

Diva Selects Harmonic Narrowcast Services Gateway for New Integrated Video-On-Demand Solution

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SUNNYVALE, Calif. and REDWOOD CITY, Calif., Nov 26, 2001 (BUSINESS WIRE) -- DIVA, the leading provider of video-on-demand (VOD) solutions for the cable television industry, and Harmonic Inc. (Nasdaq: HLIT), a leading provider of innovative broadband solutions, today formed a strategic alliance to integrate their VOD networking equipment. The new open systems based DIVA(TM) DDL601 combines Harmonic's Narrowcast Services Gateway (NSG) with the DIVA(TM) Digital Link (DDL) platform. DIVA will actively market and sell the integrated solution, giving cable operators the ability to purchase a best-in-class, high-capacity video-on-demand system from a single source.

"The new DDL601's support of multiple transport protocols creates a VOD solution that integrates seamlessly into existing cable networks and provides a standards-based video-on-demand solution," said Henk Hanselaar, President and CEO of DIVA. "As the most efficient, compact, high-capacity server gateway, Harmonic's NSG is an ideal choice to complement our best-in-class product line."

"As interest and demand for video-on-demand accelerates, the principal challenges for the cable operator are expanding service access and ensuring network performance while managing cost per stream. The bandwidth utilized by VOD can be particularly high as every customer may select a different movie," said Dr. Yaron Simler, President of the Convergent Systems Division at Harmonic. "Combining the DIVA and Harmonic systems into a single bundled solution gives operators both a flexible way to scale their infrastructure as well as an innovative means for exploiting the economics of open systems."

Integrated DIVA/Harmonic VOD Solution Lowers Cost Per Stream

The DDL601 offers the advantages of a distributed QAM architecture that supports multiple transport technologies, a benefit of Harmonic's NSG EdgeQAM(TM) device, and a robust, high capacity server tuned for the VOD applications, an advantage of the DIVA system. In addition, the open systems architecture allows the DDL601 to seamlessly integrate with any environment while providing a cost-effective growth path to support future requirements. The overall impact of these features can produce a significant reduction in the cost per stream.

The DDL601 incorporates Harmonic's NSG and will provide eight channels of 64 or 256 QAM modulation with internal upconversion in 1 rack-unit (RU) of space supporting HS-ASI, DVB-ASI, and Gigabit Ethernet input interfaces, at a cost-effective price per stream. The device can be co-located centrally with a DIVA DVS6000 server or placed deep into the network as fiber is driven closer to the home.

About Harmonic Inc.

Harmonic is a leading provider of innovative broadband solutions that deliver video, voice and data to communications providers around the world. Harmonic's technically advanced fiber optic, digital video and IP data delivery systems enable network operators to provide a range of interactive and advanced digital services that include high-speed Internet access, telephony, digital video, HDTV, video & audio streaming, and video-on-demand.

Harmonic (Nasdaq: HLIT) is headquartered in Sunnyvale, California with R&D, sales, and system integration centers worldwide. The Company has customers in over 40 countries on six continents, including many of the world's largest communications providers. For more information, visit www.harmonicinc.com.

About DIVA

DIVA (www.divatv.com) is the nation's leading video-on-demand (VOD) provider to the cable television industry. DIVA's services and technology allow cable operators to deliver a complete VOD solution, including software and server platforms, billing and support services, and content management and distribution. DIVA's systems are deployed in 24 markets by large-scale operators such as AT&T Broadband, Charter Communications and Insight Communications, which together reach 44 percent of all U.S. digital cable subscribers. Founded in June 1995, DIVA is a privately held company and is headquartered in Redwood City, Calif. DIVA's strategic investors include Charter Communications, NTL, OpenTV, Starz Encore, Liberate and Motorola. More information can be found at www.divatv.com.

This press release contains forward-looking statements, including, but not limited to, marketing and selling the integrated solution, accelerating interest and demand for video-on-demand, support of future requirements, and the features of DDL601, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. In addition, actual results could differ materially from those projected in the forward-looking statements as a result of the risk factors set forth in documents that Harmonic files with the SEC, including reports on Form 10-K and 10-Q.

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