

Chunghwa Telecom Enhances IPTV Service With Harmonic's Content Management and Digital Mosaic Solutions

March 23, 2009

Time-Shifted TV, Interactive Program Guides and High Quality VOD Content Preparation Powered by Harmonic's Advanced Software-Based Solutions

SUNNYVALE, Calif.--(BUSINESS WIRE)--Mar. 23, 2009-- Harmonic Inc. (NASDAQ:HLIT) today announced that Chunghwa Telecom (TAIEX:2412) (NYSE:CHT), Taiwan's largest telecommunications provider, has deployed a broad range of Harmonic's content management solutions in support of its Multimedia-on-Demand (MOD) IPTV service expansion. The upgrade has enabled Chunghwa Telecom to offer its IPTV customers a number of advanced interactive services, including multi-channel digital mosaics and time-shifted access to major events and programming, such as the 2008 Olympic Games in Beijing. The enhanced IPTV offering has been very well received; Chunghwa Telecom serves over 4.3 million broadband subscribers throughout Taiwan.

Content preparation technologies deployed by Chunghwa Telecom include Harmonic's CLEARcut[™] solution for offline storage encoding and LIVEcut[™] scheduler, StreamLiner® video servers, and StreamLiner Cluster Controller for live content ingest and recording. Harmonic's ProStream[™] 8000 digital video mosaic solution generates the multi-channel mosaics.

"Harmonic's full portfolio of on-demand solutions exceeded our high expectations for quality and performance and provided an ideal platform to support our enhanced IPTV service offering," said Dr. Chin-Min Cheng, Director, MOD, Chunghwa Telecom. "Several mission-critical services were added as part of our IPTV service expansion. For instance, 2,000 hours of video footage of the 2008 Olympic Games in Beijing were successfully captured and stored using Harmonic's on-demand digital video technologies to provide viewers with time-shifted access to video content. In addition, deployment and integration of Harmonic's products into our existing network was seamless, enabling us to rapidly introduce these advanced IPTV services."

"Harmonic's IPTV solutions are preferred by many of the world's most prominent telecommunications providers," said Raymond Tse, Vice President of Asia Pacific Sales, Harmonic Inc. "Chunghwa Telecom is a technology frontrunner and industry leader. Their selection of such a broad range of our solutions—spanning content preparation, scheduling and live ingest, video mosaic generation, and network management—underscores the superior value Harmonic brings to operators deploying a state-of-the-art IPTV service. Harmonic continues to innovate major technology breakthroughs in IP-based video delivery, and the content management solutions deployed by Chunghwa Telecom and other leading service providers represent the best the industry has to offer."

Harmonic's on-demand solutions address consumer demand for anytime, anywhere viewing of video programming, free of pre-scheduled time restrictions. CLEARcut provides a complete system for creating high-quality, low bit-rate HD and SD digital content for use in video-on-demand (VOD), digital ad insertion and other applications. LIVEcut features an intuitive graphical user interface for scheduling live broadcast capture based on operators' electronic program guides. Harmonic's ProStream 8000 solution takes program navigation, service previewing, and recording to a new level, allowing multiple programs to be simultaneously displayed. NMX Digital Service Manager™ providesChunghwa Telecom with service monitoring and control.

About Chunghwa Telecom

Chunghwa Telecom (CHT) is the leading telecom service provider in Taiwan with 4.3 million broadband subscribers at the end of 2008. In addition, based on its NGN IP network, CHT now provides an IPTV service, named Multimedia-on-Demand (MOD), to approximately 700,000 subscribers. MOD customers can enjoy interactive and personalized services such as Live TV, EPG, VoD, KoD, TV-banking, Gaming, and Voting. For the Live TV service, CHT offers more than 80 linear TV channels including 3 HDTV channels. Moreover, the VoD service contains more than 4,000 hours of programs including Hollywood movies, TV series, Cartoons, and more.

About Harmonic Inc.

Harmonic Inc. is a leading provider of versatile and high performance video solutions that enable service providers to efficiently deliver the next generation of broadcast and on-demand services including high definition, video-on-demand, network personal video recording and time-shifted TV. Cable, satellite, broadcast and telecom service providers can increase revenues and lower operational expenditures by using Harmonic's digital video, broadband optical access and software solutions to offer consumers the compelling and personalized viewing experience that is driving the business models of the future.

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 <u>www.harmonicinc.com</u> for more information.

This press release may contain 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: continuing to innovate major technology breakthroughs in IP-based video delivery.

Our expectations and beliefs regarding the capabilities of Harmonic's content management solutions and the anticipated benefits for Chunghwa Telecom 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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