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**HATTERAS NETWORKS DELIVERS ANY NETWORK, ANY CARRIER
ETHERNET SERVICE PLATFORM**

Availability of Modular DS3/E3 uplink for award-winning HN4000 2BASE-TL service platform provides unmatched network flexibility, taking advantage of legacy in-place TDM over SONET alternatives

CHICAGO (SUPERCMM 2005) – JUNE 6, 2005 – Hatteras Networks, the leading provider of high-bandwidth, last-mile Ethernet bonded copper access service platforms, today announced the general availability of an Ethernet over DS3 (EoDS3) uplink module for the HN4000. The HN4000 modular IO slot supports DS3, E3 and native Ethernet (copper and fiber) uplinks making the HN4000 the most cost effective service creation platform for carriers that need to deliver Ethernet business services directly from their existing SONET/SDH infrastructure. Ideal for carriers that aggressively deployed add-drop multiplexers (ADMs) over the last several years and have untapped DS3 connections, the HN4000 delivers the ability to turn services up directly without any changes to their existing infrastructure.

“Hatteras Networks is delivering products that solve real problems for service providers that want to introduce new Ethernet business services into their networks,” said Michael Howard, principal analyst and co-founder of Infonetics Research. “The new DS3 uplink opens up the Ethernet service opportunity to any provider, while avoiding the cost of upgrading existing ADMs to support Ethernet.”

Ideal for facilities-based competitive local exchange carriers (CLECs) and independent operating companies (IOCs), the HN4000 now enables them to rapidly deploy Ethernet services from their existing infrastructure at the lowest total cost of ownership over costly hardware and software upgrades to existing ADMs and other equipment.

Hatteras Networks' HN4000 is the first Ethernet over copper services platform to include modular network uplinks to streamline the introduction of Ethernet services into any carrier network. Featuring a wide range of redundant connectivity options that are ideal for carriers with a significant SONET/SDH infrastructure that are moving to Ethernet and IP-based services including Ethernet over SONET/SDH connectivity, software configurable Ethernet-over-DS3 and Ethernet-over-E3 connections, and software configurable for X.86 and Generic Framing Procedure (G.7041) encapsulation. For carriers with large metro Ethernet networks in place, the HN4000 supports 100/1000Mbps Ethernet uplinks - CAT5 options for connectivity within the CO, and optical options for inter-office or remote terminal/cabinet applications.

“With the wide variety of networking technologies currently in use with carriers worldwide, Hatteras Networks is committed to making the introduction of high-value Ethernet services into any network, for any carrier as simple and straightforward as possible,” said Kevin J. Sheehan, president and CEO of Hatteras Networks. “Many older ADMs are incapable of supporting Ethernet services at all, and the exorbitant costs associated with upgrading other legacy equipment to support a carrier’s move into Ethernet services, we’re delivering a technology that meets a clear market need.”

Hatteras Networks is the only company currently deploying an Ethernet over copper services platform that is fully compliant and certified with the IEEE 802.3ah Ethernet in the First Mile standards for 2BASE-TL services, utilizing copper bonding and encompassing Ethernet operations, and administration and maintenance (OAM) functionality. By focusing on a 100% standards-based approach, Hatteras Networks has developed a platform that can easily be integrated and used to turn up new Ethernet services into carrier networks today. Capable of delivering up to 45 Mbps of symmetrical Ethernet service over existing last-mile, voice-grade copper, Hatteras Networks’ platforms gives carriers the flexibility required to create a rich service portfolio that includes Ethernet private line, Transparent LAN services, Voice-over-IP, Internet Access flexibility from 1-45 Mbps, and virtual private networks (VPNs).

Carriers interested in seeing how Hatteras Networks’ new modular DS3 uplink capabilities, as well as other new features and functionality, can be used to introduce business-grade Ethernet services into their networks, can visit booth #29049 during SUPERCOMM 2005. Hatteras Networks will demonstrate real-world deployment scenarios currently in place with top tier carriers around the world.

About Hatteras Networks

Hatteras Networks, a privately held company headquartered in Research Triangle Park, North Carolina, offers carrier solutions to deliver high-bandwidth business services to locations that are not served with fiber. Hatteras Networks enables carriers to fully deliver the requisite high-bandwidth, access infrastructure to support converged voice, video and data network services to business customers. Carriers can use Hatteras Networks' standards-based solutions to extend fiber-based Ethernet services over copper or upgrade private line customers to higher-performance services. Hatteras Networks' platform is built to operate in central offices (COs), controlled environmental vaults (CEVs), remote terminals (RTs) and on poles, allowing carriers to deliver Ethernet to nearly all business buildings on their copper and fiber infrastructure. For more information, visit www.hatterasnetworks.com.

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