

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

Current Report

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

July 21, 2011

**Date of Report
(Date of earliest event reported)**

HARMONIC INC.

(Exact name of Registrant as specified in its charter)

Delaware

**(State or other jurisdiction of
incorporation or organization)**

000-25826

Commission File Number

77-0201147

**(I.R.S. Employer
Identification Number)**

**4300 North First Street
San Jose, CA 95134
(408) 542-2500**

**(Address, including zip code, and telephone number, including area code,
of Registrant's principal executive offices)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On July 21, 2011, Harmonic Inc. ("Harmonic" or the "Company") issued a press release regarding its unaudited financial results for the quarter ended July 1, 2011. In the press release, Harmonic also announced that it would be holding a conference call on July 21, 2011 to discuss its financial results for the quarter ended July 1, 2011. A copy of the press release is furnished as Exhibit 99.1 hereto, and the information in Exhibit 99.1 is incorporated herein by reference.

The information in this Current Report on Form 8-K and the exhibit attached hereto is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") or otherwise subject to the liabilities of that Section, and this Current Report on Form 8-K and the exhibit furnished herewith shall not be incorporated by reference into any filing by Harmonic under the Securities Act of 1933, as amended, or under the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|--|
| 99.1 | Press release of Harmonic Inc., issued on July 21, 2011. |

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 hereunto duly authorized.

Date: July 21, 2011

HARMONIC INC.

By: /s/Carolyn V. Aver
Carolyn V. Aver
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number

Description

99.1

Press release of Harmonic Inc., issued on July 21, 2011.

Harmonic Announces Second Quarter 2011 Results***International Revenue Up 26% Year-Over-Year on Pro Forma Basis***

SAN JOSE, Calif.—July 21, 2011—Harmonic Inc. (NASDAQ: HLIT), a global leader in video infrastructure solutions, today announced its preliminary and unaudited results for the quarter ended July 1, 2011. Results for 2011 include contributions from Omneon Inc., acquired on September 15, 2010.

Net revenue for the second quarter of 2011 was \$134.0 million, up from \$95.5 million in the second quarter of 2010. International sales represented 59% of total revenue for the second quarter of 2011. For the first six months of 2011, net revenue was \$266.8 million, up from \$180.4 million in the same period of 2010. Total bookings in the second quarter of 2011 were approximately \$131.7 million, up from approximately \$103.9 million for the second quarter of 2010.

The Company reported GAAP net income for the second quarter of 2011 of \$0.4 million, or \$0.00 per diluted share, compared to net income of \$4.4 million, or \$0.05 per diluted share, for the second quarter of 2010. For the first six months of 2011, GAAP net income was \$0.9 million, or \$0.01 per diluted share, compared to \$9.8 million, or \$0.10 per diluted share, for the same period of 2010. Non-GAAP net income for the second quarter of 2011 was \$10.5 million, or \$0.09 per diluted share, compared to \$9.1 million, or \$0.09 per diluted share, for the same period of 2010. For the first six months of 2011, non-GAAP net income was \$20.7 million, or \$0.18 per diluted share, compared to \$15.0 million, or \$0.15 per diluted share, for the same period of 2010. See "Use of Non-GAAP Financial Measures" and "GAAP to Non-GAAP Net Income Reconciliation" below.

For the second quarter of 2011, Harmonic had GAAP gross margins of 46% and GAAP operating margins of 1%, compared to 48% and 4%, respectively, for the same period of 2010. Non-GAAP gross margins were 51% and non-GAAP operating margins were 11% for the second quarter of 2011, compared to 51% and 13%, respectively, for the same period of 2010.

As of July 1, 2011, the Company had cash, cash equivalents and short-term investments of \$134.3 million, up from \$117.3 million as of April 1, 2011.

"While our international business grew 26% year-over-year on a pro-forma basis, we saw reduced demand from our domestic customers in the second quarter," said Patrick Harshman, President and Chief Executive Officer. "We're pleased to see our Omneon revenue up 14% from the prior quarter. We are also optimistic about the progress with both international and domestic customers on a range of new Internet and multiscreen video initiatives. We remain focused on carefully managing our operational expenses while executing our growth strategy."

Business Outlook

Harmonic anticipates net revenue in a range of \$130 million to \$140 million for the third quarter of 2011 and \$540 million to \$550 million for the full year of 2011. GAAP gross margins and operating expenses for the third quarter of 2011 are expected to be in the range of 45% to 47% and \$60 to \$61 million, respectively. Non-GAAP gross margins and operating expenses for the third quarter of 2011, which will exclude charges for stock-based compensation and the amortization of intangibles, are anticipated to be in the range of 50% to 52% and \$53 to \$54 million, respectively.

Conference Call Information

Harmonic will host a conference call today to discuss its financial results at 2:00 P.M. Pacific (5:00 P.M. Eastern). A listen-only broadcast of the conference call can be accessed on the Company's website at www.harmonicinc.com or by calling +1.706.634.9047 (conference identification code 51970033). The replay will be available after 6:00 p.m. Pacific at the same website address or by calling +1.706.645.9291 (conference identification code 51970033).

About Harmonic Inc.

Harmonic Inc. (NASDAQ: HLIT) provides infrastructure that powers the video economy. The company enables content and service providers to efficiently create, prepare, and deliver differentiated video services for television and new media platforms. More information is available at www.harmonicinc.com.

Legal Notice Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements related to our expectations: regarding our final results for the second quarter ended July 1, 2011; our progress with international and domestic customers on a range of new Internet and multiscreen video initiatives; our focus on managing expenses while executing our growth strategy; and regarding net revenue, GAAP gross margins, GAAP operating expenses, non-GAAP gross margins and non-GAAP operating expenses for the third quarter of 2011 and net revenue for the full year. Our expectations regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks include the possibility, in no particular order, that: we will not be able to fully integrate Omneon into our business as effectively or efficiently as expected; Omneon does not provide Harmonic with the benefits that we expected from the acquisition; the trends toward more high-definition, on-demand and anytime, anywhere video will not continue to develop at its current pace, or at all; the possibility that our products will not generate sales that are commensurate with our expectations; the mix of products and services sold in various geographies and the effect it has on gross margins; delays or decreases in capital spending in the cable, satellite and telco and broadcast and media industries; customer concentration and consolidation; the impact of general economic conditions, including recent turmoil in the global financial markets, particularly on our European and other international sales and operations; market acceptance of new or existing Harmonic products; losses of one or more key customers; risks associated with Harmonic's international operations; inventory management; the lack of timely availability of parts or raw materials necessary to produce our products; the impact of increases in the prices of raw materials and oil; the effect of competition; difficulties associated with rapid technological changes in Harmonic's markets; the need to introduce new and enhanced products and the risk that our product development is not timely or does not result in expected benefits or market acceptance; risks associated with unpredictable sales cycles; our dependence on contract manufacturers; and the risks that our international sales and support center will not provide the operational or tax benefits that we anticipate or that its expenses exceed our plans. The forward-looking statements contained in this press release are also subject to other risks and uncertainties, including those more fully described in Harmonic's filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2010, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. The forward-looking statements in this press release are based on information available to the Company as of the date hereof, and Harmonic disclaims any obligation to update any forward-looking statements.

Harmonic Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

| | <u>July 1, 2011</u> | <u>December 31, 2010</u> |
|---|---------------------|--------------------------|
| | (In thousands) | |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 70,370 | \$ 96,533 |
| Short-term investments | 63,928 | 23,838 |
| Accounts receivable, net | 117,861 | 101,652 |
| Inventories | 61,064 | 58,065 |
| Deferred income taxes | 39,849 | 39,849 |
| Prepaid expenses and other current assets | 26,399 | 28,614 |
| Total current assets | <u>379,471</u> | <u>348,551</u> |
| Property and equipment, net | 39,678 | 39,825 |
| Goodwill, intangibles and other assets | 317,212 | 332,010 |
| Total assets | <u>\$ 736,361</u> | <u>\$ 720,386</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 30,594 | \$ 26,300 |
| Income taxes payable | 126 | 6,791 |
| Deferred revenue | 47,617 | 46,279 |
| Accrued liabilities | 39,486 | 51,283 |
| Total current liabilities | <u>117,823</u> | <u>130,653</u> |
| Income taxes payable, long-term | 48,622 | 48,883 |
| Deferred income taxes, long-term | 15,635 | 14,849 |
| Other non-current liabilities | 7,851 | 5,798 |
| Total liabilities | <u>189,931</u> | <u>200,183</u> |
| Stockholders' equity: | | |
| Common stock | 2,422,584 | 2,397,783 |
| Accumulated deficit | (1,875,962) | (1,876,868) |
| Accumulated other comprehensive loss | (192) | (712) |
| Total stockholders' equity | <u>546,430</u> | <u>520,203</u> |
| Total liabilities and stockholders' equity | <u>\$ 736,361</u> | <u>\$ 720,386</u> |

Harmonic Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

| | Three months ended | | Six months ended | |
|---|--|-----------------|------------------|-----------------|
| | July 1, 2011 | July 2, 2010 | July 1, 2011 | July 2, 2010 |
| | (In thousands, except per share amounts) | | | |
| Net revenue | \$ 133,996 | \$ 95,544 | \$ 266,831 | \$ 180,366 |
| Cost of revenue | <u>72,168</u> | <u>49,862</u> | <u>143,148</u> | <u>93,879</u> |
| Gross profit | 61,828 | 45,682 | 123,683 | 86,487 |
| Operating expenses: | | | | |
| Research and development | 25,662 | 16,977 | 51,811 | 33,943 |
| Selling, general and administrative | 32,543 | 24,074 | 66,107 | 44,919 |
| Amortization of intangibles | <u>2,230</u> | <u>534</u> | <u>4,459</u> | <u>1,067</u> |
| Total operating expenses | <u>60,435</u> | <u>41,585</u> | <u>122,377</u> | <u>79,929</u> |
| Income from operations | 1,393 | 4,097 | 1,306 | 6,558 |
| Interest and other income, net | <u>(225)</u> | <u>299</u> | <u>(240)</u> | <u>312</u> |
| Income before income taxes | 1,168 | 4,396 | 1,066 | 6,870 |
| Provision for (benefit from) income taxes | <u>778</u> | <u>(49)</u> | <u>160</u> | <u>(2,894)</u> |
| Net income | <u>\$ 390</u> | <u>\$ 4,445</u> | <u>\$ 906</u> | <u>\$ 9,764</u> |
| Net income per share: | | | | |
| Basic | <u>\$ 0.00</u> | <u>\$ 0.05</u> | <u>\$ 0.01</u> | <u>\$ 0.10</u> |
| Diluted | <u>\$ 0.00</u> | <u>\$ 0.05</u> | <u>\$ 0.01</u> | <u>\$ 0.10</u> |
| Weighted average shares: | | | | |
| Basic | 114,939 | 96,998 | 114,387 | 96,845 |
| Diluted | 116,298 | 97,570 | 116,143 | 97,529 |

Harmonic Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

| | Six months ended | |
|---|------------------|-------------------|
| | July 1, 2011 | July 2, 2010 |
| | (In thousands) | |
| Cash flows from operating activities: | | |
| Net income | \$ 906 | \$ 9,764 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Amortization of intangibles | 15,092 | 5,231 |
| Depreciation | 6,824 | 4,404 |
| Stock-based compensation | 11,094 | 6,663 |
| Net loss on disposal of fixed assets | 103 | 27 |
| Deferred income taxes | 76 | (1,422) |
| Other non-cash adjustments, net | 322 | 1,076 |
| Changes in assets and liabilities: | | |
| Accounts receivable, net | (16,209) | (6,529) |
| Inventories | (2,994) | (7,724) |
| Prepaid expenses and other assets | 2,783 | 90 |
| Accounts payable | 4,780 | (1,616) |
| Deferred revenue | 788 | 4,595 |
| Income taxes payable | (6,925) | (2,211) |
| Accrued excess facility costs | 556 | (3,398) |
| Accrued and other liabilities | (8,056) | (3,467) |
| Net cash provided by operating activities | <u>9,140</u> | <u>5,483</u> |
| Cash flows from investing activities: | | |
| Purchases of investments | (62,009) | (39,035) |
| Proceeds from sales and maturities of investments | 21,594 | 66,127 |
| Acquisition of property and equipment | (8,502) | (13,175) |
| Other acquisitions | (250) | — |
| Net cash provided by (used in) investing activities | <u>(49,167)</u> | <u>13,917</u> |
| Cash flows from financing activities: | | |
| Proceeds from lease financing liability | — | 12,385 |
| Proceeds from issuance of common stock, net | 13,703 | 3,833 |
| Net cash provided by financing activities | <u>13,703</u> | <u>16,218</u> |
| Effect of exchange rate changes on cash and cash equivalents | 161 | (202) |
| Net increase (decrease) in cash and cash equivalents | (26,163) | 35,416 |
| Cash and cash equivalents at beginning of period | 96,533 | 152,477 |
| Cash and cash equivalents at end of period | <u>\$ 70,370</u> | <u>\$ 187,893</u> |

**Harmonic Inc.
Revenue Information
(Unaudited)**

| | Three months ended | | | | Six months ended | | | |
|------------------------------------|--------------------|------|-----------------|------|------------------|------|------------------|------|
| | July 1, 2011 | | July 2, 2010 | | July 1, 2011 | | July 2, 2010 | |
| (In thousands, except percentages) | | | | | | | | |
| Product | | | | | | | | |
| Video Processing | \$ 51,525 | 38% | \$49,998 | 52% | \$115,283 | 43% | \$ 88,888 | 49% |
| Production and Playout | 25,453 | 19% | — | 0% | 46,386 | 17% | — | 0% |
| Edge and Access | 40,178 | 30% | 34,263 | 36% | 71,354 | 27% | 69,807 | 39% |
| Services and Support | 16,840 | 13% | 11,283 | 12% | 33,808 | 13% | 21,671 | 12% |
| Total | <u>\$133,996</u> | 100% | <u>\$95,544</u> | 100% | <u>\$266,831</u> | 100% | <u>\$180,366</u> | 100% |
| Geography | | | | | | | | |
| United States | \$ 55,578 | 41% | \$49,259 | 52% | \$114,532 | 43% | \$ 91,850 | 51% |
| International | 78,418 | 59% | 46,285 | 48% | 152,299 | 57% | 88,516 | 49% |
| Total | <u>\$133,996</u> | 100% | <u>\$95,544</u> | 100% | <u>\$266,831</u> | 100% | <u>\$180,366</u> | 100% |
| Market | | | | | | | | |
| Cable | \$ 64,142 | 48% | \$53,106 | 56% | \$120,062 | 45% | \$109,123 | 60% |
| Satellite and Telco | 28,193 | 21% | 32,403 | 34% | 63,345 | 24% | 52,201 | 29% |
| Broadcast and Media | 41,661 | 31% | 10,035 | 10% | 83,424 | 31% | 19,042 | 11% |
| Total | <u>\$133,996</u> | 100% | <u>\$95,544</u> | 100% | <u>\$266,831</u> | 100% | <u>\$180,366</u> | 100% |

Note: We have revised our market categories to combine the Telco revenue with the Satellite category. The data for prior periods has been revised to conform with this presentation.

Use of Non-GAAP Financial Measures

In establishing operating budgets, managing its business performance, and setting internal measurement targets, the Company excludes a number of items required by GAAP. Management believes that these accounting charges and credits, most of which are non-cash or non-recurring in nature, are not useful in managing its operations and business. Historically, the Company has also publicly presented these supplemental non-GAAP measures in order to assist the investment community to see the Company "through the eyes of management," and thereby enhance understanding of its operating performance. The non-GAAP measures presented here are gross margins, operating expense, net income and net income per share. The presentation of non-GAAP information is not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP, and is not necessarily comparable to non-GAAP results published by other companies. A reconciliation of the historical non-GAAP financial measures discussed in this press release to the most directly comparable historical GAAP financial measures is included with the financial statements contained in this presentation. The non-GAAP adjustments described below have historically been excluded from our GAAP financial measures. These adjustments are excess facilities charges, severance charges, acquisition related costs, discrete tax items and adjustments and non-cash items, such as stock-based compensation expense and amortization of intangibles.

Harmonic Inc.
GAAP to Non-GAAP Net Income Reconciliation
(Unaudited)

| | Three months ended | | | | | |
|---|--|-------------------|------------------|-----------------|-------------------|-----------------|
| | July 1, 2011 | | | July 2, 2010 | | |
| | Gross Profit | Operating Expense | Net Income | Gross Profit | Operating Expense | Net Income |
| | (In thousands, except per share amounts) | | | | | |
| GAAP | \$ 61,828 | \$ 60,435 | \$ 390 | \$45,682 | \$41,585 | \$ 4,445 |
| Cost of revenue related to stock-based compensation expense | 762 | — | 762 | 527 | — | 527 |
| Research and development expense related to stock-based compensation expense | — | (1,771) | 1,771 | — | (1,158) | 1,158 |
| Selling, general and administrative expense related to stock-based compensation expense | — | (2,559) | 2,559 | — | (1,734) | 1,734 |
| Selling, general and administrative expense related to severance costs | — | — | — | — | (207) | 207 |
| Acquisition costs related to Omneon | — | — | — | — | (2,389) | 2,389 |
| Amortization of intangibles | 5,491 | (2,230) | 7,721 | 2,082 | (534) | 2,616 |
| Discrete tax items and adjustments | — | — | (2,717) | — | — | (3,957) |
| Non-GAAP | <u>\$ 68,081</u> | <u>\$ 53,875</u> | <u>\$ 10,486</u> | <u>\$48,291</u> | <u>\$35,563</u> | <u>\$ 9,119</u> |
| GAAP net income per share - basic | | | <u>\$ 0.00</u> | | | <u>\$ 0.05</u> |
| GAAP net income per share - diluted | | | <u>\$ 0.00</u> | | | <u>\$ 0.05</u> |
| Non-GAAP net income per share - basic | | | <u>\$ 0.09</u> | | | <u>\$ 0.09</u> |
| Non-GAAP net income per share - diluted | | | <u>\$ 0.09</u> | | | <u>\$ 0.09</u> |
| Shares used in per share calculation - basic | | | <u>114,939</u> | | | <u>96,998</u> |
| Shares used in per share calculation - diluted | | | <u>116,298</u> | | | <u>97,570</u> |

| | Six months ended | | | | | |
|--|--|-------------------|------------------|-----------------|-------------------|-----------------|
| | July 1, 2011 | | | July 2, 2010 | | |
| | Gross Profit | Operating Expense | Net Income | Gross Profit | Operating Expense | Net Income |
| | (In thousands, except per share amounts) | | | | | |
| GAAP | \$123,683 | \$122,377 | \$ 906 | \$86,487 | \$79,929 | \$ 9,764 |
| Cost of revenue related to stock-based compensation expense | 1,509 | — | 1,509 | 1,005 | — | 1,005 |
| Research and development expense related to stock-based compensation expense | — | (3,607) | 3,607 | — | (2,266) | 2,266 |
| Selling, general and administrative expense related to stock-based compensation expense | — | (5,978) | 5,978 | — | (3,391) | 3,391 |
| Selling, general and administrative expense related to excess facility costs, severance costs and other non-recurring expenses | — | (409) | 409 | — | (207) | 207 |
| Acquisition costs related to Omneon | — | — | — | — | (2,389) | 2,389 |
| Amortization of intangibles | 10,633 | (4,459) | 15,092 | 4,164 | (1,067) | 5,231 |
| Discrete tax items and adjustments | — | — | (6,755) | — | — | (9,302) |
| Non-GAAP | <u>\$135,825</u> | <u>\$107,924</u> | <u>\$ 20,746</u> | <u>\$91,656</u> | <u>\$70,609</u> | <u>\$14,951</u> |
| GAAP net income per share - basic | | | <u>\$ 0.01</u> | | | <u>\$ 0.10</u> |
| GAAP net income per share - diluted | | | <u>\$ 0.01</u> | | | <u>\$ 0.10</u> |
| Non-GAAP net income per share - basic | | | <u>\$ 0.18</u> | | | <u>\$ 0.15</u> |
| Non-GAAP net income per share - diluted | | | <u>\$ 0.18</u> | | | <u>\$ 0.15</u> |
| Shares used in per share calculation - basic | | | <u>114,387</u> | | | <u>96,845</u> |
| Shares used in per share calculation - diluted | | | <u>116,143</u> | | | <u>97,529</u> |

Harmonic Inc.
Proforma Revenue Information
(Unaudited)

| | Three months ended | | | | Year ended | | | | Three months ended | | | | | |
|------------------------------------|--------------------|--------------|------------------|-------------------|-------------------|-------------------|-------------------|---------------|--------------------|--------------|------------------|-------------|------------------|-------------|
| | April 2, 2010 | July 2, 2010 | October 1, 2010 | December 31, 2010 | December 31, 2010 | December 31, 2010 | December 31, 2010 | April 1, 2011 | July 1, 2011 | July 1, 2011 | July 1, 2011 | | | |
| (In thousands, except percentages) | | | | | | | | | | | | | | |
| Product | | | | | | | | | | | | | | |
| Video Processing | \$ 38,890 | 34% | \$ 49,998 | 39% | \$ 51,005 | 39% | \$ 63,005 | 45% | \$202,898 | 40% | \$ 63,758 | 47% | \$ 51,525 | 38% |
| Production and Playout | 24,828 | 22% | 26,589 | 21% | 26,024 | 20% | 27,699 | 20% | 105,140 | 21% | 22,408 | 17% | 25,453 | 19% |
| Edge and Access | 35,544 | 32% | 34,263 | 27% | 34,712 | 27% | 30,787 | 22% | 135,306 | 26% | 31,176 | 23% | 40,178 | 30% |
| Services and Support | 13,777 | 12% | 16,623 | 13% | 17,760 | 14% | 17,514 | 13% | 65,674 | 13% | 17,566 | 13% | 16,840 | 13% |
| Total | \$113,039 | 100% | \$127,473 | 100% | \$129,501 | 100% | \$139,005 | 100% | \$509,018 | 100% | \$134,908 | 100% | \$133,996 | 100% |
| Geography | | | | | | | | | | | | | | |
| United States | \$ 49,632 | 44% | \$ 65,456 | 51% | \$ 62,415 | 48% | \$ 64,230 | 46% | \$241,733 | 47% | \$ 60,608 | 45% | \$ 55,578 | 41% |
| International | 63,407 | 56% | 62,017 | 49% | 67,086 | 52% | 74,775 | 54% | 267,285 | 53% | 74,300 | 55% | 78,418 | 59% |
| Total | \$113,039 | 100% | \$127,473 | 100% | \$129,501 | 100% | \$139,005 | 100% | \$509,018 | 100% | \$134,908 | 100% | \$133,996 | 100% |
| Market | | | | | | | | | | | | | | |
| Cable | \$ 56,441 | 50% | \$ 53,555 | 42% | \$ 63,419 | 49% | \$ 65,817 | 47% | \$239,232 | 47% | \$ 55,950 | 42% | \$ 64,142 | 48% |
| Satellite and Telco | 25,030 | 22% | 36,218 | 28% | 28,212 | 22% | 28,455 | 21% | 117,915 | 23% | 35,388 | 26% | 28,193 | 21% |
| Broadcast and Media | 31,568 | 28% | 37,700 | 30% | 37,870 | 29% | 44,733 | 32% | 151,871 | 30% | 43,570 | 32% | 41,661 | 31% |
| Total | \$113,039 | 100% | \$127,473 | 100% | \$129,501 | 100% | \$139,005 | 100% | \$509,018 | 100% | \$134,908 | 100% | \$133,996 | 100% |

NOTE: Data includes a full quarter proforma revenue for Omneon, including certain deferred revenue excluded in reported results, for the periods prior to the three months ended July 1, 2011. We have revised our market categories to combine Telco revenue with the Satellite category. The data for prior periods has been revised to conform with this presentation.