



## Harmonic Accelerates All-IP Headend Migration and Simplifies Re-Encoding With New DiviCom(R) FLEX(TM) Technology

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- Video and Audio Decoding Capabilities Easily Integrated Into Harmonic's DiviCom(R) Electra(R) and Ion(TM) Encoders; Reduces Overall System Cost and Complexity -

SUNNYVALE, Calif.--(BUSINESS WIRE)--April 8, 2008--Harmonic Inc. (NASDAQ:HLIT) today introduced DiviCom(R) FLEX(TM) technology, a new universal video and audio decoding module that delivers on the promise of an all-IP headend by adding video decoding capabilities to Harmonic's DiviCom Electra(R) and Ion(TM) encoders. The new module can be easily inserted into the existing Harmonic encoder chassis for a simple upgrade that enables full IP processing across all headend devices. The dense single platform solution provides operators with a new level of agility with real-time "any-to-any" video and audio format re-encoding. With FLEX technology, service providers can reduce capital expenses, power consumption, and overall system cost while maintaining the video quality excellence that is a hallmark of Harmonic's compression solutions.

FLEX also offers IP input functionality that further enables deployment of geographically distributed headend architectures and allows operators to source content from IP networks or IP-ready RF demodulators/descramblers. The DiviCom FLEX solution supports MPEG-2 and MPEG-4 AVC (H.264) streams in both high definition (HD) and standard definition (SD) formats, and supports reuse of incoming stream information.

"Our broadcast, cable, satellite and telco customers are embracing video over IP technology at a rapid pace, and they are looking to eliminate baseband audio and video wiring, switching, and routing in their operations," said Elie Sader, Product Marketing Manager at Harmonic Inc. "We are transitioning to a model where content is acquired over IP networks or IP-enabled devices, and then translated into formats suitable for the operator's delivery platform. Harmonic's FLEX technology, combined with the Electra and Ion encoders, enables a fully IP-based infrastructure across the entire video processing chain from content acquisition to re-transmission. The integrated solution provides our customers a powerful tool that lowers the cost and complexity of headend operations."

FLEX allows operators to quickly and efficiently launch new services and re-balance current lineups by enabling access to both IP and ASI-based content. This solution is ideally suited for telco, cable, broadcast and direct broadcast satellite operators looking for a high quality, multi-format, multi-resolution re-encoding solution.

In a single rack-unit (1-RU) chassis, a fully optioned DiviCom Electra encoder with FLEX technology is capable of decoding and re-encoding up to four full resolution HD or SD channels while simultaneously generating up to four low resolution services for picture-in-picture or multi-channel mosaic applications. FLEX also supports pass through of up to eight audio services per video program.

"The introduction of HD and the continued rollout of new services have increased headend complexity," continued Sader. "Operators receive content from multiple sources in various formats, which often must be re-encoded prior to distribution. By providing a means to manage content delivered over IP or ASI, Harmonic's new FLEX technology provides operators significantly greater flexibility and scalability in provisioning and expanding their channel lineups."

Harmonic pioneered IP-enabled video delivery with innovative solutions including DiviTrackIP(TM), the world's first IP-based distributed statistical multiplexing solution, as well as the industry's first encoders with native IP output. Harmonic's market leading DiviCom Electra and Ion encoders deliver superior video quality at ultra-low bit rates, providing operators around the world significantly greater flexibility in enhancing and expanding their service portfolio.

Harmonic's new FLEX decoding technology will be featured at NAB 2008, April 14-17 in Las Vegas, at Harmonic's booth #SU9612.

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 [www.harmonicinc.com](http://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: transitioning to a model where content is acquired over IP networks or IP-enabled devices and translated into formats suitable for the operator's delivery platform.

Our expectations and beliefs regarding these matters and the benefits expected from the FLEX technology 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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