



Corporate Overview

November 2019

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Harmonic-at-a-Glance



CABLE ACCESS & VIDEO

Two market-leading
business units

\$404M

2018 Revenue

SILICON VALLEY

Headquarters

>5,000

Media & service
provider customers

INNOVATION VELOCITY

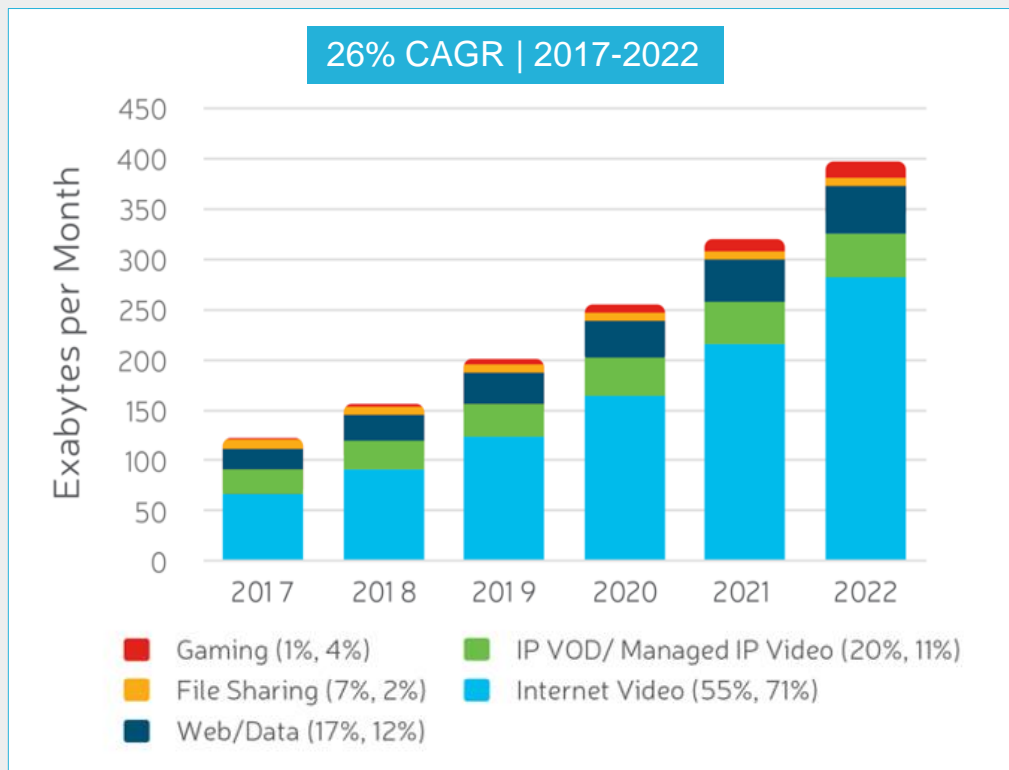
>40 patents filed in
last 24 months

A photograph of a modern, multi-story office building with large glass windows. In the foreground, a group of seven diverse professionals are standing in a line, smiling at the camera. A dark blue banner is overlaid on the bottom half of the image, containing the text "Market Leader in Virtualized Cable Access & Live Video Streaming".

Market Leader in Virtualized Cable Access & Live Video Streaming

Gigabit Access & Streaming Video Growth

Two Major Market Transformation Opportunities



IP traffic expected to
nearly **triple**
from 2017 to 2022



Streaming video
expected to
account for **>80%**

*Figures (n) refer to 2017, 2022 traffic share | Source: Cisco VNI Global IP Traffic Forecast, 2017-2022

Two Focused Business Units

Addressing Gigabit and Streaming Growth



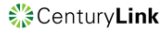
CABLE ACCESS

- Invented and leading virtualized cable access
- Foundational deployments with industry leaders
- Strong cable customer relationships



VIDEO

- Market leader in premium live video
- Leading live OTT streaming transformation
- Strong media customer relationships



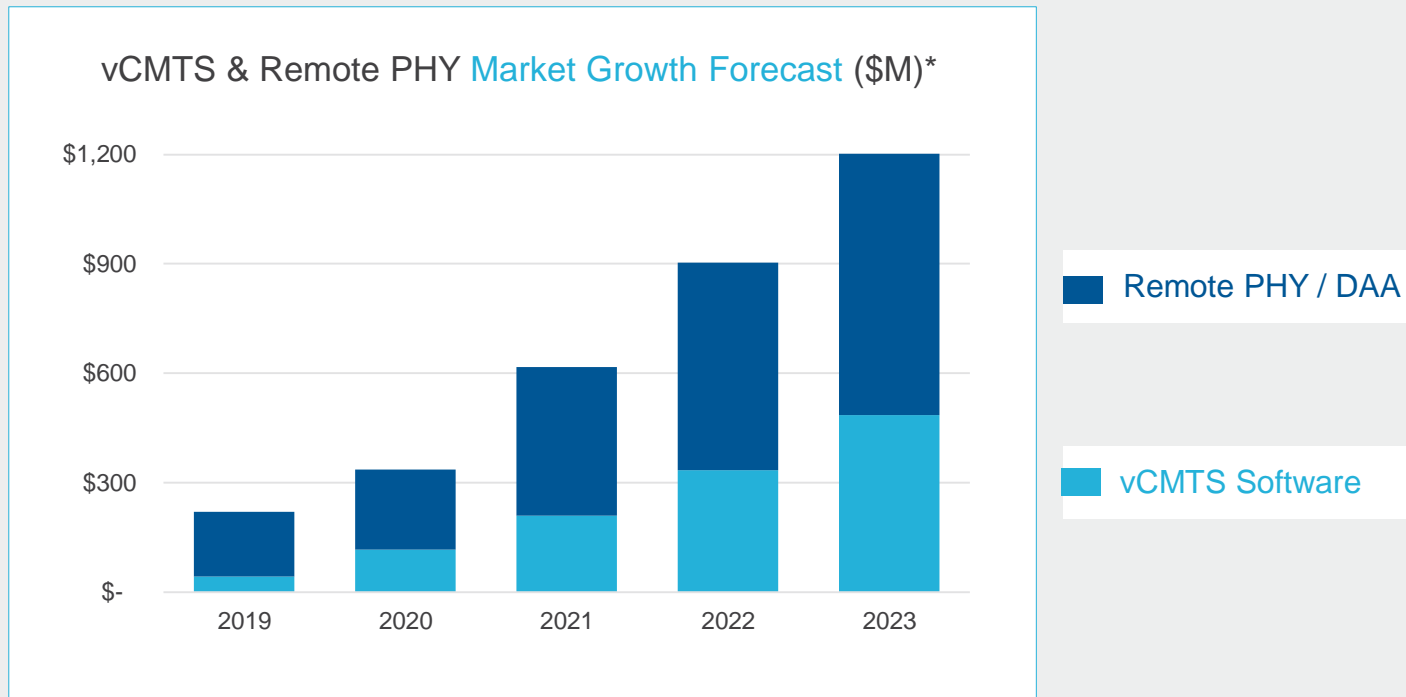


Cable Access Business Overview

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Virtualized Cable Access Poised For Growth

Harmonic CableOS™ Leading the Way



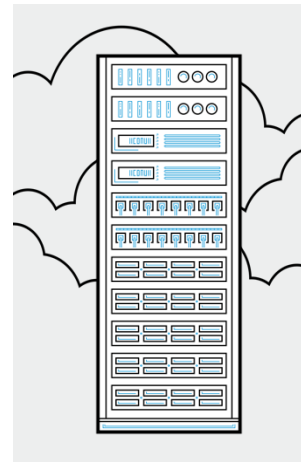
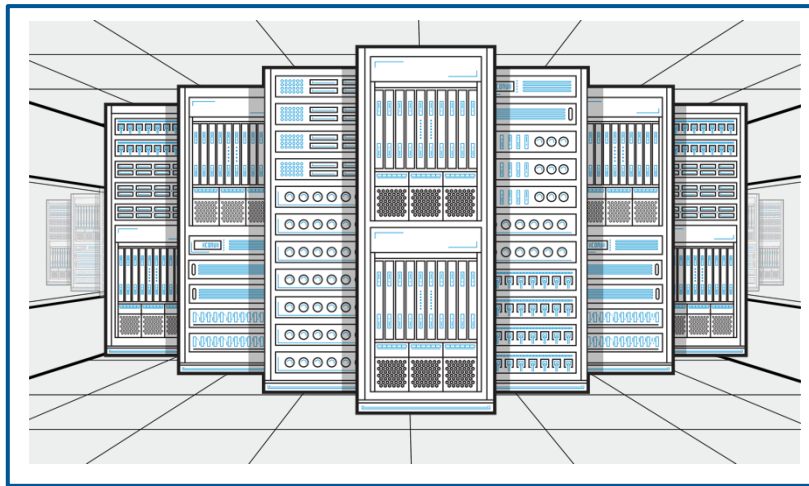
*Source: Dell'Oro | July 2019 Report

Virtualization Enabling Multi-Gigabit Broadband

Harmonic Customers Publicly Reporting Compelling Results



192 Service Groups



70%

Power Savings

20 ⇨ 1

Rack Reduction

30m ⇨ 15s

Mean Time to Detect

20,000 ⇨ 70

HHP Reach from
Targeted SW Upgrades

Leading Virtualized Cable Access Market

Harmonic Invented the Category



> 935,000

Cable modems served,
up >95% year-over-year



1 | 30

Foundational **virtualization**
patent + 30 **unique patent**
filings



COMCAST

Strategic relationship and
industry-leading deployment

Scaling Global Customer Base

Harmonic CableOS Is Only Virtualized Solution Deployed



Innovative US Tier 2 Operator



Global Industry Leader



European Tier 1 Operator



Innovative US Tier 3 Operator

+15

Additional **Global Cable Operators** Worldwide



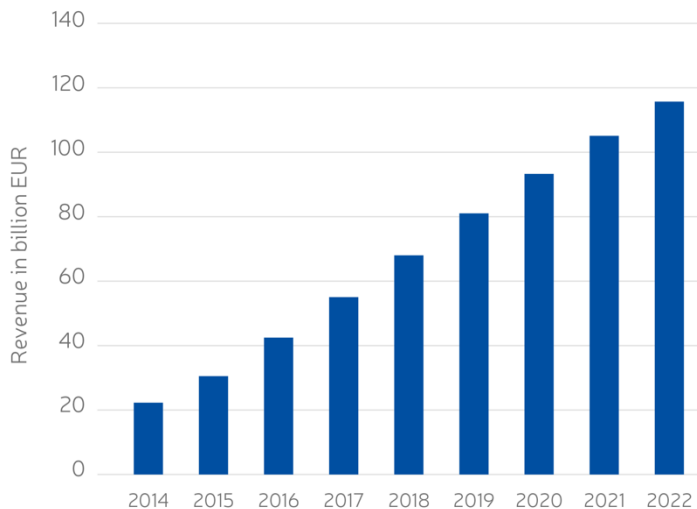
Video Business Overview



OTT Streaming Continues to Gain Ground

Driving Media Transformation and Investment

Global OTT Video Revenue



Source: IDATE DigiWorld, World TV & Video Services Markets, August 2018

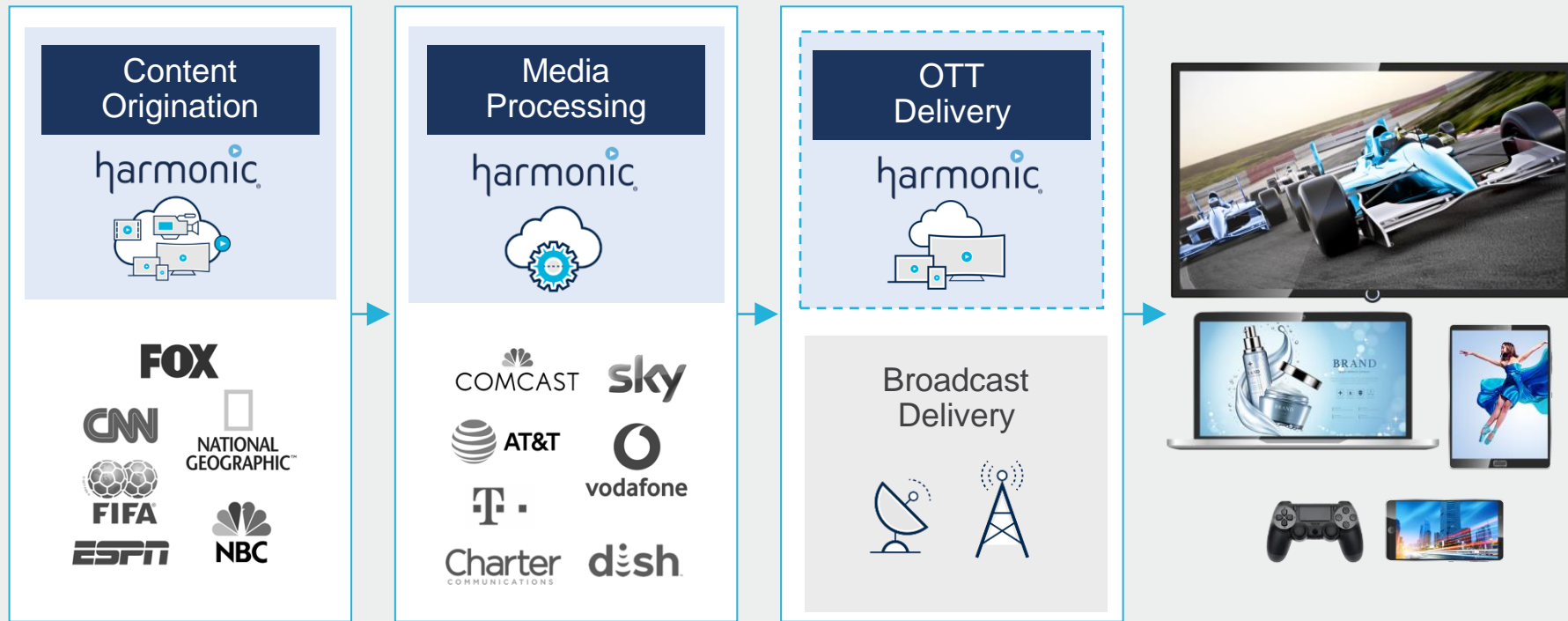
New streaming services enabling access to high-quality content

Greater operational efficiencies with Cloud / SaaS business models

Sports and live events expanding on SVOD model

Harmonic Leads in Premium Live Video

Transforming from Broadcast to OTT Streaming



Next Wave of OTT Revolution is Live Video

Harmonic Leading the Live OTT Charge



> 42,000

OTT channels deployed globally by Harmonic



> 6.5 million

Subscribers managed by Harmonic Video SaaS



> 140%

Harmonic SaaS customer base increase year over year

Expanding Customer Base

New Harmonic Streaming Customer Relationships



New mobile OTT service
in Indonesia



New live OTT streaming
of open-wheel racing in
North America



New subscription-based
online TV service in the
United States



New premium and
24/7 OTT channels on hybrid
cloud platform



24/7/365 online auction
shopping network



Summary



Market Leader in Virtualized Cable Access & Live Video Streaming

Substantial **growing market** opportunity



Industry-leading technology and IP



Strong relationships with blue-chip customers





Appendix

Q3 2019 Highlights



Record financial results

Extended CableOS leadership

Executing Video transformation

Refinanced convertible debt





Record Revenue and Profit*

- \$55.7 million revenue
- \$42.9 million gross profit
- Full year guidance raised



Executing Growth Strategy

- Commercially deployed with 19 customers
 - 935,000+ cable modems served globally, up 20% sequentially
- International Tier 1 revenue ramps in Q4
- Expanding addressed market with FTTH + DOCSIS convergence
- Leading industry transformation

* Non-GAAP



Solid Financial Outlook*

- Revenue \$60.0 million
- Gross margin 57.7%, reflecting software transition
- Raising Q4 guidance, full-year profit plan on track



Executing Live Streaming Growth Strategy

- Live streaming business continues to grow, offsetting declining broadcast sales
- Added 8 new SaaS streaming customers, total up 29% sequentially and 140% year over year
- New CDN optimization solution for live streaming expands addressed market

* Non-GAAP



Thank You

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