



FOR IMMEDIATE RELEASE

**HATTERAS NETWORKS SELECTED BY BELLSOUTH FOR MID-BAND
ETHERNET SERVICE ROLL-OUT**

*Hatteras Networks' award-winning, standards-based Ethernet Service Edge solutions help
BellSouth deliver expanded services*

RESEARCH TRIANGLE PARK, N.C. – JULY 31, 2006 – Hatteras Networks, the Mid-Band Ethernet (MBE) service specialists, today announced that BellSouth has selected its Ethernet Service Edge platforms to deliver BellSouth Mid-Band Ethernet service offerings. BellSouth chose Hatteras Networks' Ethernet platforms because of their patented service architecture that enables BellSouth to transparently deliver high-performance, fiber optic-grade Ethernet services over existing last-mile copper facilities.

“The Hatteras-based Mid-Band Ethernet solutions differentiate BellSouth® Metro Ethernet Service and allow BellSouth to continue to extend the benefits of Ethernet to small businesses and branch offices,” said Nimesh Shah, senior director, data product management– Business Markets, BellSouth.

Capable of delivering up to 45 Mbps of symmetrical Ethernet service over existing last-mile copper, Hatteras Networks' solutions give carriers the flexibility required to create a rich service portfolio that includes: Ethernet private line, transparent LAN services, voice-over-IP, Internet access, and virtual private networks (VPNs) with symmetrical service flexibility from 1Mbps to 45Mbps.

“BellSouth is a leader in applying innovative technology to address new market opportunities, and their Mid-band Ethernet services roll-out is another clear example of their commitment to maintain that leadership,” said Kevin J. Sheehan, President and CEO of Hatteras Networks. “As a market leader for Mid-Band Ethernet solutions, Hatteras Networks is committed to BellSouth's ongoing success as they extend the boundaries of the Ethernet service edge to businesses not served by fiber optic facilities.”

About BellSouth

BellSouth Corporation is a Fortune 500 communications company headquartered in Atlanta, Georgia. BellSouth has joint control and 40 percent ownership of Cingular Wireless, the nation's largest wireless voice and data provider with 57.3 million customers.

Backed by award-winning customer service, BellSouth offers the most comprehensive and innovative package of voice and data services available in the market. Through BellSouth Answers®, residential and small business customers can bundle their local and long distance service with dial-up and high-speed DSL Internet access, satellite television and Cingular® Wireless service. For businesses, BellSouth provides secure, reliable local and long distance voice and data networking solutions. BellSouth also offers print and online directory advertising through The Real Yellow Pages® and YELLOWPAGES.COM™ from BellSouth.

BellSouth believes that diversity and fostering an inclusive environment are critical in maintaining a competitive advantage in today's global marketplace. More information about BellSouth can be found at <http://www.bellsouth.com>.

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.

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