



## **CANALSAT Expands Video Over DSL Service with Harmonic's MPEG-4 High Definition and Standard Definition Encoders**

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- IP-Based DiviCom(R) Electra(R) Systems Provide Unparalleled

Compression Efficiency and Superior Picture Quality -

SUNNYVALE, Calif.--(BUSINESS WIRE)--April 10, 2008--Harmonic Inc. (NASDAQ:HLIT) today announced that CANALSAT, part of the CANAL+ Group and a fully-owned subsidiary of Vivendi, has expanded its ADSL video service with MPEG-4 AVC (H.264) based digital video solutions from Harmonic. The DiviCom(R) Electra(R) 7000 high definition (HD) and Electra 5400 standard definition (SD) high density encoders enable CANALSAT -- the leading digital pay-TV operator in France with more than 10.5 million subscriptions -- to provide viewers with superior quality video at ultra-low bit-rates. Using the Harmonic solution, CANALSAT can enhance its service portfolio to meet increasing demand for HD programming, expand the SD channel lineup and increase the number of households that have access to its ADSL video service.

The CANAL+ Group distributes more than 300 television channels to viewers in France via multiple platforms, including digital terrestrial television, direct-to-home satellite, ADSL and mobile phone subscription services. CANALSAT is one of the world's largest aggregated DSL service providers, delivering programming to consumers through several major telecommunications operators' networks.

"Harmonic continues to demonstrate its leadership in providing reliable and high performance compression solutions for both standard and high definition programming," said Christophe Hennequin, Technical Director of CANALSAT. "The ability to deliver a technically superior H.264 solution is critical as we introduce new revenue-generating services such as HD to our subscribers. Harmonic's new IP-based Electra H.264 encoders meet our needs for provisioning the highest quality video and give CANALSAT the compression efficiency improvements that allow us to support more services to the home."

"Maximizing bandwidth utilization has become a top priority for telco video service providers worldwide as demand for HD, video-on-demand and higher-speed Internet access continues to grow," said Thierry Fautier, Director of Telco Solutions for Harmonic Inc. "The deployment of Harmonic's highly flexible Electra 7000 HD and 5400 SD H.264 encoders gives CANALSAT the ability to significantly decrease bit-rates in comparison with MPEG-2 while enhancing the viewing experience. The multi-channel and multi-service capabilities of the latest generation Electra H.264 multi-service encoders greatly simplify operations, reduce costs and help enable a profitable video over DSL business model."

Top tier telco operators around the world continue to prefer Harmonic's Electra video encoding platform, which is today used to deliver thousands of IPTV channels. Leading DSL-based service providers that have selected Harmonic's powerful compression systems include: Aliant, CANALSAT, HanseNet, Jazztel, PCCW, Portugal Telecom, SaskTel, SingTel, T-Com Germany, Telekom Austria, Tiscali UK and Yahoo!BB. Introduced in September 2006, the industry-leading Harmonic Electra 7000 HD H.264 multi-channel encoder has been selected by top tier satellite, telco and cable operators in North America, Europe and Asia to provide the highest quality, ultra-low bit-rate compression for more than 1,500 HD channels.

### About CANAL+ Group

Canal+ Group is the leader in pay-TV in France with more than 10.5 million subscriptions to a wide range of offers including Canal+, CanalSat and the former TPS, present in all networks, at home or on-the-go, in order to reach all customers, whatever their way of watching TV and whenever they are.

Within its offer, CANAL+ LE BOUQUET, the first multi-channel premium offer in France, available via satellite, cable, digital terrestrial television and ADSL networks, features six premium content channels built around the leading premium general-interest channel, CANAL+. CANAL+ Group also produces a range of channels dedicated to subscribers' favorite themes which include films (CineCinema), sport (Sport+, Infosport), news (i-Tele), series (Jimmy), documentaries (Planete) and programs for young people (Pivi, Teletoon).

Canal+ Group distributes CANALSAT too, a multichannel offer available on satellite, cable, ADSL, DTT through a minipack and adapted for third generation (3G) mobile telephones.

CANAL+ Group, through its subsidiary StudioCanal, is also a significant contributor to the financing, acquisition and distribution of films.

A pioneer in new technologies and new access, CANAL+ Group is among the first pay TV operators to have launched HD programs by satellite in spring 2006 and today has the largest offer in the French TV market with more than 10 HD channels. The Group has also been committed, for the past three years, to the development of broadcast mobile TV.

### 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: increasing demand for HD programming, expanding the SD channel lineup, increasing the number of households that have access to CANALSAT's ADSL video service, and demand for HD, video-on-demand and higher-speed Internet access continuing to grow.

Our expectations and beliefs regarding the capabilities of Harmonic's MPEG-4 AVC digital video solutions and the anticipated benefits to CANALSAT 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.

EDITOR'S NOTE - Product and company names used herein are trademarks or registered trademarks of their respective owners.

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