



Harmonic Digital Video Systems Power Enhanced Television Services for North American Telco; Aliant Telecom Chooses DiviCom Encoders for VibeVision DTV-Over-DSL System

October 24, 2001

SUNNYVALE, Calif. & SAINT JOHN, NB, Canada--(BUSINESS WIRE)--Oct. 24, 2001--Aliant Telecom (TSE:AIT) has selected Harmonic(TM) Inc. (Nasdaq:HLIT) to enhance its VibeVision(TM) Digital Subscriber Line (DSL) based interactive digital television service. Harmonic's DiviCom(R) MV50 digital video encoder, which is optimized for sending broadcast-quality video over DSL, maximizes available network bandwidth and enables video programming to be simultaneously streamed to two televisions per customer using existing telecommunications infrastructure.

Aliant's VibeVision, an innovative IP-based system, delivers digital television and interactive services to DSL users within Atlantic Canada. Through an easy-to-use interactive guide, customers can access more than 160 broadcast-quality digital television and audio channels, Web browsing, e-mail, directory listings, and self-service applications as well as news, weather, and sports. The highly efficient compression and noise reduction capabilities of Harmonic's DiviCom encoders permit Aliant to set a new standard for service with a two-television solution.

"Aliant's rigorous qualification process determined that Harmonic's DiviCom MV50 encoder delivers the most advanced MPEG-2 compression available today," said Bob Justason, Vice President of Broadband Engineering, Aliant Telecom. "The outstanding capabilities of the MV50 enable telecommunications service providers around the world to significantly expand the range of video services distributed via existing DSL technology. The Harmonic solution allows Aliant Telecom to offer an enhanced VibeVision service today with capacity for future broadband service expansion."

"Digital television is an extremely effective way to enhance customer relationships and increase revenue while leveraging existing telephone infrastructure," said Dr. Yaron Simler, President of Harmonic's Convergent Systems Division. "Aliant Telecom, one of North America's most innovative telecommunications companies, once again demonstrates leadership by introducing the two-TV VibeVision system. Using the DiviCom MV50 ensures Aliant subscribers will experience true broadcast-quality digital video services over DSL."

About Aliant Telecom and Aliant Inc.

Aliant Telecom is wholly owned subsidiary of Aliant Inc. Aliant Inc. (TSE:AIT) is one of Canada's top high-tech companies, providing integrated communications and IT solutions through subsidiaries operating worldwide. By combining industry-leading expertise from across the group of companies, Aliant utilizes the Aliant Premium(TM) Model to deliver unique, end-to-end solutions to customers. With 10,000 employees and a market capitalization of approximately \$4.5 billion, Aliant ranks in the top 100 publicly traded companies in the country. Please visit www.aliant.ca for more information about Aliant.

About Harmonic Inc.

Harmonic is a leading provider of innovative broadband solutions that deliver video, voice and data to communications providers around the world. Harmonic's technically advanced fiber optic, digital video and IP data delivery systems enable network operators to provide a range of interactive and advanced digital services that include high-speed Internet access, telephony, digital video, HDTV, video & audio streaming, and video-on-demand.

Harmonic (Nasdaq:HLIT) is headquartered in Sunnyvale, California with R&D, sales, and system integration centers worldwide. The Company has customers in over 40 countries on six continents, including many of the world's largest communications providers. For more information, visit www.harmonicinc.com.

This press release contains forward-looking statements, including, but not limited to, the enhancement of Aliant's digital television service, the capacity for broadband service expansion, and the ability of Aliant subscribers to experience broadcast-quality digital video 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.

Editor's Note: Product and company names used here are trademarks or registered trademarks of their respective companies.

--30--el/sf*

CONTACT: Aries MarketMasters (Media Relations for Harmonic)

Dawn Danaher, 714/378-5841

danaher@keymaster.com

or

Aliant Telecom (Communications & Public Affairs)

Heather Hampson, 800/834-0891

heather.hampson@aliant.ca

or

StreetConnect (Investor Relations for Harmonic)

Michael Newman, 408/542-2760

mnewman@stct.com

