



Harmonic Adds IP-Enabled DiviCom(R) Ion(TM) AVC HD Encoder to Cost-Effectively Deliver Outstanding HD Video Quality

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AMSTERDAM, Netherlands--(BUSINESS WIRE)--Sept. 12, 2008--Harmonic Inc. (NASDAQ:HLIT) today unveiled its DiviCom(R) Ion(TM) MPEG-4 AVC (H.264) high definition (HD) encoder, a powerful new solution that delivers outstanding value to operators by providing superior HD video quality for constant bit-rate (CBR) digital video services. The IP-based encoding solution delivers an optimized price to performance ratio and is ideally suited for IPTV deployments as well as other switched video delivery applications.

The most dense and cost-effective solution available in its class, the DiviCom Ion AVC HD encoder packs four HD H.264 channels and up to four low resolution picture-in-picture (PiP) channels in a compact, one rack-unit (1-RU) chassis. At less than 75 watts per channel, the DiviCom Ion consumes less power than other alternatives. The result is a more environmentally friendly product delivering outstanding performance while reducing costs and rack space requirements for operators.

Harmonic's DiviCom FLEX(TM) video and audio decoding module can be easily integrated into the Ion AVC HD platform, enabling full decode and re-encode capabilities from any IP or ASI source within the Ion chassis, a key capability as service providers transition to all-IP headend architectures. The Ion AVC HD solution employs an advanced video compression engine with multi-pass LookAhead encoding to deliver broadcast quality HD at ultra-low bit rates.

"Harmonic's DiviCom Ion AVC HD encoder further strengthens the company's leadership position in HD AVC compression and delivers the superior video quality and reliability Harmonic is known for at a price point that a new subset of operators can afford," said Elie Sader, Encoder Product Marketing Manager, Harmonic Inc. "This latest addition to our HD AVC solutions portfolio sets a new benchmark for real-time HD transcoding, delivering four channels per rack unit with no compromise on video quality."

The DiviCom Ion AVC HD solution provides a targeted feature-set in-line with the requirements of telcos and others interested in adding a high quality HD video service to their line-up. The AVC solution maximizes network capacity and reduces bit-rates, enabling operators to roll out more HD programming and other advanced services. Additional benefits include flexible video, audio, and VBI format handling, support for multiple audio formats, and seamless management and control via Harmonic's NMX Digital Service Manager(TM).

"The Ion AVC HD platform also provides a native IP interface that integrates seamlessly with Harmonic's IP-based re-encoding, stream processing and asset management technologies, providing a powerful toolset for the deployment of highly scalable next-generation IP networks," continued Sader. "The Ion AVC HD solution further expands our HD compression portfolio, which addresses the diverse requirements of a broad range of telco, satellite, cable and terrestrial operators worldwide."

Harmonic's Ion AVC HD encoder and full range of IP-based compression solutions -- spanning a diverse portfolio of encoding, re-encoding, transcoding and statistical multiplexing technologies -- will be on display at Harmonic's stand #1.C61 at IBC 2008 in Amsterdam, taking place from September 12-16.

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 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: service providers transitioning to all-IP headend architectures.

Our expectations and beliefs regarding these matters and the benefits expected from the Ion high definition encoder 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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