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Lightera Networks Launches into Carrier Optical Core Switch Market

Close-to-the-Carrier Innovation and Compelling Economics are Key to New Player's Delivery Formula

CUPERTINO, CA – March 1, 1999. Lightera Networks today announced it has entered the optical network market with an innovative business model and network architecture, developed in conjunction with incumbent and new long-haul interexchange carriers (IXCs). This new approach for the world's most in-demand networks – carrier backbones – will bring intelligent scalability, flexible integration, lowest cost of ownership and versatile network survivability to broadband switching cores.

The carrier switch provider is privately backed by Brentwood Associates, InterWest Partners, Kleiner Perkins Caufield & Byers and Venrock Associates.

Urgent Market Needs

End-user Internet use, new network access layer and service layer technologies, and an array of wave division multiplexing (WDM) products have unleashed unprecedented traffic growth and management burden at the heart of IXC networks, their backbones. Carriers forecast traffic to grow by an order of magnitude for 1999, a scale demand that today's switching architectures were simply not designed to meet.

"At a practical level," describes Jagdeep Singh, Lightera Networks' Chief Executive Officer, "we know carriers need all core network elements to meet or exceed WDM scalability and keep pace with exploding demand. Carriers need intelligent, dynamic provisioning/grooming, and sub-second service delivery intervals. They need flexible capacity management, and a range of survivability options. Finally, they must cut capital and operating costs by 50 – 70%, at manageable risk. We're entering now to fundamentally change their alternatives. We will deliver a highly scalable carrier architecture at the most economically compelling levels in the industry. "

"Carriers are looking for ways to flatten their architectures and move toward what they're calling the "Optical Internet," stated Chris Nicoll, principal analyst with Current Analysis. "Lightera's approach looks like it will improve bandwidth efficiency and OSS integration of network management, gracefully consolidate network layers, and aggressively drive costs downward. Their approach is substantially more operationalized than others we've seen, in that the benefits of their architecture flow solidly to the back-office, OAM&P and business financials."

Lightera's Vision and Business Model

Lightera targets its switch architecture to deliver greater cost and performance improvements to the carrier core than those seen in the last three years of WDM technology adoption in the fiber infrastructure. The company has recruited breadth and depth in critical technologies. "We attracted strong talent in large-scale switching, high-availability systems, optical networking and carrier network management," emphasized CEO Singh. "The team's experience in carrier transport applications creates first-hand knowledge of our user environment. This is essential for the initial delivery of intelligent optical transport networks, and for the sustainability of our long-term vision."

"As networks continue to grow, Lightera is addressing the combined needs for traffic grooming, high speed protection and restoration and different levels of survivability, in a single network element," observed Joe Skorupa, Director of Switching and Routing at RHK (Ryan, Hankin, Kent). "Lightera's product architecture is reflective of the combined telecom and datacomm talent at the company."

In the near-term, Lightera will deliver high scalability and enhanced performance for SONET and WDM infrastructures by enabling true logical network capacity, independent of transport type.

"We see Lightera's approach as visionary with regard to adding value and scalability to today's core networks," said Mike Vent, senior vice president of engineering at IXC Communications. "With our exponential traffic growth this year, we must dramatically improve network scalability. We look forward to Lightera's intelligent optical core switch going from field test to ship status. Their vision looks very promising to us."

"High Serviceability" Operational Support

The company has a unique operations approach among carrier equipment providers, designing its capabilities to be easily serviceable as well as highly available and reliable. The company is delivering a Customer Service and Support (CSS) program including full program management, network commissioning, installation, 24x7 operations, carrier-accessible diagnostics, on-site support, multi-tiered maintenance/planning/modeling services, and performance databases.

"Lightera has abstracted the transport model away from T-circuits or OC-circuits," stated Paul Johnson, investment partner at BancBoston Robertson Stephens and co-author of 'The Gorilla Game.' "They focus on delivering managed bandwidth, and have built a transport switching and management system to take advantage of all core technologies. I'm really impressed by their vision, which leverages both the promise of optical networks as well as the untapped performance of current network elements."

Lightera Networks is a carrier core switch provider based in Cupertino, CA. The company was founded in April 1998 to serve traditional long-haul carriers as well as new IXCs. By mid-1999, Lightera will bring to market its intelligent optical core switch, enabling highly scalable, flexible and reliable optical backbone networks. Lightera solutions will give carriers the lowest cost of ownership. Experts from the carrier and switch manufacturer domains lead Lightera's in-house optical network engineering, ASIC design, high availability software development, and customer field operations. For more information about Lightera, visit www.lightera.com.

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