



Harmonic Streamlines IP-Based Content Distribution With Advanced Encryption Functionality; Versatile ProStream(TM) 1000 Video Stream Processing Platform Adds AES Scrambling and Bulk Descrambling Capabilities

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SUNNYVALE, Calif.--(BUSINESS WIRE)--Sept. 5, 2006--Harmonic Inc. (NASDAQ:HLIT) today announced that new AES scrambling and bulk descrambling capabilities have been added to the versatile IP-based ProStream(TM) 1000 stream processing platform with ProCipher(TM) scrambling technology. The ProStream 1000 is the world's first system that can be configured to support a variety of video processing functions within an ultra-compact one rack-unit (RU) form factor. The new real-time bulk descrambler is capable of processing up to 128 services simultaneously for highly cost-effective and secure distribution of video services.

The addition of support for AES, the newest scrambling algorithm, and bulk decryption enhances the operator's ability to efficiently protect and distribute the constantly growing number of video services required in today's increasingly on-demand world. The ultra-dense ProStream 1000 platform lowers cost of ownership by dramatically reducing rack space requirements and power consumption in comparison to alternative solutions for descrambling. Traditional descrambling platforms are limited in that they can usually only decrypt a maximum of three services in 1-RU. In addition, the ProStream platform can be configured to provide a wide range of digital video stream processing functions including multiplexing, scrambling/descrambling, re-encoding and single frequency network (SFN) transmission over IP.

"Operators need to distribute larger amounts of content while also lowering their operating and capital expenditures," said Yaniv Ben-Shushan, ProStream Product Marketing Manager for Harmonic Inc. "With the ProStream 1000 platform and its bulk descrambling capabilities, service providers can reduce the number of discrete systems needed and thus enjoy significant cost savings. The ProStream's flexible design, which includes native IP support, can easily integrate into existing or new IP-based architectures to accommodate nearly all of the operator's needs for multiplexing, scrambling and descrambling."

Typically, content aggregators need to secure and scramble their video content prior to broadcasting it to regional locations. Upon receiving these feeds, IPTV, cable or direct-to-home satellite operators need to descramble the streams to process the video and apply the scrambling of their choice for distribution to the home. The unique capabilities of the ProStream 1000 with ProCipher make it simple for service providers to perform these functions for much larger amounts of content within a unified, scalable and high density platform.

Harmonic's full range of innovative IP-based stream processing solutions, which also include the market-leading DiviTrackIP(TM) statistical multiplexing and ProStream 1000 with Mentor(TM) re-encoding technology, provide operators with unparalleled flexibility for applications including broadcast television, video-on-demand, network personal video recording, time-shifted TV and switched digital broadcast.

The ProStream 1000 with ProCipher AES scrambling and bulk descrambling functionality will be demonstrated at Harmonic's booth (#1.361) at the upcoming IBC tradeshow, which will be held from September 8-12 in Amsterdam, The Netherlands.

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 constantly growing number of video services and today's increasingly on-demand world.

Our expectations and beliefs regarding these matters and the anticipated features and benefits of ProStream 1000 with its new scrambling and descrambling capabilities 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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