



FOR IMMEDIATE RELEASE

**HATTERAS NETWORKS AWARD-WINNING ETHERNET ACCESS
PLATFORMS CROSS THE BRIDGE TO RURAL AMERICA--DEPLOYED BY
ATLANTIC TELEPHONE AND WIGHTMAN TELECOM**

Hatteras extends its success from metro carriers to include rural carriers—bringing Ethernet services where no fiber has gone before

NEW ORLEANS – FEBRUARY 14, 2005 – Hatteras Networks, an innovative provider of high-bandwidth, symmetrical, last-mile Ethernet access and service platforms, today announced that two leading rural carriers have turned up services on the company’s award-winning solution. Both carriers, Atlantic Telephone Membership Corporation (ATMC) and Wightman Telecom Ltd., deliver services to primarily rural communities that are underserved by the incumbent local carriers. By deploying Hatteras Networks’ platform, the carriers have seen an immediate competitive advantage as they roll out newer high-performance, high-bandwidth Ethernet services to copper-fed businesses.

“We wanted a powerful and cost effective way to deliver Ethernet to our business customers and with Hatteras Networks’ solutions, we can deliver the type of high-broadband services typically reserved for Metro deployments,” said Clint Berry, manager, data communications of Atlantic Telephone. “Hatteras Networks has created a solution that enabled us to economically start with an initial small customer base and deliver a service-rich QoS-enabled Ethernet business offering that meets the needs of today’s growing businesses. Our initial deployments have gone very well.”

“Hatteras Networks’ standards-based platform provided us with a stable, market-proven technology on which we were able to build a service-rich business portfolio quickly and confidently,” said Tom Sullivan, general manager of Wightman Telecom. “Wightman is committed to delivering our customers with the types of flexible business services they need to be successful and our partnership with Hatteras Networks enables us to meet their needs with a standards-based, low-risk carrier-grade solution.”

“Savvy carriers like Atlantic Telecom and Wightman Telecom are tapping into the demand of business customers underserved by fiber for high-performance, business-grade services,” said Kevin Sheehan, president and CEO of Hatteras Networks. “Through the partnership between each of these carriers and Hatteras Networks, their customers now have a wide variety of converged business services to choose from, based on the service-rich infrastructure enabled by our Metro Ethernet Copper Access platforms.”

With Hatteras Networks’ Ethernet over copper broadband delivery platforms, carriers can deliver up to 45 Mbps of symmetrical Ethernet service over existing last-mile, voice-grade copper. This bandwidth flexibility gives carriers the ability 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). These services are delivered seamlessly over the existing last-mile copper infrastructure, effectively bridging the existing T1 – T3 service gap and economic disparity. With Hatteras Networks’ platforms, service providers are able to deliver multiple services via a single access link, speeding time-to-market with additional services. As a full Ethernet switch with layer-2 functionality such as VLAN Tagging and Class of Service with Quality of Service, Hatteras Networks’ platform is capable of leveraging Ethernet’s service multiplexing abilities to deliver business-grade Ethernet transport and switching services, while assigning Service Level Agreements (SLAs) on a per service basis, all over a single physical Ethernet connection per customer.

About Atlantic Telephone Membership Corporation (ATMC)

ATMC is a locally owned non-profit cooperative organized in 1955 by the citizens of Brunswick County, North Carolina, who did not have telephone service and had not been able to secure this service from existing telephone companies. Serving Brunswick County since 1957, Atlantic Telephone Membership Corporation is the largest member-owned telephone cooperative in North Carolina with 33,000 members and 41,000 access lines. Atlantic Telephone provides a multitude of telecommunications services including local telephone, long distance, paging, business communication systems, Cingular wireless, Internet/DSL and cable television service.

About Wightman Telecom

Wightman Telecom, one of Ontario's leading independent telephone companies, is the telecom provider of choice for many Southwestern Ontario residents. In addition to business services delivered by Hatteras Networks’ MECA platform, Wightman Telecom

also provides local phone service in several exchanges, as well as Internet, long distance, data networking, alarm and security products.

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 Metro Ethernet Copper Access™ (MECA™) 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.

Note to Editors: Hatteras Networks and Metro Ethernet Copper Access are trademarks of Hatteras Networks. All other trademarks are the property of their respective owners.

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