



Service Electric Cablevision Rolls Out Video-on-Demand With Harmonic's edgeQAM and Encryption Solution

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NSG(TM) With Privacy Mode Encryption Enables Secure and Reliable

On-Demand Service Delivery

SUNNYVALE, Calif.--(BUSINESS WIRE)--Aug. 28, 2007--Harmonic Inc. (NASDAQ:HLIT) today announced that Service Electric Cablevision has deployed Harmonic's industry-leading Narrowcast Services Gateway(TM) (NSG(TM)) edgeQAM with Privacy Mode encryption for its video-on-demand (VOD) service in Pennsylvania. Service Electric Cablevision, the first cable operator in the United States, founded in 1948, offers video, voice and data triple play services to nearly 85,000 subscribers in the northeastern part of the nation.

The addition of VOD to the service offering is an important differentiator for cable operators such as Service Electric Cablevision in order to generate incremental revenue and offer customers a more compelling viewing experience. Secure delivery of the on-demand content to the home is critical, and leading operators around the world utilize Harmonic's NSG edgeQAM with the optional Privacy Mode encryption capability to ensure the VOD assets are protected.

"Harmonic is the clear leader in edgeQAM solutions for video-on-demand," said Jim Dorsa, Director of Engineering at Service Electric Cablevision. "The proven reliability of the NSG provides us with the assurance that our viewers will be able to enjoy a high quality VOD experience. In addition to serving as a highly efficient edge processing platform, the NSG offers a cost-effective and integrated encryption solution that enables us to securely transmit our on-demand programming."

"Harmonic introduced the world's first edgeQAM and we have continued to remain at the forefront of edge processing technology with greater density and support for advanced applications in our latest generation NSG systems," said Dan Ambauen, Vice President of North American Cable Sales for Harmonic Inc. "Cable operators such as Service Electric Cablevision rely on the market-leading NSG with Privacy Mode to encrypt VOD assets and perform other valuable functions such as IP to RF conversion, multiplexing, program filtering and routing."

Harmonic's family of edgeQAM solutions includes the widely deployed NSG 8108 and 9116 models as well as the world's first universal edgeQAM, the NSG 9000. Supporting a wide variety of applications including switched digital video, broadcast, on-demand, modular CMTS and DOCSIS 3.0 video delivery, the NSG 9000 has been selected by the world's leading cable operators for their next generation video services.

About Service Electric Cablevision

Service Electric Cablevision, Inc. was incorporated in early 1991 and is one of several successor corporations to a community antenna television (now called cable television) business started in 1948 as the Service Electric Company. Service Electric Cablevision is an affiliate company of Service Electric Television which is a private, family owned cable business servicing over two hundred and ninety thousand (290,000) subscribers located in approximately two hundred and fifty (250) communities in Central and Northeastern Pennsylvania and Northwestern New Jersey. On an industry-wide basis, Service Electric Television ranks as the fourteenth (14th) largest Multiple System Operator (MSO).

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: generating incremental revenue and offering customers a more compelling video experience.

Our expectations and beliefs regarding these matters 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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