



Major Cable Operators in China Use Harmonic Headends to Deliver Digital Television in Service Area Exceeding 180 Million People

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BEIJING, Mar 22, 2002 (BUSINESS WIRE) -- China International Exhibition Center, CCBN2002 -- Harmonic Inc. (Nasdaq:HLIT) today announced that cable operators in China are delivering digital television to millions of subscribers using systems by Harmonic. Guangdong Cable TV and Broadcasting, Shenzhen Broadcasting & CATV, and Sichuan Broadcasting and Television Co., Ltd. have recently installed Harmonic's encoding and multiplexing systems for their digital headends. The combined service area of the three encompasses more than 180 million people.

These cable operators cite Harmonic's digital video compression technology, product performance and reliability and the Company's reputation as key reasons for purchasing the solutions. Harmonic's open standards-based digital video broadcasting solutions allow seamless integration into existing networks and incremental growth as new programming is introduced or subscriber growth requires.

"China continues to be an important market for Harmonic," said Anthony Ley, Chairman, President and Chief Executive Officer of Harmonic. "We've got a great team in place to support our customers and we look forward to further strengthening our relationships in the country."

Guangdong Cable TV and Broadcasting (GDCATV) uses Harmonic systems in a digital headend that services 35 remote headend sites. The distributed headend system is now on-air and enables GDCATV to deliver high quality programming to a growing subscriber base of over 3 million. The headend project is an extension of previous work between GDCATV and Harmonic where DiviCom(R) digital headend products were deployed to build the largest digital video transmission system in the Guangdong Province.

Shenzhen Broadcasting & CATV selected DiviCom systems to power digital television services for the entire Shenzhen metropolitan area. The headend, which is the largest of its kind in China, uses an array of Harmonic encoding and multiplexing systems to broadcast digital television programming and near-video-on-demand pay-per-view services with over 100 programs. The advanced noise reduction of Harmonic's encoders renders outstanding picture quality while open standards compliance allows Shenzhen Cable to easily integrate with middleware and conditional access providers for pay-per-view services.

Sichuan Broadcasting uses Harmonic's encoders and multiplexers to maximize available network bandwidth for delivering digital television to major cities throughout the province. Sichuan, one of China's largest provinces, is home to over 110 million people. The network is on-air and currently providing service to over seven million subscribers. Along with digital television, Sichuan Broadcasting plans to offer interactive services such as video-on-demand (VOD), video conferencing, remote education, Internet connectivity and virtual private networks (VPN). Since going live, Sichuan Broadcasting has purchased additional Harmonic DiviCom encoders and multiplexers to extend their digital broadcasting network.

About Harmonic Inc.

Harmonic Inc. is a leading provider of digital video, broadband optical networking and IP delivery systems to cable, satellite, telecom and broadcast network operators. Harmonic's open standards-based solutions for the headend through the last mile enable customers to develop new revenue sources and a competitive advantage by offering powerful interactive video, voice and data services such as video-on-demand, high definition digital television, telephony and Internet access.

Harmonic (Nasdaq:HLIT) is headquartered in Sunnyvale, California with R&D, sales and system integration centers worldwide. The Company's customers, including many of the world's largest communications providers, deliver services in virtually every country. Visit www.harmonicinc.com for more information.

This press release contains forward-looking statements, including, but not limited to, the capabilities of Harmonic's solutions, the strengthening of Harmonic's relationships in China, and Sichuan Broadcasting's plans to offer interactive services, 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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