

Harmonic Inc.
Revenue Information
(Unaudited)
(in USD, thousands, except for percentages)

	Q1 2014		Q2 2014		Q3 2014		Q4 2014		Q1 2015		Q2 2015	
Product												
Video Products(1)	64,018	59%	57,196	52%	60,668	56%	65,975	61%	48,714	47%	56,096	54%
Cable Edge	24,242	23%	29,332	27%	23,915	22%	17,840	17%	31,759	30%	21,351	21%
Services and Support	19,772	18%	23,061	21%	23,478	22%	24,060	22%	23,543	23%	25,656	25%
Total	<u>108,032</u>	100%	<u>109,589</u>	100%	<u>108,061</u>	100%	<u>107,875</u>	100%	<u>104,016</u>	100%	<u>103,103</u>	100%
Geography												
Americas(2)	64,886	60%	60,066	55%	60,007	56%	60,890	56%	60,518	58%	60,342	58%
EMEA	24,187	22%	31,519	29%	27,430	25%	26,509	25%	24,673	24%	27,360	27%
APAC	18,959	18%	18,004	16%	20,624	19%	20,476	19%	18,825	18%	15,401	15%
Total	<u>108,032</u>	100%	<u>109,589</u>	100%	<u>108,061</u>	100%	<u>107,875</u>	100%	<u>104,016</u>	100%	<u>103,103</u>	100%
Market												
Service Provider(3)	71,510	66%	75,048	68%	67,497	62%	72,844	68%	67,974	65%	64,041	62%
Broadcast and Media	36,522	34%	34,541	32%	40,564	38%	35,031	32%	36,042	35%	39,062	38%
Total	<u>108,032</u>	100%	<u>109,589</u>	100%	<u>108,061</u>	100%	<u>107,875</u>	100%	<u>104,016</u>	100%	<u>103,103</u>	100%

(1) Video Products now include Video Processing and Production and Playback.

(2) Americas now include U.S., Canada and Latin America.

(3) Service Provider now includes Cable and Satellite and Telco.

* NOTE: The prior period information has been reclassified to conform to the current period presentation.

Harmonic Inc.
Segment revenue and operating income
(in USD, thousands)

	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
Net revenue:						
Video	81,152	77,311	81,360	86,933	69,282	\$ 78,207
Cable Edge	26,880	32,278	26,701	20,942	34,734	24,896
Total consolidated net revenue	<u>108,032</u>	<u>109,589</u>	<u>108,061</u>	<u>107,875</u>	<u>104,016</u>	<u>\$ 103,103</u>
Operating income (loss):						
Video	2,435	382	6,609	8,647	(90)	\$ 4,901
Cable Edge	1,044	2,014	120	(1,939)	6,188	357
Total segment operating income	3,479	2,396	6,729	6,708	6,098	5,258
Less:						
Unallocated corporate expenses**	(228)	(284)	(403)	(2,161)	(44)	(185)
Stock-based compensation	(3,807)	(4,561)	(4,352)	(4,567)	(4,134)	(3,884)
Amortization of intangibles	(6,666)	(6,200)	(5,512)	(2,142)	(1,907)	(1,532)
Income (loss) from operations	(7,222)	(8,649)	(3,538)	(2,162)	13	(343)
Non-operating income (expense)	89	(60)	(214)	(39)	(2,956)	76
Loss before income taxes	<u>(7,133)</u>	<u>(8,709)</u>	<u>(3,752)</u>	<u>(2,201)</u>	<u>(2,943)</u>	<u>\$ (267)</u>

**Unallocated corporate expenses include certain corporate-level operating expenses and charges such as restructuring and asset impairment charges and proxy contest related expenses.