



Harmonic Scales On-Demand and IP-Based Service Delivery with New High Density Narrowcast Services Gateway(TM)

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Fourth Generation Edge Device Provides Up to 72 QAM Channels for

VOD, nPVR and Switched Digital Video; DOCSIS 3.0 Support Streamlines

VOIP and Internet Access

Harmonic Inc. (NASDAQ:HLIT) today introduced the fourth generation of its multi-award winning Narrowcast Services Gateway(TM) (NSG) IP-enabled edgeQAM devices for on-demand service delivery. The new NSG 9000, which hosts up to 72 QAM channels in a sleek two rack-unit (RU) chassis, offers unparalleled efficiency and scalability to support the ever-increasing volumes of digital video, voice and data being delivered into the home. Ideal for applications such as video-on-demand (VOD), switched digital broadcast and network personal video recording (nPVR), a fully configured NSG 9000 delivers approximately twice as many simultaneous streams as any other product in its class. With DOCSIS 3.0 modular CMTS (M-CMTS) support and redundancy options, the new system also streamlines the provisioning of IP-based services including voice-over-IP (VOIP) and broadband Internet access.

Cable operators have been at the forefront of the transition to an on-demand experience, implementing successful VOD, high-speed Internet and VOIP services. To maintain and extend leadership in delivering a range of compelling services, it is necessary to continuously scale and expand the on-demand infrastructure in step with the new interactive paradigm. The market-leading NSG edgeQAM is currently in use by nearly all of the largest cable operators in the United States, and the new NSG 9000 builds upon Harmonic's tradition of pioneering scalable edge processing systems. This high capacity solution optimizes narrowcast service delivery by performing a variety of essential functions at the edge including multiplexing, encryption, QAM modulation and RF upconversion.

"A critical component of the 'just for me TV' future is the ability to offer the viewer more flexibility and control with enhanced services such as VOD and nPVR," said Guy de Beer, NSG Product Marketing Manager for Harmonic Inc. "The NSG 9000 provides a new level of density and performance for on-demand delivery that bridges the IP narrowcast backbone and traditional HFC network. Well over 1,000 concurrent narrowcast streams can be delivered by one system, depending on the bit-rates of the video, giving cable operators unprecedented levels of scalability and value. The NSG, in conjunction with the industry-leading DiviCom(R) standard and high definition encoders and the newly released ProStream(TM)1000 with Mentor(TM) re-encoding technology, enables operators to efficiently implement a switched broadcast service, allowing almost an infinite channel line-up and permitting multiple subscribers in the same service group to simultaneously view a channel without affecting the reliability or security of other on-demand services."

In addition to improving narrowcast video services, Harmonic provides an efficient solution for both downstream and upstream transport of IP-based services--including VOIP, Internet access, video conferencing and online games--within the hub-to-home section of the existing HFC network. The NSG 9000's support of the DOCSIS 3.0 modular CMTS requirements permits delivery into the home while Harmonic's digital return path transmitters and receivers are used to efficiently transport large volumes of data upstream to the CMTS in the hub or headend.

The high performance NSG 9000 reduces service down-time by supporting up to nine hot-swappable QAM RF modules and redundant AC and DC power supplies. Each module is equipped with three Gigabit Ethernet ports to receive digital content and eight output QAM channels. The NSG also supports the Privacy Mode real-time encryption, which is also available on existing NSG systems, to dynamically protect video content distributed to Motorola set-top boxes.

Harmonic's industry-leading NMX Digital Service Manager(TM) goes beyond simply controlling devices in the video network to also provide in-depth monitoring and analysis of NSG systems and the services they deliver. NMX provides a real-time view of the RF network utilization, and the statistical reports enable operators to make informed decisions about reallocating capacity to high-usage areas and introducing high impact marketing programs that stimulate demand during non-peak hours. For initial installation and local management, the NSG can be controlled using an embedded browser-based tool.

The new NSG 9000 edgeQAM and ProStream 1000 with Mentor re-encoding will be featured in Harmonic's booth (#1180) at Cable-Tec Expo 2006 in Denver, June 21-23, 2006.

About Harmonic Inc.

Harmonic Inc. is a leading provider of digital video, broadband optical networking and IP delivery systems to cable, satellite, telecom and broadcast network operators. Harmonic's open standards-based solutions for the headend through the last mile enable customers to develop new revenue sources and a competitive advantage by offering powerful interactive video, voice and data services such as video-on-demand, high definition digital television, telephony and Internet access.

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: ever-increasing volumes of digital video, voice and data, and the necessity to continuously scale and expand the on-demand infrastructure.

Our expectations and beliefs regarding these matters and the features and anticipated benefits of the NSG 9000 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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