



FOR IMMEDIATE RELEASE

HATTERAS NETWORKS CONGRATULATES BELL SOUTH ON FROST & SULLIVAN AWARD FOR MID-BAND ETHERNET

BellSouth receives 2006 Frost & Sullivan Award for Product Line Strategy in recognition of its ability to utilize strategic technology and introduce new Mid-Band Ethernet services

RESEARCH TRIANGLE PARK, N.C. – OCTOBER 5, 2006 – Hatteras Networks™, the Mid-Band Ethernet™ services specialist, congratulates BellSouth for winning the 2006 Product Line Strategy Award from Frost & Sullivan in recognition of its innovative product strategy and roll-out of Mid-Band Ethernet services.

In a release issued by Frost & Sullivan, the analyst firm sites the introduction of the copper-over-Ethernet technology from Hatteras Networks as the enabling technology that has allowed BellSouth to tap into the SMB market for Ethernet service delivery. This market segment has been largely untouched by major U.S. service providers with a Metro Ethernet services portfolio because until now Ethernet has relied primarily upon fiber for service delivery. Only recent advances with technology such as Hatteras Networks' Ethernet service edge platforms have allowed providers to focus on delivering services to businesses without fiber access.

“BellSouth’s introduction of Mid-Band Ethernet addressed a clear and compelling need from business customers for higher-performance Ethernet services over the existing copper network,” said Kevin Sheehan, president and CEO for Hatteras Networks. “We’re pleased that BellSouth selected Hatteras Networks as their provider of Mid-Band Ethernet equipment and look forward to working with them as they continue their network-wide deployment.”

With market-leading service management capabilities, Hatteras Networks gives carriers the ability to create and offer a rich portfolio of managed services to the end user community (e.g., Ethernet private line, Transparent LAN services, Voice-over-IP, Direct Internet Access, and virtual private networks). These services are delivered seamlessly over the existing last-mile copper infrastructure, effectively bridging the existing T1 – T3 service gap with a more resilient and cost-effective, service-enabling architecture.

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.

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

#

Media Inquiries:

Richard M. Williams

Connect2 Communications

919-554-3532

rmwilliams@connect2comm.com