



Calix #1 in Key North American Broadband Markets

Analyst Data Names Calix Top GPON and MSAP-based DSL Supplier in North America

AUGUST 22, 2006 PETALUMA, CA—Calix today announced that it continues to lead two key North American broadband markets: gigabit passive optical networking (GPON), as well as digital subscriber line (DSL) based on the fastest-growing equipment category, multiservice access platforms (MSAPs). Information from Dell'Oro Group shows that Calix continued its leadership position in Q2, 2006 for both GPON optical line terminals (OLTs) and optical network terminals (ONTs), a position Calix has held since Dell'Oro Group began tracking the GPON market. Data from Infonetics Research indicates that worldwide shipments for MSAP-based DSL ports grew by 27 percent sequentially over the first quarter, far outpacing the 8 percent sequential growth for DSL shipments overall. Calix increased DSL shipments by 30 percent sequentially, capturing 43 percent of the North American market. This performance continues Calix's dominance of the North American MSAP market, which it led in Q1, 2006 and for the entire year of 2005.

With GPON expected to become the dominant form of fiber to the premises (FTTP) infrastructure in North America, Calix is leading the way with innovative solutions such as the 700-Series auto-detect GPON ONTs. And MSAPs are playing an increasingly strategic role as wireline service providers deploy them to deliver extremely high-speed, pure-packet services such as IPTV and ultra-broadband internet access. While the Infonetics Research study focuses on DSL, MSAPs are also able to deliver GPON, BPON, and Gigabit Ethernet services, in addition to traditional telco services such as POTS, specials, hi-cap (DS1 and DS3), and SONET. The Calix C-Series, E-Series, and F-Series product families provide a comprehensive portfolio of market-leading access solutions addressing all of these service requirements.

"There is no question that within the entire networking continuum, broadband access is hot," said Jeff Heynen, directing analyst for broadband and IPTV at Infonetics Research. "And within the broadband access market, the MSAP category—with 28 different suppliers—is scorching. Calix has done a commendable job focusing on the North American market and the results show."

"Telcos and cable operators are battling for the consumer broadband relationship, and for seven quarters in a row, the telcos have been winning," added Ray Savona, Calix vice president of field marketing. "Once the broadband relationship is established, telcos can easily offer advanced services such as IPTV and VOIP, further enhancing the value of the consumer relationship. Industry-leading PON and DSL access solutions from Calix provide critical weapons in winning the battle with cable."

Calix has established a large and growing footprint in North America with over 350 customers, 180 of which employ FTTP to deliver services to over 140,000 subscribers, and 80 that are delivering IPTV

services to more than 100,000 subscribers. These customers, which include five of the top eight US wireline service providers, are among the most forward-thinking of US carriers and depend on access solutions from Calix to help expand their competitive edge.

About Calix

Calix is the largest telecom equipment supplier focused solely on access solutions for broadband service delivery. Service providers deploy Calix access systems to enable a rich set of information, communication, and entertainment services and to expand their revenue base beyond connectivity. Calix access innovation helps service providers transform their networks from circuit to packet, narrowband to broadband, and to drive fiber deeper into the network. Calix has deployed its solutions in hundreds of service provider networks throughout North America, and has shipped more than two million ports. For more information, visit the Calix website at www.calix.com.

This press release may contain forward-looking statements that are based upon management's current expectations and involve risks and uncertainties. Forward-looking statements are based upon information available to us as of the date of this press release and we assume no obligation to revise or update any such forward-looking statement to reflect any event or circumstance after the date of this release. Actual results and the timing of events could differ materially from current expectations.

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