intrinsic value for stock options represents the "in-the-money" portion or the positive variance between a stock option's exercise price and the underlying stock price. For the three months ended December 31, 2016, the intrinsic value of options exercised was $0.1 million.

As of December 31, 2017, there was approximately $0.1 million of unrecognized stock-based compensation expense related to non-vested stock options granted under the Equity Plans which is expected to be recognized over an estimated weighted average life of 2.6 years.

Valuation Assumptions
There were no stock option grants for the three months ended December 31, 2017 and 2016.

Time-Based Restricted Stock
Time-based restricted stock units ("RSUs") and restricted stock awards ("RSAs") granted to employees under the 2010 Plan and 2012 Plan typically vest over 3 to 4 years and are subject to forfeiture if employment terminates prior to the lapse of the restrictions. RSUs are not considered issued or outstanding common stock until they vest. RSAs are considered issued and outstanding on the grant date and are subject to forfeiture if specified vesting conditions are not satisfied.

The following table summarizes the activity related to RSUs and RSAs subject to time-based vesting requirements for the three months ended December 31, 2017:

Restricted Stock Activity	**Restricted Stock Units**		**Restricted Stock Awards**	
	Number of Shares	**Weighted Average Grant Date Fair Value**	**Number of Shares**	**Weighted Average Grant Date Fair Value**
Non-vested as of September 30, 2017	778,084	$5.91	8,154	$8.20
Granted	224,600	$6.73	—	$0.00
Vested	(40,095)	$7.09	—	$0.00
Forfeited	(7,580)	$4.02	—	$0.00
Non-vested as of December 31, 2017	955,009	$6.07	8,154	$8.20

As of December 31, 2017, there was approximately $4.4 million of remaining unamortized stock-based compensation expense associated with RSUs, which will be expensed over a weighted average remaining service period of approximately 2.5 years. The 1.0 million outstanding non-vested and expected to vest RSUs have an aggregate intrinsic value of approximately $6.2 million and a weighted average remaining contractual term of 1.5 years. For the three months ended December 31, 2017 and 2016, the intrinsic value of RSUs vested was approximately $0.3 million and $32,000, respectively. For the three months ended December 31, 2016, the weighted average grant date fair value of RSUs granted was $7.29.

As of December 31, 2017, there was approximately $0.1 million of remaining unamortized stock-based compensation expense associated with RSAs, which will be expensed over a weighted average remaining service period of approximately 2.8 years.

On December 28, 2017, the Company granted our CEO, Jeffrey Rittichier, our Senior Vice President of Engineering, Albert Lu, and our Vice President of Sales, David Wojciechowski, 40,000, 14,000 and 10,000 RSUs with a grant date fair value of $0.3 million, $0.1 million and $0.1 million, respectively, that will vest in 4 equal annual installments beginning on December 28, 2018.

Performance Stock
Performance based restricted stock units ("PSUs") and performance based shares of restricted stock ("PRSAs") granted to employees under the 2012 Plan typically vest over 1 to 3 years and are subject to forfeiture in whole, if employment terminates, or in whole or in part, if specified vesting conditions are not satisfied, in each case prior to vesting. PSUs are not considered issued or outstanding common stock until they vest. PRSAs are considered issued and outstanding on the grant date (at 200% of the target number of shares) and are subject to forfeiture if specified vesting conditions are not satisfied. PSUs and PRSAs that are granted to our executive officers and key employees are provided as long-term incentive compensation that is based on relative total shareholder return, which measures our performance against that of our competitors.

The following table summarizes the activity related to PSUs and PRSAs for the three months ended December 31, 2017:

Performance Stock Activity	Performance Stock Units		Performance Stock Awards	
	Number of Shares (at Target)	Weighted Average Grant Date Fair Value	Number of Shares (at Target)	Weighted Average Grant Date Fair Value
Non-vested as of September 30, 2017	328,708	$8.36	33,333	$12.25
Granted	240,164	$7.62	—	$0.00
Vested	(166,058)	$6.86	—	$0.00
Non-vested as of December 31, 2017	402,814	$8.54	33,333	$12.25

As of December 31, 2017, there was approximately $2.5 million of remaining unamortized stock-based compensation expense associated with PSUs, which will be expensed over a weighted average remaining service period of approximately 2.1 years. The 0.4 million outstanding non-vested and expected to vest PSUs have an aggregate intrinsic value of approximately $2.6 million and a weighted average remaining contractual term of 2.1 years. For the three months ended December 31, 2017, the intrinsic value of PSUs vested was approximately $1.4 million.

As of December 31, 2017, there was approximately $0.4 million of remaining unamortized stock-based compensation expense associated with PRSAs, which will be expensed over a weighted average remaining service period of approximately 1.8 years.

On December 28, 2017, the Company granted Messrs. Rittichier, Lu and Wojciechowski, 40,000, 14,000 and 10,000 PSUs with a grant date fair value of $0.3 million, $0.1 million and $0.1 million, respectively. The PSUs issued will vest based on a combination of the relative total shareholder return of EMCORE’s stock compared to the Russell Microcap Index and the executive's continued employment. The total number of shares to be issued to each individual ranges from zero (0) to 200% of the target PSUs granted. Between zero (0) and 200% of the target PSUs will vest, if at all, on December 28, 2020.

On December 28, 2017, in addition to the PSUs granted to Messrs. Rittichier, Lu and Wojciechowski, the Company granted 108,500 target PSUs with a grant date fair value of $0.9 million to certain key non-executive employees. The PSUs issued will vest based on a combination of the relative total shareholder return of EMCORE’s stock compared to the Russell Microcap Index and the employee's continued employment. The total number of shares to be issued to each individual may range from zero (0) to 200% of the target PSUs granted. Between zero (0) and 200% of the target PSUs granted will vest, if at all, on December 28, 2020.

Stock-based compensation.

The effect of recording stock-based compensation expense was as follows:

Stock-based Compensation Expense - by award type	For the three months ended December 31,	
(in thousands)	2017	2016
Employee stock options	$ 10	$ 11
Restricted stock units and awards	451	354
Performance stock units and awards	289	268
Employee stock purchase plan	86	52
Outside director fees in common stock	79	78
Total stock-based compensation expense	$ 915	$ 763

Stock-based Compensation Expense - by expense type	**For the three months ended December 31,**	
(in thousands)	**2017**	**2016**
Cost of revenue	$ 139	$ 93
Selling, general, and administrative	638	570
Research and development	138	100
Total stock-based compensation expense	$ 915	$ 763

The stock-based compensation expense above relates to continuing operations. Included within discontinued operations is $0 and $9,000 of stock based compensation expense for the three months ended December 31, 2017 and 2016, respectively.

401(k) Plan
We have a savings plan that qualifies as a deferred salary arrangement under Section 401(k) of the Internal Revenue Code. Under this savings plan, participating employees may defer a portion of their pretax earnings, up to the Internal Revenue Service annual contribution limit. Since June 2015, all employer contributions are made in cash. Our matching contribution in cash for the three months ended December 31, 2017 and 2016 was approximately $0.1 million.

Income (Loss) Per Share
The following table sets forth the computation of basic and diluted net (loss) income per share:

Basic and Diluted Net (Loss) Income Per Share	**For the three months ended December 31,**	
(in thousands, except per share)	**2017**	**2016**
Numerator:		
(Loss) income from continuing operations	$ (82)	$ 1,766
Loss from discontinued operations	—	(9)
Undistributed earnings allocated to common shareholders for basic and diluted net income per share	(82)	1,757
Denominator:		
Denominator for basic net income per share - weighted average shares outstanding	27,032	26,279
Dilutive options outstanding, unvested stock units, unvested stock awards and ESPP	—	760
Denominator for diluted net income per share - adjusted weighted average shares outstanding	27,032	27,039
Net (loss) income per basic share:		
Continuing operations	$ (0.00)	$ 0.07
Discontinued operations	0.00	(0.00)
Net (loss) income per basic share	$ (0.00)	$ 0.07
Net (loss) income per diluted share:		
Continuing operations	$ (0.00)	$ 0.07
Discontinued operations	0.00	0.00
Net (loss) income per diluted share	$ (0.00)	$ 0.07
Weighted average antidilutive options, unvested restricted stock units and awards, unvested performance stock units and ESPP shares excluded from the computation	911	529
Average market price of common stock	$ 7.50	$ 6.88

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For diluted (loss) income per share, the denominator includes all outstanding common shares and all potential dilutive common shares to be issued. The anti-dilutive stock options and unvested stock were excluded from the computation of diluted net loss per share for the three months ended December 31, 2017 due to the Company incurring a net loss for the period. For the three months ended December 31, 2016, we excluded 0.5 million of weighted average outstanding stock options, RSUs and PSUs from the calculation of diluted net income per share because their effect would have been anti-dilutive.

Employee Stock Purchase Plan
We maintain an Employee Stock Purchase Plan ("ESPP") that provides employees an opportunity to purchase common stock through payroll deductions. The ESPP is a 6-month duration plan with new participation periods beginning on February 25 and August 26 of each year. The purchase price is set at 85% of the average high and low market price of our common stock on either the first or last trading day of the participation period, whichever is lower, and annual contributions are limited to the lower of 10% of an employee's compensation or $25,000.

Future Issuances
As of December 31, 2017, we had common stock reserved for the following future issuances:

Future Issuances	**Number of Common Stock Shares Available for Future Issuances**
Exercise of outstanding stock options	309,598
Unvested restricted stock units	955,009
Unvested performance stock units	805,628
Purchases under the employee stock purchase plan	911,071
Issuance of stock-based awards under the Equity Plans	1,882,779
Purchases under the officer and director share purchase plan	88,741
Total reserved	4,952,826

NOTE 13. Geographical Information

We evaluate our reportable segment pursuant to ASC 280, *Segment Reporting.* The Company's Chief Executive Officer is the chief operating decision maker and he assesses the performance of the operating segment and allocates resources to the segment based on its business prospects, competitive factors, net revenue, operating results, and other non-U.S. GAAP financial ratios. Based on this evaluation, the Company operates as a single reportable segment.

Revenue: The following tables set forth revenue by geographic region with revenue assigned to geographic regions based on our customers' billing address.

Revenue by Geographic Region	**For the three months ended December 31,**	
(in thousands)	**2017**	**2016**
United States	$ 20,079	$ 24,754
Asia	2,657	3,719
Europe	1,227	1,630
Other	73	73
Total revenue	$ 24,036	$ 30,176

Significant Customers: Significant customers are defined as customers representing greater than 10% of our consolidated revenue. Revenue from two and three of our significant customers represented 63% and 74% of our consolidated revenue for the three months ended December 31, 2017 and 2016, respectively.

Long-lived Assets: Long-lived assets consist of property, plant, and equipment. As of December 31, 2017 and September 30, 2017, approximately 48% and 46%, respectively, of our long-lived assets were located in the United States. The remaining long-lived assets are primarily located in China.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion of our financial condition and results of operations in conjunction with the financial statements and the notes thereto included in Financial Statements under Item 1 within this Quarterly Report. The following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. See Cautionary Statement Regarding Forward-Looking Statements.

Business Overview

EMCORE Corporation together with its subsidiaries (referred to herein as the "Company," "we," "our," or "EMCORE"), was established in 1984 as a New Jersey corporation. The Company became publicly traded in 1997 and is listed on the Nasdaq Stock Exchange under the ticker symbol EMKR. EMCORE pioneered the linear fiber optic transmission technology that enabled the world's first delivery of Cable TV directly on fiber, and today is a leading provider of advanced *Mixed-Signal Optics* products that enable communications systems and service providers to meet growing demand for increased bandwidth and connectivity. The *Mixed-Signal Optics* technology at the heart of our broadband communications products is shared with our fiber optic gyros and inertial sensors to provide the aerospace and defense markets with state-of-the-art navigations systems technology. With both analog and digital circuits on multiple chips, or even a single chip, the value of *Mixed-Signal* device solutions is often far greater than traditional digital applications and requires a specialized expertise held by EMCORE which is unique in the optics industry.

Strategic Plan

In addition to organic growth and development of our existing Fiber Optics business, we intend to pursue other strategies to enhance shareholder value. The Strategy and Alternatives Committee of the Company's Board of Directors (the "Strategy and Alternatives Committee"), which was established in December 2013, is charged with overseeing the Company's strategic plan and evaluating strategic opportunities and alternatives available to the Company, including potential mergers, acquisitions, divestitures and other key strategic transactions outside the ordinary course of the Company's business. Accordingly, the Strategy and Alternatives Committee may from time to time consider strategic opportunities to enhance shareholder value, which may include acquisitions, investments in joint ventures, partnerships, and other strategic alternatives such as dispositions, reorganizations, recapitalizations or other similar transactions, the repurchase of shares of our outstanding common stock or payment of dividends to our shareholders, and may engage financial and other advisers to assist it in these efforts. Accordingly, the Strategy and Alternatives Committee of the Board of Directors and our management may from time to time be engaged in evaluating potential strategic opportunities and we may enter into definitive agreements with respect to such transactions or other strategic alternatives. However, there is no assurance that the Strategy and Alternatives Committee will identify further strategic opportunities that the Company will determine to pursue, or that the consideration of any such opportunity would result in the completion of a strategic transaction.

Results of Operations

The following table sets forth our condensed consolidated statements of operations data expressed as a percentage of revenue:

	For the three months ended December 31,	
	2017	**2016**
Revenue	100.0 %	100.0 %
Cost of revenue	67.1	66.7
Gross profit	32.9	33.3
Operating expense:		
Selling, general, and administrative	20.0	18.5
Research and development	15.8	7.3
Loss on sale of assets	0.5	—
Total operating expense	36.3	25.8
Operating (loss) income	(3.4)	7.5
Other income (expense):		
Interest income, net	0.5	0.1
Foreign exchange gain (loss)	1.2	(1.3)
Total other income (expense)	1.7	(1.2)
(Loss) income from continuing operations before income tax benefit (expense)	(1.7)	6.3
Income tax benefit (expense)	1.4	(0.4)
(Loss) income from continuing operations	(0.3)	5.9
Loss from discontinued operations, net of tax	—	—
Net (loss) income	(0.3)%	5.9 %

Comparison of Financial Results for the Three Months Ended December 31, 2017 and 2016

(in thousands, except percentages)	For the three months ended December 31,			
	2017	2016	$ Change	% Change
Revenue	$ 24,036	$ 30,176	$ (6,140)	(20.3)%
Cost of revenue	16,122	20,133	(4,011)	(19.9)%
Gross profit	7,914	10,043	(2,129)	(21.2)%
Operating expense:				
Selling, general, and administrative	4,819	5,578	(759)	(13.6)%
Research and development	3,800	2,199	1,601	72.8%
Loss on sale of assets	107	—	107	N/A
Total operating expense	8,726	7,777	949	12.2%
Operating (loss) income	(812)	2,266	(3,078)	(135.8)%
Other income (expense):				
Interest income, net	111	23	88	382.6%
Foreign exchange gain (loss)	286	(403)	689	171.0%
Total other income (expense)	397	(380)	777	204.5%
(Loss) income from continuing operations before income tax expense	(415)	1,886	(2,301)	(122.0)%
Income tax expense	333	(120)	453	377.5%
(Loss) income from continuing operations	(82)	1,766	(1,848)	(104.6)%
Loss from discontinued operations, net of tax	—	(9)	9	100.0%
Net (loss) income	$ (82)	$ 1,757	$ (1,839)	(104.7)%

Revenue

For the three months ended December 31, 2017, revenue decreased 20.3% compared to the same period in the prior year driven by lower sales volume of our CATV components and RFOG products primarily to U.S. customers partially offset by increases in chip product revenue.

Gross Profit

Our cost of revenue consists of raw materials, compensation expense including non-cash stock-based compensation expense, depreciation expense and other manufacturing overhead costs, expenses associated with excess and obsolete inventories, and product warranty costs. Historically, our cost of revenue as a percentage of revenue, which we refer to as our gross margin, has fluctuated significantly due to product mix, manufacturing yields and sales volumes, and inventory and specific product warranty charges.

Consolidated gross margins were 32.9% and 33.3% for the three months ended December 31, 2017 and 2016, respectively.

Stock-based compensation expense within cost of revenue totaled approximately $0.1 million during each of the three months ended December 31, 2017 and 2016.

For the three months ended December 31, 2017, gross margins decreased by 21.2% when compared to the same period in the prior year. The decrease in gross margins for the three months ended December 31, 2017 compared to the same period in 2016 was primarily due to lower sales and production volumes, resulting in lower operating leverage due to higher manufacturing labor and expenses as a percentage of our revenues.

Selling, General and Administrative ("SG&A")

SG&A consists primarily of compensation expense including non-cash stock-based compensation expense related to executive, finance, and human resources personnel, as well as sales and marketing expenses, professional fees, legal and patent-related costs, and other corporate-related expenses.

Stock-based compensation expense within SG&A totaled approximately $0.6 million during the three months ended December 31, 2017 and 2016.

SG&A expense for the three months ended December 31, 2017 was lower than the amount reported in the same period in 2016 primarily due to lower compensation costs, severance, employee benefits and professional services.

As a percentage of revenue, SG&A expenses were 20.0% and 18.5% for the three months ended December 31, 2017 and 2016, respectively. The increase in SG&A expense as a percentage of revenue in the three months ended December 31, 2017 compared to the same period in 2016 is due to the decrease in revenues in the three months ended December 31, 2017.

Research and Development ("R&D")

R&D consists primarily of compensation expense including non-cash stock-based compensation expense, as well as engineering and prototype costs, depreciation expense, and other overhead expenses, as they related to the design, development, and testing of our products. Our R&D costs are expensed as incurred. We believe that in order to remain competitive, we must invest significant financial resources in developing new product features and enhancements and in maintaining customer satisfaction worldwide.

Stock-based compensation expense within R&D totaled approximately $0.1 million during the three months ended December 31, 2017 and 2016.

R&D expense for the three months ended December 31, 2017 was higher than the amounts reported in the same period in 2016 primarily due to an increase in compensation costs and project spending, primarily in navigation systems.

As a percentage of revenue, R&D expenses were 15.8% and 7.3% for the three months ended December 31, 2017 and 2016, respectively. The increase in R&D expense as a percentage of revenue in the three months ended December 31, 2017 compared to the same period in 2016 is due to the decrease in revenues and higher R&D expense in the three months ended December 31, 2017.

Operating (Loss) Income

Operating (loss) income represents revenue less the cost of revenue and direct operating expenses incurred. Operating (loss) income is a measure of profit and loss that executive management uses to assess performance and make decisions. As a percentage of revenue, our operating (loss) income was (3.4)% and 7.5% for the three months ended December 31, 2017 and 2016, respectively. The decrease in operating (loss) income as a percentage of revenue in the three months ended December 31, 2017 compared to the same period in 2016 is due to the decrease in revenues and operating income in the three months ended December 31, 2017.

Other Income (Expense)

Interest Income, net

During the three months ended December 31, 2017 and 2016, we recorded $0.2 million and $0.1 million, respectively, of interest income earned on cash and cash equivalents balances, which was partially offset by interest expense and letter of credit fees related to our Credit Facility. Interest income for the three months ended December 31, 2017 was higher than the amount reported in the same period in 2016 due to higher interest income earned on cash and cash equivalents balances.

Foreign Exchange
Gains or losses from foreign currency transactions denominated in currencies other than the U.S. dollar, both realized and unrealized, are recorded as foreign exchange gain (loss) on our consolidated statements of operations and comprehensive income. The gain (losses) recorded relate to the change in value of the Yuan Renminbi relative to the U.S. dollar.

Income Tax Expense

For the three months ended December 31, 2017, the Company recorded income tax benefit from continuing operations of approximately $0.3 million, and $0 of income tax benefit within income from discontinued operations. The income tax benefit is primarily comprised of the effect of recent changes in tax laws in December 2017 that eliminates Alternative Minimum Taxes. See Note 10 - Income Taxes in the notes to the condensed consolidated financial statements for additional disclosures.

For the three months ended December 31, 2016, the Company recorded income tax expense from continuing operations of approximately $0.1 million and $0 of income tax expense within income from discontinued operations.

The Company's Board of Directors has adopted a Tax Benefits Preservation Plan (the "Rights Plan") to help preserve the value of our net operating losses and tax credit carryforwards by reducing the risk of limitation of these deferred tax assets. The Rights Plan was approved by the Company's shareholders on March 10, 2015. On September 26, 2017, the Company extended the final expiration date of the rights contained therein from October 3, 2107 to October 3, 2018 (subject to earlier expiration as described in the Rights Plan). The Company has submitted the extension of the Rights Plan to shareholders for approval at the Company's 2018 annual meeting of shareholders, which is scheduled to be held on March 16, 2018. The Rights Plan is intended to reduce the likelihood that the Company will experience an ownership change for purposes of Internal Revenue Code Section 382 by discouraging any person or group from becoming a "5% shareholder" or increasing their ownership of the Company's common stock if they are already a "5% shareholder."

Order Backlog

EMCORE's product sales are made pursuant to purchase orders, often with short lead times. These orders are subject to revision or cancellation and often are made without deposits. Products typically ship within the same quarter in which a purchase order is received; therefore, our order backlog at any particular date is not necessarily indicative of actual revenue or the level of orders for any succeeding period and may not be comparable to prior periods.

Liquidity and Capital Resources

Other than the fiscal year ended September 30, 2017, in recent years we have historically consumed cash from operations and, until recently, in most periods we have incurred operating losses from continuing operations. We have managed our liquidity position through the sale of assets and cost reduction initiatives, as well as, from time to time in prior periods, borrowings from our Credit Facility (defined below) and capital markets transactions.

As of December 31, 2017, cash and cash equivalents totaled $64.2 million and net working capital totaled approximately $102.6 million. Net working capital, calculated as current assets minus current liabilities, is a financial metric we use which represents available operating liquidity. With respect to measures related to liquidity:

- Mirasol Settlements: In January 2017, we entered into an agreement to settle all outstanding claims of the Mirasol class action lawsuit for $0.3 million and the wrongful termination lawsuit for $50,000 and recorded a charge during the three months ended December 31, 2016 of $0.2 million. We currently expect to pay the settlement amount in the fiscal year ending September 30, 2018. See Note 11- Commitments and Contingencies.

- Credit Facility: On November 11, 2010, we entered into a Credit and Security Agreement ("Credit Facility") with Wells Fargo Bank, N.A. ("Wells Fargo"). The Credit Facility, as amended by its seventh amendment on November 10, 2015, currently provides us with a revolving credit of up to $15.0 million through November 2018 that can be used for working capital requirements, letters of credit, and other general corporate purposes. The Credit Facility is secured by the Company's assets and is subject to a borrowing base formula based on the Company's eligible accounts receivable, inventory, and machinery and equipment accounts. See Note 9 - Credit Facilities in the notes to the condensed consolidated financial statements for additional disclosures. As of January 31, 2018, there was no outstanding balance under this Credit Facility, $0.5 million reserved for one outstanding stand-by letter of credit and $9.8 million available for borrowing.

We believe that our existing balances of cash and cash equivalents, cash flows from operations and amounts expected to be available under our Credit Facility will provide us with sufficient financial resources to meet our cash requirements for operations, working capital, and capital expenditures for at least the next twelve months, and thereafter for the foreseeable future. At the discretion of our Board, we may use our existing balances of cash and cash equivalents to provide liquidity to our shareholders through one or more additional special dividends or the repurchase of additional shares of our outstanding common stock, make investments in our other businesses, pursue other strategic opportunities or a combination thereof. In addition, should we require more capital than what is generated by our operations, for example to fund significant discretionary activities, such as business acquisitions, we could elect to raise capital in the U.S. through debt or equity issuances. These alternatives could result in higher effective tax rates, increased interest expense, and/or dilution of our earnings. We have borrowed funds in the past and continue to believe we have the ability to do so at reasonable interest rates.

Cash Flow

The Consolidated Statements of Cash Flows for the three months ended December 31, 2017 and 2016 reflects cash flows from both the continuing and discontinued operations of the Company.

Net Cash (Used In) Provided By Operating Activities

Operating Activities *(in thousands, except percentages)*	For the three months ended December 31,			
	2017	**2016**	**$ Change**	**% Change**
Net cash (used in) provided by operating activities	$ (1,955)	$ 659	$ (2,614)	(396.7)%

Fiscal 2018:
For the three months ended December 31, 2017, our operating activities used cash of $2.0 million primarily due to our net loss of $0.1 million and changes in our operating assets and liabilities (or working capital components, which includes non-current inventory) of $4.0 million, partially offset by depreciation and accretion expense of $1.2 million, stock-based compensation expense of $0.9 million, warranty provision of $0.1 million and loss on disposal of equipment of $0.1 million. The change in our operating assets and liabilities was primarily the result of an increase in accounts receivable of $0.9 million, a decrease in accounts payable of approximately $4.3 million and accrued expenses and a decrease in other liabilities of $0.7 million partially offset by a decrease in inventory of $2.2 million and other assets of $0.3 million.

Fiscal 2017:
For the three months ended December 31, 2016, our operating activities provided cash of $0.7 million primarily due to our net income of $1.8 million, depreciation and accretion expense of $0.8 million, stock-based compensation expense of $0.8 million and warranty provision of $0.1 million partially offset by decreases in our operating assets and liabilities (or working capital components, which includes non-current inventory) of $2.7 million. The change in our operating assets and liabilities was primarily the result of an increase in accounts receivable of $2.6 million and inventory of $4.5 million, and a decrease in accrued expenses and other liabilities of $0.5 million partially offset by a decrease in other assets of $0.1 million and an increase in accounts payable of approximately $4.8 million.

Working Capital Components:

Accounts Receivable: We generally expect the level of accounts receivable at any given quarter to reflect the level of sales in that quarter. Our accounts receivable balances have fluctuated historically due to the timing of account collections, timing of product shipments, and/or change in customer credit terms.

Inventory: We generally expect the level of inventory at any given quarter to reflect the change in our expectations of forecasted sales. Our inventory balances have fluctuated historically due to the timing of customer orders and product shipments, changes in our internal forecasts related to customer demand, as well as adjustments related to excess and obsolete inventory and the purchase of non-current inventory.

Accounts Payable: The fluctuation of our accounts payable balances is primarily driven by changes in inventory purchases as well as changes related to the timing of actual payments to vendors.

Accrued Expenses: Our largest accrued expense typically relates to compensation. Historically, fluctuations of our accrued expense accounts have primarily related to changes in the timing of actual compensation payments, receipt or application of advanced payments, adjustments to our warranty accrual, and accruals related to professional fees.

Net Cash Used In Investing Activities

Investing Activities *(in thousands, except percentages)*	**For the three months ended December 31,**			
	2017	**2016**	**$ Change**	**% Change**
Net cash used in investing activities	$ (1,873)	$ (3,242)	$ 1,369	42.2%

Fiscal 2018:
For the three months ended December 31, 2017, our investing activities used $1.9 million of cash for capital related expenditures.

Fiscal 2017:
For the three months ended December 31, 2016, our investing activities used $3.2 million of cash for capital related expenditures.

Net Cash Provided By Financing Activities

Financing Activities *(in thousands, except percentages)*	**For the three months ended December 31,**			
	2017	**2016**	**$ Change**	**% Change**
Net cash (used in) provided by financing activities	$ (708)	$ 104	$ (812)	(780.8)%

Fiscal 2018:
For the three months ended December 31, 2017, our financing activities used cash of $0.7 million primarily for tax withholding paid on behalf of employees for stock-based awards.

Fiscal 2017:
For the three months ended December 31, 2016, our financing activities provided cash of $0.1 million from proceeds from stock plan transactions.

Contractual Obligations and Commitments

Our contractual obligations and commitments for the remainder of fiscal 2018 and over the next five fiscal years are summarized in the table below:

(in thousands)

	Total	Less than 1 year	1 to 3 years	4 to 5 years	Over 5 years
Purchase obligations	$ 13,383	$ 13,246	$ 137	$ —	$ —
Asset retirement obligations	1,860	—	40	59	1,761
Operating lease obligations	4,120	632	1,592	1,254	642
Total contractual obligations and commitments	$ 19,363	$ 13,878	$ 1,769	$ 1,313	$ 2,403

Interest payments are not included in the contractual obligations and commitments table above since they are insignificant to our consolidated results of operations.

The contractual obligations and commitments table above also excludes unrecognized tax benefits because we are unable to reasonably estimate the period during which this obligation may be incurred, if at all. As of December 31, 2017, we had unrecognized tax benefits of $0.4 million.

Purchase Obligations
Our purchase obligations represent agreements to purchase goods or services that are enforceable and legally binding, that specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transactions.

Asset Retirement Obligations
We have known conditional ARO conditions, such as certain asset decommissioning and restoration of rented facilities to be performed in the future. Our ARO includes assumptions related to renewal option periods where we expect to extend facility lease terms. Revisions in estimated liabilities can result from revisions of estimated inflation rates, escalating retirement costs, and changes in the estimated timing of settling the ARO. See Note 11 - Commitments and Contingencies in the notes to the condensed consolidated financial statements for additional information related to our ARO's.

Operating Leases
Operating leases include non-cancelable terms and exclude renewal option periods, property taxes, insurance and maintenance expenses on leased properties. See Note 11 - Commitments and Contingencies in the notes to the condensed consolidated financial statements for additional information related to our operating lease obligations.

Off-Balance Sheet Arrangements
We do not have any off-balance sheet arrangements other than our operating leases described above that have or are reasonably likely to have a current or future material effect on our consolidated financial condition, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies and Estimates
The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, as of the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. If these estimates differ significantly from actual results, the impact to the condensed consolidated financial statements may be material. There have been no material changes in our critical accounting policies and estimates from those disclosed in our Annual Report on Form 10-K for the year ended September 30, 2017. Please refer to Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended September 30, 2017 for a discussion of our critical accounting policies and estimates.

Geographical Information
See Note 13- Geographical Information in the notes to the condensed consolidated financial statements for disclosures related to geographic revenue and significant customers.

Recent Accounting Pronouncements
See Note 2 - Recent Accounting Pronouncements in the notes to the condensed consolidated financial statements for disclosures related to recent accounting pronouncements.

Restructuring Accruals
See Note 8 - Accrued Expenses and Other Current Liabilities in the notes to the condensed consolidated financial statements for disclosures related to our severance and restructuring-related accrual accounts.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risks

We are exposed to financial market risks, including changes in currency exchange rates and interest rates. We do not use derivative financial instruments for speculative purposes.

Foreign Currency Exchange Risks
The United States dollar is the reporting currency for our consolidated financial statements. The functional currency for our China subsidiary is the Yuan Renminbi.

We recognize translation adjustments due to the effect of changes in the value of the Yuan Renminbi relative to the U.S. dollar associated with our operations in China. The assets and liabilities of our foreign operations are translated from their respective functional currencies into U.S. dollars at the rates in effect at the consolidated balance sheet dates, and the revenue and expense amounts are translated at the average rate during the applicable periods reflected on the consolidated statements of operations and comprehensive income. Foreign currency translation adjustments are recorded as accumulated other comprehensive income.

Gains and losses from foreign currency transactions denominated in currencies other than the U.S. dollar, both realized and unrealized, are recorded as foreign exchange gain (loss) on our consolidated statements of operations and comprehensive income.

During the normal course of business, we are exposed to market risks associated with fluctuations in foreign currency exchange rates due to the Yuan Renminbi. To reduce the impact of these risks on our earnings and to increase the predictability of cash flows, we use natural offsets in receipts and disbursements within the applicable currency as the primary means of reducing the risk.

Some of our foreign suppliers may adjust their prices (in US dollars) from time to time to reflect currency exchange fluctuations, and such price changes could impact our future financial condition or results of operations. We do not currently hedge our foreign currency exposure.

Interest Rate Risks
On November 11, 2010, we entered into a Credit Facility with Wells Fargo Bank, N.A.. The Credit Facility, as it has been amended through its ninth amendment, currently provides us with a revolving credit of up to $15.0 million through November 2018 that can be used for working capital requirements, letters of credit, and other general corporate purposes. The Credit Facility is secured by the Company's assets and is subject to a borrowing base formula based on the Company's eligible accounts receivable, inventory, and machinery and equipment accounts. See Note 9 - Credit Facilities for additional information related to our bank Credit Facility. As of December 31, 2017, we had no borrowings outstanding under our Credit Facility. As of December 31, 2017, the Credit Facility had $0.5 million reserved for one outstanding stand-by letter of credit, leaving a remaining $9.1 million borrowing availability balance under this Credit Facility. As of January 31, 2018, there was no outstanding balance under the Credit Facility and $0.5 million was reserved for one outstanding stand-by letter of credit.

We monitor our interest rate risk on cash balances primarily through cash flow forecasting. Cash that is surplus to immediate requirements is invested in short-term deposits with banks accessible with short notice and invested in money market accounts. We believe our current interest rate risk is immaterial.

Inflation Risks

Inflationary factors, such as increases in material costs and operating expenses, may adversely affect our results of operations and cash flows. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, an increase in the rate of inflation in the future may have an adverse effect on the levels of gross profit and operating expenses as a percentage of revenue if the sales prices for our products do not proportionately increase with these increases in expenses.

Credit Market Conditions

The U.S. and global capital markets have periodically experienced turbulent conditions, particularly in the credit markets, as evidenced by tightening of lending standards, reduced availability of credit, and reductions in certain asset values. This could impact our ability to obtain additional funding through financing or asset sales.

ITEM 4. Controls and Procedures

a. Evaluation of Disclosure Controls and Procedures

Our management, with the participation of its Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer and Accounting Officer), evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act) as of December 31, 2017. Based upon this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

b. Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) promulgated under the Exchange Act) during the quarter ended December 31, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. Other Information

ITEM 1. Legal Proceedings

See the disclosures under the caption "Legal Proceedings" in Note 11 - Commitments and Contingencies in the notes to our condensed consolidated financial statements for disclosures related to our legal proceedings, which disclosures are incorporated herein by reference.

ITEM 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended September 30, 2017, which could materially affect our business, financial condition or future results. We do not believe the Company's risks have changed materially since we filed our Annual Report on Form 10-K on December 6, 2017. The risks described in our Annual Report on Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem immaterial also may materially adversely affect our business, financial condition and/or operating results.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not Applicable.

ITEM 3. Defaults Upon Senior Securities

Not Applicable.

ITEM 4. Mine Safety Disclosures

Not Applicable.

ITEM 5. Other Information

Not Applicable.

ITEM 6. Exhibits and Financial Statement Schedules

10.1**†	Form of Performance-Based Restricted Stock Award Agreement under the 2012 Equity Incentive Plan (for executive officers) (as of December 2017).
10.2†	EMCORE Corporation Fiscal 2018 Bonus Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on October 17, 2017).
31.1**	Certificate of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2**	Certificate of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1***	Certificate of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2***	Certificate of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS**	XBRL Instance Document.
101.SCH**	XBRL Taxonomy Extension Schema Document.
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document.

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† Management contract or compensatory plan
** *Filed herewith*
*** *Furnished herewith*

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EMCORE CORPORATION

Date:	**February 6, 2018**	By:	**/s/ Jeffrey Rittichier**
			Jeffrey Rittichier
			Chief Executive Officer (Principal Executive Officer)
Date:	**February 6, 2018**	By:	**/s/ Jikun Kim**
			Jikun Kim
			Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 10.1

EMCORE Corporation 2012 Equity Incentive Plan

Performance-Based Restricted Stock Unit Award Agreement

To: []

EMCORE Corporation, a New Jersey corporation (the "***Company***"), has granted you an award (the "***Award***") of a target number of [] performance-based restricted stock units (the "***Restricted Stock Units***") under the EMCORE Corporation 2012 Equity Incentive Plan, as adopted effective January 25, 2012, and as further amended from time to time (the "***Plan***"), conditioned upon your agreement to the terms and conditions described below. Each Restricted Stock Unit represents, on the books of the Company, a unit which is equivalent to one share of the Company's common stock, no par value per share (the "***Common Stock***"). The effective "***Grant Date***" will be [], subject to your promptly signing and returning a copy of this Agreement (as defined below) to the Company.

This Performance-Based Restricted Stock Unit Award Agreement (the "***Agreement***") evidences the Award of the Restricted Stock Units. This Agreement and the Award of the Restricted Stock Units are made in consideration of your employment or service relationship with the Company or an Affiliate of the Company (as applicable, your "***Employer***"). The Award is subject in all respects to and incorporates by reference the terms and conditions of the Plan and any terms and conditions relating to Restricted Stock Units and specifies other applicable terms and conditions of your Restricted Stock Units.

A copy of the Plan and the Prospectus for the Plan, as amended from time to time (the "***Prospectus***"), is being provided or made available to you in connection with the Award. By executing this Agreement, you acknowledge that you have received a copy of the Plan and the Prospectus. You may request additional copies of the Plan or Prospectus by contacting EMCORE Corporation, Attn: Chief Financial Officer, 2015 West Chestnut Street, Alhambra, CA 91803. You also may request from the Secretary of the Company copies of the other documents that make up a part of the Prospectus (described more fully at the end of the Prospectus), as well as all reports, proxy statements and other communications distributed to the Company's security holders generally.

1. Terminology; Conflicts. The Glossary at the end of this Agreement includes definitions of certain capitalized words used in this Agreement. All terms not defined in this Agreement (including the Glossary) have the meanings given in the Plan. Unless otherwise specifically provided in this Agreement, in the event of any conflict, ambiguity or inconsistency between or among any defined term in this Agreement or the Plan, the provisions of, first, the Plan and second, this Agreement, will control in that order of priority, except in the case of Section 14 of this Agreement, which will control in all cases.

2. Terms and Conditions of Award. The following terms and conditions will apply:

(a) *Performance Vesting Condition*. Your target number of Restricted Stock Units shall be subject to the performance-based forfeiture and vesting provisions below:

(i) All of the Restricted Stock Units are nonvested and forfeitable as of the Grant Date.

(ii) Subject to earlier termination as provided in this Agreement, your Restricted Stock Units are subject to a vesting requirement based on the Company's Total Shareholder Return achieved relative to the Total Shareholder Return for the Index. The Company's Total Shareholder Return will be measured over a three-year performance period that will begin on [] and end on [] (the "***Performance Period***"). Total Shareholder Return performance for the Performance Period will be determined with reference to the goals set forth in the table below:

Total Shareholder Return for the Performance Period Relative to the Total Shareholder Return for the Index	**% of Target Number of Units Becoming Vested and Nonforfeitable**
<50% of Index	0%
50% of Index	0%
60% of Index	20%
80% of Index	60%
100% of Index	100%
120% of Index	140%
140% of Index	180%
150% of Index	200%
>150 of Index%	200%

Except as described below, all of your Restricted Stock Units will terminate for no consideration at the end of the Performance Period if the Company achieves a Total Shareholder Return that is equal to or less than fifty percent (50%) of the Total Shareholder Return for the Index. If the Company achieves a Total Shareholder Return relative to the Index for the Performance Period between the percentages listed in the table above, the percentage of your Restricted Stock Units that will be eligible to become vested and nonforfeitable will be pro-rated on a straight-line basis between the closest two percentages listed in the table above. The maximum percentage of your Restricted Stock Units that may be eligible to become vested and nonforfeitable is the maximum percentage listed in the table above. Any of your Restricted Stock Units that do not become eligible to become vested and nonforfeitable at the end of the Performance Period based on the Company's Total Shareholder Return for the Performance Period will automatically terminate for no consideration at the end of the Performance Period.

(iii) The Restricted Stock Units are intended to qualify as "performance based compensation" under Section 162(m) of the Code. Accordingly, the Administrator shall follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Restricted Stock Units under Section 162(m) of the Code (including, without limitation, certifying in writing the achievement of the Total Shareholder Return for the Performance Period relative to the Index before any payment is made with respect to any Restricted Stock Units).

(b) *Continued Service Vesting Condition*. In addition to achievement of the Total Shareholder Return performance-vesting requirements set forth above, in order for any of your Restricted Stock Units to become vested and nonforfeitable, you must continue to be a Service Provider through the last day of the Performance Period. Unless this Agreement provides to the contrary, none of the Restricted Stock Units will become vested and nonforfeitable after you cease to be a Service Provider, and any Restricted Stock Units that are nonvested and forfeitable as of the date you cease to be a Service Provider shall terminate for no consideration.

(c) *Change in Control*. If a Change in Control occurs while any of your Restricted Stock Units are outstanding, the following provisions shall apply:

(i) If the Change in Control occurs after the end of the Performance Period but before any Restricted Stock Units that have become vested and nonforfeitable based on the Company's Total Shareholder Return performance for the completed Performance Period have been paid, such vested and nonforfeitable Restricted Stock Units will be paid as provided for in Section 2(e) below.

(ii) If the Change in Control occurs during the Performance Period while any of your Restricted Stock Units are outstanding, the Performance Period (an "***Adjusted Performance Period***") will be deemed to end on the day immediately preceding the Change in Control and performance will be measured based on the Company's Total Shareholder Return relative to the Index through the date of the Change in Control, provided that (1) instead of using an average stock price to measure the Company's Total Shareholder Return at the end of the Adjusted Performance Period, the Company's Total Shareholder Return at the end of the Adjusted Performance Period will be measured using the price per share of Common Stock to be paid in the Change in Control in accordance with the definitive agreement governing the transaction constituting the Change in Control (or, in the absence of such agreement, the closing price per share of

Common Stock on the last trading day prior to the Change in Control, as reported at the close of regular trading on the principal exchange on which the Common Stock is listed), and (2) the Total Shareholder Return for the Index shall be determined in accordance with the definition of Total Shareholder Return, but using the day immediately preceding the Change in Control as the last day of the Adjusted Performance Period. Any Restricted Stock Units that become eligible to become vested and nonforfeitable based on the Company's Total Shareholder Return performance for the Adjusted Performance Period (or if you are a party to an employment agreement with the Company (an "***Employment Agreemen***t") that entitles you to vest in a minimum of the target number of Restricted Stock Units for the Adjusted Performance Period as a result of a Change in Control or qualifying termination of employment following a Change in Control, the target number of Restricted Stock Units if greater) shall be referred to as "**Adjusted Performance Period Units**"). For the avoidance of doubt, if you are party to an Employment Agreement that entitles you to vest in a specified percentage of your outstanding equity awards as a result of a Change in Control or qualifying termination of employment following a Change in Control, the Employment Agreement shall entitle you to vest in the Adjusted Performance Period Units as determined above.

(iii) Any Restricted Stock Units for the Adjusted Performance Period that do not become Adjusted Performance Period Units shall terminate at the end of the Adjusted Performance Period for no consideration.

(iv) If you are a party to an Employment Agreement that entitles you to vest in the Adjusted Performance Period Units for the Adjusted Performance Period solely as a result of a Change in Control, you will be entitled to vest in the number of Adjusted Performance Period Units becoming vested and nonforfeitable pursuant to the terms of your Employment Agreement (the "**Accelerated Adjusted Units**"). The Accelerated Adjusted Units will be paid as provided for in Section 2(e) below.

(v) Any Adjusted Performance Period Units for the Adjusted Performance Period that are not Accelerated Adjusted Units (the "**Time-Based Adjusted Units**"), will become vested and nonforfeitable on the last day of the original Performance Period (before any adjustment), subject to you continuing to be a Service Provider through such date. In addition, (1) if you suffer an involuntary termination without Cause (which shall have the same meaning as in your Employment Agreement, or if you are not party to an Employment Agreement, shall have the same meaning as in the Plan) within two years following the Change in Control and prior to the last day of the original Performance Period, all of your unvested Time-Based Adjusted Units will become vested and nonforfeitable as of the date of your termination without Cause, and (2) if you are party to an Employment Agreement that entitles you to vest in any Time-Based Adjusted Units as a result of a qualifying termination of employment following a Change in Control and you experience a qualifying termination of employment prior to the last day of the original Performance Period, the applicable number of Time-Based Adjusted Units becoming vested pursuant to the terms of your Employment Agreement will become vested and nonforfeitable as of the date of your qualifying termination of employment. Any Time-Based Adjusted Units becoming vested and nonforfeitable will be paid as provided for in Section 2(e) below.

(vi) Notwithstanding anything to the contrary in this Agreement or the Plan, in the event of a Change in Control in which the Restricted Stock Units are not honored, assumed or substituted with an Alternative Award, all of the Adjusted Performance Period Units shall become vested and nonforfeitable as of the last day of the Adjusted Performance Period and will be paid as provided for in Section 2(e) below. For the avoidance of doubt and notwithstanding anything to the contrary in the Plan, any Restricted Stock Units for an Adjusted Performance Period that do not become Adjusted Performance Period Units shall terminate at the end of the Adjusted Performance Period.

(d) *Termination of Service*. If you cease to be a Service Provider for any reason, all Restricted Stock Units that are not then vested and nonforfeitable will, after giving effect to any accelerated vesting as a result of your ceasing to be a Service Provider, be immediately forfeited for no consideration.

(e) *Settlement*. Any Restricted Stock Units subject to this Award that become vested and nonforfeitable shall be paid in an equivalent number of whole shares of Common Stock (with any fractional Restricted Stock Units rounded down to the nearest whole number of shares of Common Stock) as soon as practicable following the applicable vesting date, but in any event no later than the 15th day of the third calendar month following the end of the calendar year in which the vesting date occurs; provided that any Restricted Stock Units that become vested and nonforfeitable in connection with or following a Change in Control will be paid no later than the 30th day following the applicable vesting date. Upon issuance, such shares of Common Stock may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated in compliance with Applicable Law, this Agreement and any other agreement to which such shares are subject. Your settlement rights pursuant to this Agreement shall be no greater than the right of any unsecured general creditor of the Company. The Company will not be required to issue fractional shares of Common Stock upon settlement of the Restricted Stock Units.

3. Restrictions on Transfer. You may not sell, assign, transfer, pledge, hedge, hypothecate, encumber or dispose of in any way (whether by operation of law or otherwise) any Restricted Stock Units, and Restricted Stock Units may not be subject to execution, attachment or similar process. Any sale or transfer, or purported sale or transfer, shall be null and void. The Company will not be required to recognize on its books any action taken in contravention of these restrictions.

4. Issuance of Shares.

(a) Notwithstanding any other provision of this Agreement, you may not sell the shares of Common Stock acquired upon vesting of the Restricted Stock Units unless such shares are registered under the Securities Act, or, if such shares are not then so registered, such sale would be exempt from the registration requirements of the Securities Act. The sale of such shares must also comply with other Applicable Law and any applicable insider trading policy of the Company governing the Common Stock and you may not sell the shares of Common Stock if the Company determines that such sale would not be in material compliance with such Applicable Law or insider trading policy.

(b) The shares of Common Stock issued in settlement of the Restricted Stock Units shall be registered in your name. The Company will deliver a share certificate to you, or deliver shares electronically or in certificate form to your designated broker on your behalf. If you are deceased (or in case of your Disability and if necessary) at the time that a delivery of share certificates is to be made, the certificates will be delivered to your executor, administrator, legally authorized guardian or personal representative. The Company may at any time place legends referencing any Applicable Law restrictions on all certificates representing shares of Common Stock issued pursuant to this Agreement, and the certificate shall bear such restrictive legends or restrictions as the Company, in its sole discretion, shall require. You will, at the request of the Company, promptly present to the Company any and all certificates representing shares acquired pursuant to this Agreement in your possession in order to carry out the provisions of this Section 4(b).

(c) The grant of the Restricted Stock Units and the shares of Common Stock issued in settlement of the Restricted Stock Units will be subject to and in compliance with all applicable requirements of Applicable Law with respect to such securities. No shares of Common Stock may be issued hereunder if the issuance of such shares would constitute a violation of any Applicable Law. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares subject to the Restricted Stock Units shall relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. As a condition to the settlement of the Restricted Stock Units, the Company may require you to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any Applicable Law and to make any representation or warranty with respect thereto as may be requested by the Company.

(d) *Postponement of Delivery*. The Company may postpone the issuance and delivery of any shares of Common Stock provided for under this Agreement for so long as the Company determines to be necessary or advisable to satisfy the following:

(i) the completion or amendment of any registration of such shares or satisfaction of any exemption from registration under any Applicable Law;

(ii) compliance with any requests for representations; and

(iii) receipt of proof satisfactory to the Company that a person seeking such shares on your behalf upon your Disability (if necessary), or upon your estate's behalf after your death, is appropriately authorized.

5. Tax Withholding. Unless (1) otherwise determined by the Administrator at any time after the Grant Date or (2) you have previously notified the Chief Financial Officer of the Company (or his designee) that you will pay the amount of any applicable federal, state or local tax law withholding taxes directly to the Company in cash, upon any payment of shares of Common Stock in respect of the Restricted Stock Units, the Company shall automatically reduce the number of shares to be delivered by (or otherwise reacquire) the appropriate number of whole shares, valued at their then Fair Market Value, to satisfy any withholding obligations of the Company and the Employer with respect to such distribution of shares at the applicable withholding rates. In the event that the Administrator determines not to satisfy, or the Company cannot legally satisfy, such

withholding obligations by such reduction of shares, or in the event of a cash payment or any other withholding event in respect of the Restricted Stock Units, the Company or the Employer shall be entitled to require a cash payment by or on your behalf and/or to deduct from other compensation payable to you any sums required by federal, state or local tax law to be withheld with respect to such distribution or payment.

6. Adjustments for Corporate Transactions and Other Events.

(a) *Adjustment Events*. Upon an Adjustment Event, the number of Restricted Stock Units and the number of such Restricted Stock Units that are nonvested and forfeitable will, without further action of the Administrator, be adjusted to reflect such event pursuant to the provisions of Section 15.1 of the Plan. The Administrator may make adjustments, in its discretion, to address the treatment of fractional shares with respect to the Restricted Stock Units as a result of the Adjustment Event. Adjustments under this Section 6 will be made by the Administrator, whose determination as to what adjustments, if any, will be made and the extent thereof will be final, binding and conclusive. No fractional Restricted Stock Units will result from any such adjustments. Any such adjustment shall be consistent with section 162(m) of the Code to the extent the Restricted Stock Units are subject to such section of the Code.

(b) *Binding Nature of Agreement*. The terms and conditions of this Agreement will apply with equal force to any additional and/or substitute securities received by you in exchange for, or by virtue of your granting of, the Restricted Stock Units, whether as a result of any Adjustment Event or other similar event, except as otherwise determined by the Administrator. If the Restricted Stock Units are converted into or exchanged for, or stockholders of the Company receive by reason of any distribution in total or partial liquidation or pursuant to any merger of the Company or acquisition of its assets, securities of another entity, or other property (including cash), then the rights of the Company under this Agreement will inure to the benefit of the Company's successor, and this Agreement will apply to the securities or other property received upon such conversion, exchange or distribution in the same manner and to the same extent as the Restricted Stock Units.

7. Dividend Equivalent Rights. As of each date that the Company pays an ordinary cash dividend on its outstanding Common Stock for which the related record date occurs after the Grant Date and prior to the date all Restricted Stock Units subject to the Award have either been paid or have terminated, the Company shall credit you with an additional number of Restricted Stock Units equal to (a) the amount of the ordinary cash dividend paid by the Company on a single share of Common Stock on that date, multiplied by (b) the number of Restricted Stock Units subject to the Award outstanding and unpaid as of such record date (including any Restricted Stock Units previously credited under this Section 7 and with such total number subject to adjustment pursuant to Section 15.1 of the Plan and this Agreement), divided by (c) the closing price of a share of Common Stock on that date. Any Restricted Stock Units credited pursuant to the foregoing provisions of this Section 7 will be subject to the same vesting, payment, termination and other terms, conditions and restrictions as the original Restricted Stock Units to which they relate. No crediting of Restricted Stock Units will be made pursuant to this Section 7 with respect to any Restricted Stock Units which, as of the related record date, have either been paid or have terminated.

8. No Right to Continued Employment or Service. The Award shall not confer upon you any right to be retained as a Service Provider, nor restrict in any way the right of your Employer, which right is hereby expressly reserved, to terminate your employment or service relationship at any time with or without Cause (regardless of whether such termination results in (a) the failure of any Award to vest; (b) the forfeiture of any unvested or vested portion of any Award; and/or (c) any other adverse effect on your interests under the Plan). Nothing in the Plan or this Agreement shall confer on you the right to receive any future Awards under the Plan.

9. No Rights as Stockholder. You shall not have any rights as a stockholder of the Company with respect to any shares of Common Stock corresponding to the Restricted Stock Units granted hereby unless and until shares of Common Stock are issued to you in respect thereof. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date such certificate or certificates are issued, except as provided in Section 6 and Section 7 of this Agreement.

10. The Company's Rights. The existence of the Restricted Stock Units does not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, including that of its Affiliates, or any merger or consolidation of the Company or any Affiliate, or any issue of bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company or any Affiliate, or any sale or transfer of all or any part of the Company's or any Affiliate's assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

11. Entire Agreement. This Agreement, inclusive of the Plan incorporated into this Agreement, contains the entire agreement between you, your Employer and the Company with respect to the Restricted Stock Units. Any and all existing oral or written agreements, representations, warranties, written inducements, or other communications made prior to the execution of this Agreement by any person with respect to the Award or the Restricted Stock Units are superseded by this Agreement and are void and ineffective for all purposes.

12. Conformity with Plan. This Agreement is intended to conform in all respects with, and is subject to all applicable provisions of, the Plan. In the event of any ambiguity in this Agreement or any matters as to which this Agreement is silent, the Plan will govern.

13. Amendment. This Agreement may be amended from time to time by the Administrator in its discretion; provided, however, that this Agreement may not be modified in a manner that would have a materially adverse effect on the Restricted Stock Units as determined in the discretion of the Administrator, except as provided in the Plan or in any other written document signed by you and the Company. This Agreement may not be amended, modified or supplemented orally.

14. Governing Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New Jersey applicable to contracts executed and to be performed entirely within such state, without regard to the conflict of law provisions thereof.

15. Severability. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy, then only the portions of this Agreement which violate such statute or public policy shall be stricken, and all portions of this Agreement which do not violate any statute or public policy shall continue in full force and effect. Further, it is the parties' intent that any court order striking any portion of this Agreement should modify the terms as narrowly as possible to give as much effect as possible to the intentions of the parties' under this Agreement.

16. Further Assurances. You agree to use your reasonable and diligent best efforts to proceed promptly with the transactions contemplated herein, to fulfill the conditions precedent for your benefit or to cause the same to be fulfilled and to execute such further documents and other papers and perform such further acts as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated herein. The Company may require you to furnish or execute such other documents as the Company shall reasonably deem necessary (a) to evidence such exercise or (b) to comply with or satisfy the requirements of Applicable Law.

17. Investment Representation. If at the time of settlement of all or part of the Restricted Stock Units, the Common Stock is not registered under the Securities Act and/or there is no current prospectus in effect under the Securities Act with respect to the Common Stock, you shall execute, prior to the issuance of any shares of Common Stock in settlement of the Restricted Stock Units to you by the Company, an agreement (in such form as the Administrator may specify) in which you, among other things, represent, warrant and agree that you are acquiring the shares acquired under this Agreement for your own account, for investment only and not with a view to the resale or distribution thereof, that you have knowledge and experience in financial and business matters, that you are capable of evaluating the merits and risks of owning any shares of Common Stock acquired under this Agreement, that you are a person who is able to bear the economic risk of such ownership and that any subsequent offer for sale or distribution of any of such shares shall be made only pursuant to (a) a registration statement on an appropriate form under the Securities Act, which registration statement has become effective and is current with regard to the shares being offered or sold, or (b) a specific exemption from the registration requirements of the Securities Act, it being understood that to the extent any such exemption is claimed, you shall, prior to any offer for sale or sale of such shares, obtain a prior favorable written opinion, in form and substance satisfactory to the Administrator, from counsel for or approved by the Administrator, as to the applicability of such exemption thereto.

18. Headings. Section headings are used in this Agreement for convenience of reference only and shall not affect the meaning of any provision of this Agreement.

19. Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

20. Section 409A. It is intended that the terms of the Award will not result in the imposition of any tax liability pursuant to Section 409A of the Code. This Agreement shall be construed and interpreted consistent with that intent.

21. Interpretation. The Administrator shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Administrator under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

22. Authorization to Share Personal Data. You authorize any Affiliate of the Company that employs or retains you or that otherwise has or lawfully obtains personal data relating to you to divulge or transfer such personal data to the Company or to a third party, in each case in any jurisdiction, if and to the extent appropriate in connection with this Agreement or the administration of the Plan.

23. Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or express mail, return receipt requested, postage prepaid, or by any recognized international equivalent of such delivery, to the Company or you, as the case may be, at the following addresses or to such other address as the Company or you, as the case may be, shall specify by notice to the other:

(i) if to the Company, to it at:

EMCORE Corporation
2015 West Chestnut Street
Alhambra, CA 91803
Attention: Chief Financial Officer
Fax: (626) 293-3424

(ii) if to you, to your most recent address as shown on the books and records of the Company or Affiliate employing or retaining you.

All such notices and communications shall be deemed to have been received on the date of delivery if delivered personally or on the third business day after the mailing thereof.

24. Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Awards evidenced hereby, you acknowledge: (a) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (b) that the Award does not create any contractual or other right to receive future grants of Awards; (c) that participation in the Plan is voluntary; (d) that the value of the Awards is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (e) that the future value of the Common Stock is unknown and cannot be predicted with certainty.

25. Consent to Electronic Delivery. By entering into this Agreement and accepting the Award evidenced hereby, you hereby consent to the delivery of information (including, without limitation, information required to be delivered to you pursuant to Applicable Law) regarding the Company and its Affiliates, the Plan, this Agreement and the Award via Company web site or other electronic delivery.

26. Clawback Policy. The Restricted Stock Units are subject to the terms of the Company's recoupment, clawback or similar policy as it may be in effect from time to time, as well as any similar provisions of Applicable Law, any of which could in certain circumstances require repayment or forfeiture of the Restricted Stock Units or any shares of Common Stock or other cash or property received with respect to the Restricted Stock Units (including any value received from a disposition of the shares acquired upon payment of the Restricted Stock Units).

27. Counterparts. This Agreement may be executed in counterparts (including electronic signatures or facsimile copies), each of which will be deemed an original, but all of which together will constitute the same instrument.

{The Glossary follows on the next page.}

GLOSSARY

(a) "***Index***" means the Russell Microcap Index.

(b) "***Total Shareholder Return***" means the total shareholder return over the Performance Period for either the Company or the Index assuming that any dividends are reinvested in a company's stock on the payment date. Except as provided in Section 2(c)(ii)), (1) total shareholder return for the Company shall be calculated using (i) the average Company stock price at the close of regular trading on the principal exchange on which the stock is listed or traded for the 30-trading-day period ending with the last day on which the applicable exchange is open for trading preceding the first day of the Performance Period, and (ii) the average Company stock price at the close of regular trading on the principal exchange on which the stock is listed or traded for the 30-trading-day period ending with the last trading day of the Performance Period, and (2) total shareholder return for the Index will be measured over the same 30-trading day periods as for the Company.

(c) "***Securities Act***" means the Securities Act of 1933 and the rules promulgated thereunder, as amended.

(d) "***You***"; "***Your***". You means the recipient of the Restricted Stock Units as reflected in the first paragraph of this Agreement. Whenever the word "you" or "your" is used in any provision of this Agreement under circumstances where the provision should logically be construed, as determined by the Administrator, to apply to the estate, personal representative, or beneficiary to whom the Restricted Stock Units may be transferred by will or by the laws of descent and distribution, the words "you" and "your" will be deemed to include such person.

{*The signature page follows.*}

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of **[Date]**.

EMCORE CORPORATION

By:

Date:

The undersigned hereby represents that he/she has read the Prospectus and is familiar with the Plan's terms. The undersigned hereby acknowledges that he/she has carefully read this Agreement and agrees, on behalf of himself/herself and on behalf of his/her beneficiaries, estate and permitted assigns, to be bound by all of the provisions set forth herein, and that the Award and Restricted Stock Units are subject to all of the terms and provisions of this Agreement, and of the Plan under which it is granted, as the Plan and this Agreement may be amended in accordance with their respective terms. The undersigned agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator concerning any questions arising under this Agreement or the Plan with respect to the Award or Restricted Stock Units.

WITNESS

AWARD RECIPIENT

Date:

Exhibit 31.1

EMCORE CORPORATION
CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Jeffrey Rittichier certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of EMCORE Corporation ("Report");

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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. 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

    d. Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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: **February 6, 2018**

By: **/s/ Jeffrey Rittichier**
Jeffrey Rittichier
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

EMCORE CORPORATION
CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Jikun Kim, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of EMCORE Corporation ("Report");

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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. 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

    d. Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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: **February 6, 2018**

By: **/s/ Jikun Kim**
Jikun Kim
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

**STATEMENT REQUIRED BY 18 U.S.C. §1350, AS ADOPTED
PURSUANT TO §906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of EMCORE Corporation (the "Company") for the quarterly period ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey Rittichier, Chief Executive Officer (Principal Executive Officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, 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 operations of the Company.

Date: **February 6, 2018**

By: **/s/ Jeffrey Rittichier**
Jeffrey Rittichier
Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filings.

Exhibit 32.2

STATEMENT REQUIRED BY 18 U.S.C. §1350, AS ADOPTED PURSUANT TO §906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of EMCORE Corporation (the "Company") for the quarterly period ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jikun Kim, Chief Financial Officer (Principal Financial and Accounting Officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, 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 operations of the Company.

Date: **February 6, 2018**

By: **/s/ Jikun Kim**
Jikun Kim
Chief Financial Officer
(Principal Financial and Accounting Officer)

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filings.