



Calix E7 selected for three Broadband Stimulus projects in Minnesota

Projects to deliver advanced GPON services to a combined 5,000 residents and 200 businesses

PETALUMA, CA—October 12, 2010—[Calix, Inc.](#) (NYSE: CALX) today announced that Broadband Stimulus award winners [Federated Telephone Cooperative \(Federated\)](#) and [Farmers Mutual Telephone Company \(Farmers\)](#) have selected the [Calix E7 Ethernet Service Access Platform \(ESAP\)](#) and [700GX/GE families of optical network terminals \(ONTs\)](#) to address their respective “Fiber Forward” initiatives. The three awards given to these companies, which include plant engineering, materials, labor, and other costs, including access equipment, will together result in over \$14 million dollars of grants, loans, and private investment. The awards will be used to deploy additional services in “unserved” and “underserved” rural areas of western Minnesota, bringing much needed broadband access services and the opportunity for future economic development to the region.

“These communities in western Minnesota are great examples of the digital divide, where demand for access to better broadband services is very strong, but the fact that these areas are very rural has discouraged additional investment – until now,” said Kevin Beyer, general manager at Federated and Farmers. “These Stimulus awards have turned the tables, and with these funds the residents and businesses of this region will soon have what we believe will be one of the most advanced broadband networks in the nation at their disposal. We look forward to working with our long-time partner Calix to bring this state-of-the-art network to these communities, and in doing so not only enable the provision of superior broadband services to the local residents, but also lay a strong foundation for the entire region’s economic development.”

“Between the Broadband Stimulus program, our partnership with Farmers, and the deep and field-proven experience of a vendor like Calix, Lac qui Parle county is benefitting from a confluence of events and resources that will have a transformational impact on our county for decades to come,” said Pam Lehman, executive director of the [Lac qui Parle County Economic Development Authority](#).

“Until now, residents and businesses in the southern half of our county were severely limited in their ability to access broadband. Once this project is completed, we believe our county will have one of the most advanced broadband infrastructures in the country. We have very high expectations for the future economic and community benefits that this project will provide to the thousands of residents and hundreds of businesses and farms that are vital to our quality of life.”

The rural subscribers included in these three Minnesota projects will be served via a powerful fiber access infrastructure enabled by the Calix Unified Access portfolio, including gigabit passive optical network (GPON) and ten-gigabit Ethernet (10GE) transport. Capable of delivering 1 gigabit per second (Gbps) to each home and business if required, the networks being deployed are expected to be capable of meeting the broadband demands of each respective community for the next decade or more.

- Federated, a winner of two Broadband Initiative Program (BIP) “last mile” awards, will be using its funds, which consist of \$2.1 million in grants, \$2.1 million loans, and private investment of \$107,500, to build advanced GPON networks throughout the rural areas in and surrounding Appleton and Morris, Minnesota. The network, which will connect predominantly “underserved” residences and businesses, will be engineered around the Calix E7 ESAP, which will deliver advanced, voice, video, and data services via 10GE rings and GPON to each home and business. At the subscriber premises, Federated will leverage the [Calix 720GE family of ONTs](#) for residences, and the [760GX family of ONTs](#) for business services.

- Farmers, through a close partnership with Lac qui Parle County, will use a \$4.8 million grant, a \$4.8 million loan, and \$33,851 in private investment to extend advanced communications services to an estimated 3,700 residents, 165 businesses, and 12 community institutions in this rural county that currently have limited broadband access. The E7 ESAP will be utilized to enable a 10GE ring and for delivering an advanced bundle of services over GPON that will include high-speed data services, video, and reliable voice services. The 700GX/GE families of ONTs will also be deployed, laying the foundation for deployment flexibility between GPON and Active Ethernet (AE) services as well as advanced business services.

With today's announcement, aggregate Calix vendor selections by Broadband Stimulus winners for "last mile" BIP awards has now reached eighteen different projects representing approximately \$210 million in Stimulus-related grants, loans, and private investment for plant engineering, materials, labor, and other costs, including access equipment.

About Calix

Calix is a leading provider in North America of broadband communications access systems and software for copper- and fiber- based network architectures that enable communications service providers to connect to their residential and business subscribers. Calix has shipped seven million ports of its Unified Access Infrastructure portfolio to more than 500 North American and international customers, whose networks serve over 40 million subscriber lines in total.

This press release may contain forward-looking statements that are based upon management's current expectations and are inherently uncertain. Forward-looking statements are based upon information available to us as of the date of this 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, except as required by law. Actual results and the timing of events could differ materially from current expectations, based on risks and uncertainties affecting the Company's business. The reader is cautioned not to unduly rely on the forward-looking statements contained in this press release. Additional information on potential factors that could affect Calix's results and other risks and uncertainties are detailed in its report on Form 10-Q for the fiscal quarter ended June 26, 2010, filed with the SEC on July 23, 2010, available at <http://www.sec.gov>.

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