



FOR IMMEDIATE RELEASE

**HATTERAS NETWORKS' KEVIN SHEEHAN NAMED FINALIST FOR 2006
LEADING LIGHTS LEADERSHIP AWARD**

Sheehan recognized for his market vision and leadership in extending the Ethernet service edge

RESEARCH TRIANGLE PARK, N.C. – October 26, 2006 –Hatteras Networks™, the Mid-Band Ethernet™ services specialist, today announced that Kevin Sheehan, president and CEO, has been named a finalist for the 2006 Leading Lights Leadership award in the private company category. This year's Leading Lights winners will be announced at Heavy Reading's Gala Dinner on November 15 in Santa Barbara, California.

Kevin Sheehan serves as president and CEO of Hatteras Networks and is responsible for overall leadership and business strategy for the company. During his tenure, Hatteras Networks has grown from an early thought leader and pioneer into an industry-leading equipment provider in the Mid-Band Ethernet market.

“As CEO, Kevin has led Hatteras Networks to emerge as a well-defined market leader by winning the major carrier deployments of Mid-Band Ethernet thus far and establishing strategic partnerships with three of the industry's largest telecom equipment vendors,” said Ron Westfall, Principal Analyst, Broadband Infrastructure at Current Analysis. “With active deployments on four continents, Kevin oversees the world's largest deployments of Mid-Band Ethernet, including carriers such as BellSouth, XO Communications, and T-Com Hungary.”

Under Mr. Sheehan's leadership, Hatteras Networks has provided significant leadership to the Metro Ethernet Forum (MEF) and the Ethernet in the First Mile Alliance, two groups credited with moving Ethernet technologies from the LAN into wide-spread deployment throughout the Metro and Wide Area Networks. Mr. Sheehan ensured that Hatteras Networks devoted the time,

energy and resources to help lead the development of the IEEE 802.3ah EFM standard. In addition, Hatteras Networks' equipment was the first to be certified as compliant with the IEEE OAM specifications and has passed each subsequent MEF certification.

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 four 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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