



Harmonic Scales Upstream Capacity from the Last Mile with New CWDM Digital Transmission Systems; Provides Bandwidth for Interactive Applications, Maximizes Service-Carrying Capacity of Existing Fiber and Lowers Costs

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SUNNYVALE, Calif.--(BUSINESS WIRE)--Sept. 28, 2005--Harmonic Inc. (Nasdaq:HLIT), a global leader in hybrid fiber-coaxial (HFC) and fiber-deep solutions for cable and telecom operators, today announced new coarse wavelength division multiplexing (CWDM) digital transmission solutions that scale the return path bandwidth an operator can provide from the home. The new NDT 3140 family of transmitters in combination with the new RDR 4002 receiver maximize network capacity to support the growing demand for interactive applications and, at the same time, reduce the cost of provisioning such services.

On a global basis, high speed data subscribers are quickly moving beyond simple web browsing to embrace emerging services such as IP telephony, video conferencing and video email. Industry analysts suggest these and other peer-to-peer applications now account for as much as 70 percent of the residential bandwidth use. Cable operators are pursuing these new opportunities by restructuring and scaling the available bandwidth through network segmentation, a process whereby existing service groups are subdivided into smaller clusters of subscribers.

Harmonic's new digital return solution, which uses both time division multiplexing (TDM) and wavelength division multiplexing (WDM) technologies, enables operators to efficiently expand upstream capacity from the home while leveraging the established HFC infrastructure to the fullest possible extent and minimizing the need for costly fiber construction. In addition, using the Harmonic solution, operators may also cost-effectively implement redundant paths to increase service availability.

"In support of emerging service requirements and competition, cable operators around the world are increasing the end-to-end capacity and reliability of their networks," said Amy Arden, Distribution Optics Product Manager for the Broadband Access Networks Division of Harmonic Inc. "At the headend, operators are using Harmonic's high-performance DiviCom(R) encoders and DiviTrack(TM) closed-loop statistical multiplexing system to reclaim downstream capacity for HDTV, VOD and other value-added services. In tandem, they are segmenting their hub-to-home networks using Harmonic's PWRBlazer(TM) nodes and WDM transmission systems to open up bandwidth for even higher speed Internet access and next-generation interactive services. Harmonic's new digital return solution facilitates the network segmentation process, provides scalable upstream capacity for bandwidth-intensive applications and enables redundant architectures that ensure the highest levels of network availability."

Each NDT 3140 digital return transmitter accepts two RF inputs in the range of 5-48 MHz or 5-65 MHz. Using advanced digital signal processing technology the transmitter independently digitizes the two RF signals then, employing TDM technology, combines them for transmission via a single optical link. The NDT 3140 family offers CWDM wavelengths in the range of 1430 nm to 1610 nm as well as 1310 nm and 1550 nm output options. These new transmitters are compatible with existing Harmonic PWRBlazer fiber nodes and can be easily added to already-deployed nodes. Using Harmonic's 4-port HLN 3842 node, cable network operators can achieve 4-way return path segmentation. The larger HLN 3844 provides 4-way return path segmentation with full redundancy. Both PWRBlazer nodes also support a full range of optical passives to combine multiple wavelengths onto a single fiber.

Harmonic's RDR 4002 return path receivers can be deployed in hub and headend sites to support a wide range of network architectures. Performance is independent of link loss over the operating range of the receiver, allowing the digital links to have outstanding performance even over very long distances. The RDR 4002 fits into a carrier hosted in Harmonic's pervasive HLP 4200 broadband platform, simplifying installation and maintenance, as well as providing hot-swap capabilities. Each receiver module recovers a total of four RF signals from its two fiber inputs, delivering twice the density of Harmonic's previous digital return path receiver. The RDR 4002 is interoperable with Harmonic's complete line of digital return transmitters.

About Harmonic Inc.

Harmonic Inc. is a leading provider of digital video, broadband optical networking and IP delivery systems to cable, satellite, telecom and broadcast network operators. Harmonic's open standards-based solutions for the headend through the last mile enable customers to develop new revenue sources and a competitive advantage by offering powerful interactive video, voice and data services such as video-on-demand, high definition digital television, telephony and Internet access.

Harmonic (Nasdaq:HLIT) is headquartered in Sunnyvale, California with R&D, sales and system integration centers worldwide. The Company's customers, including many of the world's largest communications providers, deliver services in virtually every country. Visit www.harmonicinc.com for more information.

This press release contains forward-looking statements within the meaning of Section 27(A) of the Securities Act of 1933 and Section 21(E) of the Securities Exchange Act of 1934, including statements related to: growing demand for interactive applications, cable operators around the world increasing the end-to-end capacity of their networks, and opening up bandwidth for even higher speed Internet access and next-generation interactive services.

Our expectations and beliefs regarding these matters and the features and benefits of these new CWDM digital transmission systems may not materialize, and actual results could differ materially from those projected. 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 its recent Reports filed on Form 10-K and Form 10-Q. Harmonic does not undertake to update any forward-looking statements.

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