



On-Demand Video Delivery Boosted With Expansion of Harmonic's HFC Product Portfolio; 1 GHz Forward and 65 MHz Return Solutions Enable Cable Operators to Enhance Service Offerings and Deliver More Bandwidth to the Home

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SUNNYVALE, Calif.--(BUSINESS WIRE)--Aug. 31, 2006--Harmonic Inc. (NASDAQ:HLIT) today announced new high performance transmitters and receivers designed to extend hybrid fiber coax (HFC) network bandwidth. The new PWRLink(TM) 1 GHz broadcast transmitters, METROLink(TM) 1 GHz DWDM forward path transmitters for narrowcast applications and MAXLink(TM) 1 GHz receivers support substantially more capacity to the home. This capability is critical as cable operators add more personalized and on-demand video services, greater amounts of high-speed Internet, voice over IP and commercial services. The transition to 1 GHz capacity in the cable network is underway, and already more than two million homes are served by Harmonic's range of scalable PWRBlazer(TM) 1 GHz nodes.

In addition, as part of its suite of higher bandwidth capable products, Harmonic has introduced a DWDM digital return path transmitter that supports 65 MHz -- a key requirement for node segmentation solutions -- and complements Harmonic's 65 MHz CWDM return path transmitter.

Viewers today are consuming ever increasing amounts of video content, whether delivered via traditional broadcast television, emerging video-on-demand (VOD) services or streamed over IP. This includes high definition television, as well as narrowcast services such as VOD, personal video recorders (PVR), network PVR, time-shifted TV and Internet gaming. This trend results in the need for operators to place greater amounts of digital content on the network, and necessitates more bandwidth to the home.

"For some time, cable operators have been exploring methods that will optimize their networks and increase average revenue per user, through solutions such as bandwidth extension to 1 GHz and further segmentation of their narrowcast service areas," said Sunil Frida, Senior Manager of Solutions and Strategy for HFC and Business Services at Harmonic Inc. "Harmonic's full range of market leading HFC products, including the new transmitters and receivers, provides a highly flexible, scalable and cost-effective solution for network operators to deliver the next generation of video, voice and data services."

Harmonic's 1 GHz and digital return path systems are part of a comprehensive set of bandwidth reclamation, segmentation and extension solutions which increase network capacity, reach, reliability and manageability. Integral to network segmentation, the enhanced upstream capacity of the digital return transmitters and receivers supports the provisioning of more symmetric high-speed Internet access services and emerging two-way applications such as telephony, video conferencing, gaming and content-on-demand.

The new HFC solutions will be on display at Harmonic's booth #1.361 at the upcoming IBC show in Amsterdam, The Netherlands from September 8-12.

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 the anticipated features and benefits of the expansion of Harmonic's HFC product portfolio.

Our expectations and beliefs regarding these matters and the features and anticipated benefits of the expansion of Harmonic's HFC product portfolio 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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