



FOR IMMEDIATE RELEASE

HATTERAS NETWORKS DELIVERS MID-BAND ETHERNET RELIEF TO EUROPE

Hatteras Networks partners with major European suppliers; moves to accelerate Mid-Band Ethernet growth opportunity in Europe by appointing industry veteran to lead European sales expansion

CHICAGO (GLOBALCOMM) – JUNE 5, 2006 – Hatteras Networks, the Mid-Band Ethernet services specialist, today announced its plans for expanded operations in Europe, including OEM and distribution partnerships with two of the top European suppliers and the appointment of Robert Benattar as Vice President of European Sales.

To enable carriers to capture the \$2.3 billion European Mid-Band Ethernet service revenue opportunity, as recently forecasted by Infonetics Research to occur over the next five years, Hatteras has appointed Mr. Benattar to develop key customer and partner relationships in the region. Mr. Benattar will leverage partnerships, along with Hatteras Networks' direct sales team, to give European carriers a strong, go-to-market Mid-Band Ethernet solution enabling them to roll out innovative, high-margin services quickly and cost-effectively.

“Hatteras is at an exciting point in its corporate development. The European market is poised for significant deployments of Mid-Band Ethernet. Our partnerships with top European suppliers and Mr. Benattar's knowledge of the region give us a clear first-mover advantage,” said Kevin Sheehan, President and CEO for Hatteras Networks. “As the European Mid-Band Ethernet transitions from the early adopter stage to mass deployments, Mr. Benattar's extensive experience in developing sales and marketing

strategy, and demonstrated leadership capabilities, make him the right person to lead Hatteras in the region.”

Most recently, Mr. Benattar, who has 20 years of experience in sales and strategy, was the Managing Director Partner for Navista where he was responsible for social and commercial strategy, developing and executing marketing and sales strategies in Europe. Prior to Navista, he was vice president of European Sales for Netro Corp., where he built and ran the European sales team, and drove and managed direct and indirect sales. Mr. Benattar has also held executive positions at Xylan, Stratacom, Cisco, SynOptics and 3Com.

According to a recent report by Infonetics Research, the European Mid-Band Ethernet services market is poised to grow to almost \$2.3 billion by 2009, delivered on fiber, copper, and bonded copper, as European carriers move to deliver Transparent LAN, Internet Access and Ethernet Private Line over existing copper facilities targeting the E-1 to E-3 Ethernet service gap. Hatteras Networks, the leader in Mid-Band Ethernet, along with its strong global partners, will continue to distance itself as the global market leader.

Separately, Hatteras Networks also announced today that its partnership with Siemens Communication Hungary has already resulted in a significant customer win with Magyar Telekom. Magyar Telekom is using Hatteras Networks Mid-Band Ethernet solutions to better leverage available copper infrastructure to deliver business services in Hungary.

Service providers interested in learning more about Hatteras Networks can visit Booth #38048 at GLOBALCOMM.

About Hatteras Networks

Hatteras Networks, a privately held company headquartered in Research Triangle Park, N.C., offers carrier solutions to extend the Ethernet Service Edge for Mid-Band Ethernet services to businesses, mobile wireless cell sites and remote DSLAMs that are not served with fiber. For more information, visit www.hatterasnetworks.com.

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