

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

	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2014	2015
Product										
Video Products(1)	64,018 59%	57,196 52%	60,668 56%	65,975 61%	48,714 47%	56,096 54%	48,629 58%	50,293 58%	247,857 57%	203,732 54%
Cable Edge	24,242 23%	29,332 27%	23,915 22%	17,840 17%	31,759 30%	21,351 21%	8,616 10%	11,418 13%	95,329 22%	73,144 19%
Services and Support	19,772 18%	23,061 21%	23,478 22%	24,060 22%	23,543 23%	25,656 25%	26,060 31%	24,892 29%	90,371 21%	100,151 27%
Total	<u>108,032 100%</u>	<u>109,589 100%</u>	<u>108,061 100%</u>	<u>107,875 100%</u>	<u>104,016 100%</u>	<u>103,103 100%</u>	<u>83,305 100%</u>	<u>86,603 100%</u>	<u>433,557 100%</u>	<u>377,027 100%</u>
Geography										
Americas(2)	64,886 60%	60,066 55%	60,007 56%	60,890 56%	60,518 58%	60,342 58%	44,926 54%	46,782 54%	245,849 57%	212,568 56%
EMEA	24,187 22%	31,519 29%	27,430 25%	26,509 25%	24,673 24%	27,360 27%	19,269 23%	21,120 24%	109,645 25%	92,422 25%
APAC	18,959 18%	18,004 16%	20,624 19%	20,476 19%	18,825 18%	15,401 15%	19,110 23%	18,701 22%	78,063 18%	72,037 19%
Total	<u>108,032 100%</u>	<u>109,589 100%</u>	<u>108,061 100%</u>	<u>107,875 100%</u>	<u>104,016 100%</u>	<u>103,103 100%</u>	<u>83,305 100%</u>	<u>86,603 100%</u>	<u>433,557 100%</u>	<u>377,027 100%</u>
Market										
Service Provider(3)	71,510 66%	75,048 68%	67,497 62%	72,844 68%	67,974 65%	64,041 62%	46,451 56%	52,057 60%	286,899 66%	230,523 61%
Broadcast and Media	36,522 34%	34,541 32%	40,564 38%	35,031 32%	36,042 35%	39,062 38%	36,854 44%	34,546 40%	146,658 34%	146,504 39%
Total	<u>108,032 100%</u>	<u>109,589 100%</u>	<u>108,061 100%</u>	<u>107,875 100%</u>	<u>104,016 100%</u>	<u>103,103 100%</u>	<u>83,305 100%</u>	<u>86,603 100%</u>	<u>433,557 100%</u>	<u>377,027 100%</u>

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

(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	Q3 2015	Q4 2015	2014	2015
Net revenue:										
Video	81,152	77,311	81,360	86,933	69,282	\$ 78,207	71,889	72,401	326,756	291,779
Cable Edge	26,880	32,278	26,701	20,942	34,734	24,896	11,416	14,202	106,801	85,248
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>	<u>83,305</u>	<u>86,603</u>	<u>433,557</u>	<u>377,027</u>
Operating income (loss):										
Video	2,435	382	6,609	8,647	(90)	\$ 4,901	3,575	5,143	18,073	13,529
Cable Edge	1,044	2,014	120	(1,939)	6,188	357	(3,963)	(4,181)	1,239	(1,599)
Total segment operating income(loss)	<u>3,479</u>	<u>2,396</u>	<u>6,729</u>	<u>6,708</u>	<u>6,098</u>	<u>5,258</u>	<u>(388)</u>	<u>962</u>	<u>19,312</u>	<u>11,930</u>
Less:										
Unallocated corporate expenses**	(228)	(284)	(403)	(2,161)	(44)	(185)	(510)	(2,055)	(3,076)	(2,794)
Stock-based compensation	(3,807)	(4,561)	(4,352)	(4,567)	(4,134)	(3,884)	(3,827)	(3,737)	(17,287)	(15,582)
Amortization of intangibles	(6,666)	(6,200)	(5,512)	(2,142)	(1,907)	(1,532)	(1,532)	(1,531)	(20,520)	(6,502)
Income (loss) from operations	<u>(7,222)</u>	<u>(8,649)</u>	<u>(3,538)</u>	<u>(2,162)</u>	<u>13</u>	<u>(343)</u>	<u>(6,257)</u>	<u>(6,361)</u>	<u>(21,571)</u>	<u>(12,948)</u>
Non-operating income (expense)	89	(60)	(214)	(39)	(2,956)	76	178	(418)	(224)	(3,120)
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>	<u>(6,079)</u>	<u>(6,779)</u>	<u>(21,795)</u>	<u>(16,068)</u>

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