



## **Harmonic Redefines Video Delivery With New Solutions at IBC 2006; End-to-End On-Demand Solution, Next Generation MPEG-4 AVC HD and SD Compression, and Advanced Video Processing Systems to Debut**

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SUNNYVALE, Calif., Aug 24, 2006 (BUSINESS WIRE) -- At IBC 2006 booth #1.361, Harmonic Inc. (NASDAQ:HLIT) will introduce a range of new video stream processing, encoding and broadband networking products that dramatically improve picture quality and bandwidth utilization. Harmonic will also showcase an end-to-end on-demand solution that includes the newly acquired Entone video networking software for content ingest, real-time distributed content management and high performance video streaming, integrated with Harmonic's industry-leading compression and edge solutions. Europe's leading television industry exhibition, the IBC show will be held in Amsterdam, The Netherlands from September 8-12.

Harmonic is driving forward versatile new technologies that enable the video business models of tomorrow, making it possible for operators to deliver IP-based video that is offering a compelling new personalized viewing experience. The DiviCom(R) multi-service encoders are selected by more top tier IPTV service providers than any other brand, and Harmonic's broad portfolio of content acquisition, headend and access network solutions have been deployed by leading cable, satellite, telco, terrestrial and wireless operators around the world.

"Harmonic continues to set the bar by developing innovative and technically superior solutions that enable our customers to increase their revenues while bringing the level of flexibility needed in this fast changing environment," said Patrick Harshman, President and CEO of Harmonic Inc. "Our next-generation MPEG-4 AVC compression systems including the recently announced DiviCom Electra(TM) 7000 high definition and Electra 5400 standard definition encoders, which will be publicly demonstrated for the first time at IBC, are consistently being praised by customers as providing the best video quality at bit-rates unseen in the industry to date. We will also introduce new ProStream(TM) stream processing solutions that increase versatility and offer unequalled value for the operator by incorporating a range of vital functions within a single system."

New and featured solutions at IBC 2006 will include:

- A comprehensive solution for VOD and the next generation of on-demand services including network personal video recording (nPVR) and time-shifted TV
- Superior quality, ultra-low bit-rate HD and SD MPEG-4 AVC (H.264) encoding systems
- Ultra-compact, multi-functional (re-encoding, encryption, adaptive network interface conversion and bulk descrambling) solutions
- The world's first solution for seamless splicing within a statistical multiplex, ideal for digital ad insertion
- An expanded range of 1-GHz broadband access systems and digital forward/return path solutions for HFC networks
- A highly flexible wireless backhaul and CWDM-based commercial services platform that leverages the existing fiber-based infrastructure

Possessing a longstanding track record of innovation and excellence in on-demand and broadcast video delivery solutions, Harmonic offers a unique range of award-winning, industry-leading products and industry expertise. At the IBC conference, David Price, Vice President of Product Marketing and Communications will moderate the "Standards-Based Technology in IPTV Ecosystems" Supersession sponsored by the MPEG Industry Forum on September 9 at 9:30 A.M. CET.

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](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: introducing a range of new products, showcasing an end-to-end on-demand solution, enabling the video delivery models of tomorrow, and introducing new stream processing solutions.

Our expectations and beliefs regarding these matters and the anticipated benefits of the products to be shown at IBC 2006 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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