

## Press Release

Arumai in Talks to Partner with Harmonic, Inc. (NASDAQ: HLIT)

Los Angeles Cal., San Francisco, Cal., Armonk, N.Y. March 27, 2015/PRNewswire-FirstCall/ -- Arumai, the proprietors of the enabling technologies for the ecosystem of Connected TV, in talks to partner with Harmonic, Inc.(NASDAQ: HLIT).

Harmonic is the worldwide leader in video delivery infrastructure solutions and the first to provide broadcasters, service providers and other media companies with emerging video capabilities that are ready to deploy on a global scale. Harmonic helps their customers respond to the challenges of the digital video revolution while reaping its benefits, including the ability to deliver stunning video to viewers on any screen, anywhere. Their cutting-edge solutions power everything from HEVC (High Efficiency Video Coding) compression of Ultra HD video to blazing-fast transcoding of over-the-top (OTT) video-on-demand content.

“With successful follow through,” states Chairman & CEO, P. Stephen Lamont, “this strategic partnership would unite the inventors of the enabling technologies for Connected TV with the pre-eminent supplier of solutions and hardware for IP video.” Lamont continued, “Harmonic’s suite of solutions spanning from content creation to multiscreen blends ‘stunningly’ well (pun intended) with Arumai’s Connected TV portfolio.” “Add to that,” Lamont continued “Arumai’s build out of its proprietary streaming video protocol, leveraging its patent rights in its U.S. 09/587,026 System & Method for Playing a Digital Video File completes the entire picture.”

While the details are still sketchy, it may be expected that Harmonic would supply Arumai with a 7-year, \$70 million Letter of Credit in exchange for Series C Convertible Preferred Stock (a 20% fully diluted equity position), R&D collaboration, and marketing alliances.

Shahah Bar, SVP - Corporate Development of Harmonic stated “At a high level there [is]..interest...” Lamont replied, “Actually this our second go round with Harmonic where we partnered with them in the TG1/S6 - Audio and Video group at the Advanced Television Systems Committee shaping an optional standard for the future evolution of digital TV.”

The parties agreed to next steps during the week of March 30 and, Lamont addressed his shareholders and stated “When it comes to Arumai, Harmonic, and the ATSC, it is about something much more important than

patents, products, or money. It's about values. We value originality and innovation and pour our lives into making the best products on earth, and we do this to delight our customers. I am very proud of the support that each of you have supplied. Starting at the inception of the partnership with Harmonic Inc., values will win and I hope the whole world listens.”