



Harmonic Makes Strategic Investments in Cloud Technology Companies

November 11, 2014

Having a Financial Stake in Encoding.com and VJU Strengthens Harmonic's Leadership Role in Providing Flexible, Affordable, and Scalable Cloud-Based Transcoding and Playout Services

SAN JOSE, Calif. - Nov. 11, 2014 - Harmonic (NASDAQ: HLIT), the worldwide leader in video delivery infrastructure, today announced that the company has made significant investments in Encoding.com, the world's largest video transcoding service, and VJU, one of the first companies to provide cloud-enabled playout solutions to the broadcast and pay-TV industries. Having a financial stake in Encoding.com and VJU strengthens Harmonic's ability to offer highly flexible and scalable cloud-based services that provides amazing video quality and dramatically simplified cloud-based operations.

"To manage the complexity and enable the scalability of broadcast and multiscreen workflows, our customers are increasingly embracing flexible cloud technologies. Investing in Encoding.com and VJU, two key innovators in the cloud services market, aligns with Harmonic's strategic vision, enabling us to better support our customers' business and operational requirements," said Patrick Harshman, president and CEO, Harmonic. "With Encoding.com and VJU, Harmonic can deliver VOS(TM) technologies both on-premise and in the cloud, for seamless and highly elastic customer operations."

In addition to making a significant equity investment in VJU, Harmonic has signed a reseller agreement with the company, through which Harmonic will distribute its cloud playout solutions to the broadcast and pay-TV industries. VJU plans to use the Harmonic funding to continue making enhancements to its core product (Channel as a Service), expand cloud-based playout infrastructure, enhance quality of service, and support and grow its partnership network. VJU's Channel as a Service is one of the only cloud-based, enterprise-quality, end-to-end video broadcasting solutions in the marketplace. As part of a workflow that includes Harmonic's VOS-based Electra(TM) XVM virtualized media processor and Harmonic's Spectrum(TM) ChannelPort(TM) integrated channel playout system, Channel as a Service integrates the operational, technical, regulatory, and commercial functionality of the broadcast environment into the cloud, saving users substantial amounts of time and money, making it easier for broadcasters and pay-TV providers to launch new TV channels.

Prior to Harmonic's investment in Encoding.com, both firms collaborated on multiple projects together, including the successful launch of a new cloud-based transcoding service earlier this year based on Harmonic's ProMedia® Carbon file-based transcoding software. Available as either a pure cloud-based or integrated cloud-burst offering, the service provides content creators, service providers, and media professionals with unlimited cloud capacity for converting broadcast-quality video content into virtually any standard media format, including HEVC, utilizing a pay-per-use business model designed to optimize costs.

Further information about Harmonic and the company's products is available at www.harmonicinc.com.

###

About VJU

VJU iTV Development GmbH was founded in 2008 in Vienna, Austria, as a media IT company specializing in the development, distribution, and operation of new innovative media applications. From the start VJU has supplied global companies with cutting-edge products (e.g. Red Bull Media House, Siemens, IBM, among others). The VJU4 platform provides a smart and easy to use interface that has everything needed to create linear broadcasting and Video on Demand channels within minutes. As a cloud-enabled professional TV broadcasting platform that runs on public clouds and private clouds, VJU's "Channel as a Service" provides on demand HD quality TV channel capabilities to any device and allows broadcasting to any cable, satellite or CDN.

About Encoding.com

Encoding.com is the largest and most trusted cloud-based video processing service provider. As the pioneer and market leader for enabling multi-screen video delivery, Encoding.com powers advanced workflows for the majority of the Fortune 1000 media, entertainment, cable, broadcast, and technology brands. Offering the most robust feature set in the industry, Encoding.com streamlines transcoding, packaging and video delivery to all mobile, desktop, IPTV, and OTT devices. Headquartered in San Francisco, CA with offices in Aspen, CO and St. Petersburg, Russia, Encoding.com operates in private cloud environments and 12 data centers around the globe. For the latest news, please visit www.encoding.com and follow them on Twitter <https://twitter.com/encodingdotcom>.

About Harmonic

Harmonic (NASDAQ: HLIT) is the worldwide leader in video delivery infrastructure for emerging television and video services. The company's production-ready innovation enables content and service providers to efficiently create, prepare, and deliver differentiated services for television and new media video platforms. More information is available at www.harmonicinc.com.

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements related to the anticipated capabilities and benefits of Harmonic's VOS(TM), Electra(TM) XVM and Spectrum(TM) ChannelPort(TM) products. Our expectations and beliefs regarding these matters may not materialize and are subject to risks and uncertainties, including the possibility that such Harmonic products, when integrated with or as part of a workflow solution with VJU and/or Encoding.com cloud-based service solutions, may not meet some or all anticipated capabilities or provide some or all anticipated benefits, such as seamlessly scalable and flexible solutions, time and cost savings, and increased ease of setting up new channels.

The forward-looking statements contained in this press release are also subject to other risks and uncertainties, such as those more fully described in Harmonic's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended Dec.31, 2012, its Quarterly Reports on Form 10-Q and its Current Reports on Form 8-K. The forward-looking statements in this press release are based on information available to Harmonic as of the date hereof, and Harmonic disclaims any obligation to update any forward-looking statements.

EDITOR'S NOTE - Product and company names used herein are trademarks or registered trademarks of their respective owners.

CONTACTS:

Paulien Ruijssenaars	Blair King
Senior Director, Corporate Marketing	Director, Investor Relations
Harmonic	Harmonic
+1.408.490.7021	+1.408.490.6172
paulien.ruijssenaars@harmonicinc.com	blair.king@harmonicinc.com

HUG#1870401