



FOR IMMEDIATE RELEASE

**LS NETWORKS AND HATTERAS NETWORKS UPGRADE OREGON'S TELECOM
INFRASTRUCTURE WITH MID-BAND ETHERNET**

Hatteras Networks is selected as exclusive supplier of Mid-Band Ethernet gear for LS Networks' roll-out to retail customers across Oregon

RESEARCH TRIANGLE PARK, NC, APRIL 16, 2007 — Hatteras Networks™, the Mid-Band Ethernet™ services specialist, today announced that LS Networks has selected Hatteras Networks as the exclusive provider of Mid-Band Ethernet solutions for its roll-out of Mid-Band Ethernet services. Hatteras Networks' award-winning Mid-Band Ethernet solutions will enable LS Networks to offer Mid-Band Ethernet services to its growing statewide retail base, increasing revenue and providing a compelling competitive offering to customers not connected to the fiber network.

“Hatteras Networks enables us to deliver a business-class upgrade alternative to T1s to our retail customers that need higher performance, more scalable Ethernet-based services,” said Michael Weidman, president and CEO for LS Networks. “With these new capabilities, we can quickly and confidently roll out Mid-Band Ethernet services statewide, providing our customers with services previously only available in metropolitan areas and over fiber.”

LS Networks is the first to roll out Mid-Band Ethernet services statewide in Oregon. The services are being deployed as part of the company's Wide Area Ethernet (WAE) campaign, a progressive initiative enabled by Hatteras Networks solutions that will deliver and aggregate advanced Ethernet services to businesses connected to the public network with copper, leveraging the existing statewide optical network for backhaul and transport. The new service, scheduled to roll out in Q207, will use the HN4000 and HN400 platforms to provide symmetrical 10Mbps and higher Mid-Band Ethernet services to retail and other business customers.

“Carriers around the world are proving that the SMB market opportunity for Mid-Band Ethernet services is very large and lucrative,” said Kevin Sheehan, president and CEO of Hatteras Networks. “Carriers looking to effectively generate top-line revenue growth can leverage Hatteras’ industry-leading Mid-Band Ethernet platforms to offer higher-value Ethernet service to existing or new business customers.”

About LS Networks

LS Networks builds and manages SONET Fiber networks for businesses, hospitals, government, school districts, and communications carriers. Through its Oregon and Washington network of more than 45 switches and DWDM/SONET/Ethernet routers, LS Networks uses various access technologies for building business networks. Its network coverage reaches nearly 75 percent of Oregon business addresses. LS Networks’ product suite of WAE, Ethernet over SONET, VLAN, Wavelength, TDM and IP services are available in over 43 Points of Presence (POPS) in over 26 Oregon cities. Telephone: 1-503-294-5300.

About Hatteras Networks

Hatteras Networks is redefining the way carriers think about Ethernet services. Hatteras Networks’ Ethernet service edge solutions are leading Service Providers worldwide to a \$15 billion expansion of the Metro Ethernet market, which had previously been limited to the fiber footprint. Historically, T1s and E1s have been the fundamental building block for voice and data business services. Now, Service Providers can cost-effectively offer up to 45 Mbps Mid-Band Ethernet services over existing copper facilities, enabling businesses to migrate from legacy Frame Relay, ATM and T1/E1 connections to transparent Ethernet services for voice and data business connectivity, infrastructure backhaul and mobile wireless backhaul solutions.

Already deployed on five continents, Hatteras Networks solutions are enabling a market expansion for carriers that is as significant for business services as “triple play” is for residential. For more information, visit www.hatterasnetworks.com.

Note to Editors: Hatteras Networks and Mid-Band Ethernet are trademarks of Hatteras Networks. All other trademarks are the property of their respective owners.

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