



HATTERAS NETWORKS AND PAN DACOM DIREKT WIN IN GERMANY WITH MID-BAND ETHERNET

RESEARCH TRIANGLE PARK, NC AND DREIEICH, GERMANY, JUNE 28, 2007 — Hatteras Networks™, the Mid-Band Ethernet™ market, technology and services leader, today announced that it has partnered with Pan Dacom Direkt GmbH to offer Mid-Band Ethernet solutions that support advanced service delivery over the copper network. Pan Dacom Direkt's Mid-Band Ethernet deployments to date range from large enterprise campus networks to alternative regional service providers, wholesale operators, military installations and municipal networks.

“The market for Mid-Band Ethernet services is driven by the tremendous bandwidth gap that exists in Germany between low-rate copper based services and fiber-based services,” said Jörg Klumpp, product marketing manager at Pan Dacom Direkt. “Our customer base fully appreciates the wide variety of resilient, high-performance applications than can be delivered over Hatteras Networks’ service creation platforms.”

Pan Dacom Direkt, one of the leading product integrators in Germany, has already secured 15 early deployments with Hatteras Networks as service providers, municipalities and large enterprises make the move to Mid-Band Ethernet. Hatteras has enabled Pan Dacom Direkt to provide its clients with a solution that can support the roll-out of scalable, carrier-class Ethernet-based voice and data business services over existing copper infrastructure, where the deployment of fiber is not economically viable.

The City of Paderborn in central Germany is leveraging Mid-Band Ethernet services to deliver an advanced set of converged services over its municipal network. Founded nearly 1200 years ago, the City of Paderborn's unique architecture makes fiber deployments unfeasible in many cases and always much too expensive.

“We serve a diverse and growing business community that actively participates in the global economy with services, technology and tourism,” said Frank Mischel, the City of Paderborn's IT manager. “We needed a solution that could support the roll-out of

advanced voice and data services over our existing copper. Hatteras Networks' Mid-Band Ethernet platforms are a perfect fit and enabled us to create a rich service offering for our customers.”

“Hatteras Networks' Mid-Band Ethernet service creation platforms are being used by carriers on five continents to deliver and support an advanced set of feature-rich next-generation services,” said Kevin Sheehan, president and CEO of Hatteras Networks. “Pan Dacom Direkt is an ideal partner for Hatteras Networks as they have a growing and diverse customer set, a clear view of market needs and the desire to serve the Mid-Band Ethernet market in Germany.”

About Pan Dacom Direkt

Pan Dacom Direkt GmbH is a subsidiary of Pan Dacom Networking AG, a leading system-integrator, manufacturer and provider of professional services for telecommunication and networking solutions. With its 250 employees, Pan Dacom's expertise and know-how is based on its sales and engineering team, which has installed networks worth more than USD 1 billion. Pan Dacom Direkt focuses on serving its customers with telecom's most innovative and cost-cutting technologies to set up economical and future-proof networks. Pan Dacom Direkt supports all kinds of technologies for Access & Transmission like xDSL, SDH, xWDM, TDM, Carrier Ethernet and PseudoWire-Solutions.

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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