

Tera Santa Consortium Targets World's First Terabit Optical Network

--Leading vendors and universities, backed by the Israeli Chief Scientist, aim at a cutting-edge and cost-effective optical network--

ISRAEL —April 11, 2011 - Seven leading Israeli companies and five universities in Israel announced today the formation of the Tera Santa Consortium, whose goal is to develop the world's first Terabit Orthogonal Frequency Division Multiplexing (OFDM)-based optical network. With financial support provided by the Israeli Office of the Chief Scientist (OCS) through its [Magnet program](#), the founding consortium members are ECI Telecom, Finisar Corporation Israeli subsidiary, Orckit-Corrigent, Elisra-Elbit, MultiPhy, Optiway, Civcom, the Technion Israel Institute of Technology, Ben-Gurion University, the Hebrew University in Jerusalem, Bar-Ilan University, and Tel-Aviv University.

Research Scope

Fueled by the ever-growing demand for bandwidth, a low cost, compact and high performance Terabit Transponder solution will answer this market need with optimized bandwidth utilization and increased capacity for multi-service applications.

The focus of the consortium activity is on the development of OFDM-based optical transmission technology and to research, develop and prototype a Terabit optical networking platform. This technology will be used to develop innovative techniques to handle coherent optical links and will explore the operational and performance impact that coherent technology's new degrees of freedom will have on optical networking. The research will yield the building blocks for commercial Terabit optical networks for metro and long haul market segments.

Research topics will include:

- High-speed design using high order Quadrature Amplitude Modulation (QAM) constellations
- Overcoming optical impairments over long distances
- Maximizing system spectral efficiency

- Novel DSP architectures and algorithmic design
- Cost-effective and compact analog and optical components design
- Design of photonic integrated circuits as component-level platforms for the sub-system layer

The Consortium has already initiated its activities and will continue for the next three to five years. It will work closely with and contribute to the international industry standard organizations involved with this effort, such as the IEEE, ITU and OIF.

Expert Perspectives

“By applying coherent technology, we enable a new level of cognitive intelligence in the optical network– from digital and optical components, through transmission sub-systems, and all the way to a fully functioning network. By combining the expertise of both industry and academia, the Tera Santa Consortium brings the ideal blend of skills and cross-functionality for a holistic approach to guarantee the success of this project.”

Shai Stein, Chairman of the Tera Santa Consortium and ECI Telecom’s CTO

“We have created a consortium structure in which we amplify and leverage the cooperative efforts of major companies and an ensemble of top researchers in our field, supported by generous government funding. I believe this transcends what any single company alone may accomplish. It also promotes an unprecedented degree of inter-academia-industry cooperation. I am excited that we have come up with an out-of-the-box concrete approach towards realizing our vision for a Terabit system.”

Professor Moshe Nazarathy, Technion Israel Institute of Technology, and co-founder of Harmonic Inc.

About Cognitive Coherent Systems

Cognitive coherent systems are intelligent systems that include unique DSP-based phase modulation techniques, allowing usage of inherent monitoring and self-rate adaptation capabilities as part of the system design and construction.

About ECI Telecom

ECI Telecom delivers innovative communications platforms to carriers and service providers worldwide. ECI provides efficient platforms and solutions that enable customers to rapidly deploy cost-effective, revenue-generating services.

Founded in 1961, Israel-based ECI has consistently delivered customer-focused networking solutions to the world's largest carriers. The Company is also a market leader in many emerging markets. ECI provides scalable broadband access, transport and data networking infrastructure that provides the foundation for the communications of tomorrow, including next-generation voice, IPTV, mobility and other business solutions. For more information, please visit www.ecitele.com.

About Finisar

Finisar Corporation (NASDAQ: FNSR) is a global technology leader for fiber optic subsystems and components that enable high-speed voice, video and data communications for telecommunications, networking, storage, wireless, and cable TV applications. For more than 20 years, Finisar has provided critical optics technologies to system manufacturers to meet the increasing demands for network bandwidth and storage. Finisar is headquartered in Sunnyvale, California, USA with R&D, manufacturing sites, and sales offices worldwide. For additional information, visit www.finisar.com.

About Orckit-Corrigent

Orckit facilitates telecommunication providers' delivery of high capacity broadband residential, business and mobile services over wireline or wireless networks with its Orckit-Corrigent family of products.

With 20 years of field experience with Tier-1 customers located around the world and sound leadership, Orckit has a firm foothold in the ever-developing world of telecommunication.

Orckit-Corrigent's product portfolio includes Packet Transport Network (PTN) switches - an MPLS and MPLS-TP dual stack based portfolio enabling advanced packet as well as legacy services over packet networks with a wide set of transport features.

Orckit-Corrigent markets its products directly and indirectly through strategic alliances, as well as distribution and reseller partners worldwide.

Orckit was founded in 1990 and went public in 1996. Orckit is dually listed on NasdaqGM (ORCT) and the Tel Aviv Stock Exchange and is headquartered in Tel-Aviv, Israel. For more information, please visit <http://www.orckit.com>

About Elisra

Elisra, a world leader in the field of Information Warfare (EW, Intelligence and C3) for over four decades, has been the source for these systems which have been deployed on a vast variety of platform types, in modern defense forces of more than 40 countries worldwide.

The company develops designs, manufactures, integrates and supports advanced EW, Intelligence (RF and IR based) and Communication solutions for air, sea and land applications.

Elisra has a lot of expertise and experience in a field of real time coherent signal processing.

Elisra, owned by Elbit Systems Ltd. (NASDAQ and TASE: ESLT), comprises Elisra Electronic Systems, Tadiran Electronic Systems and Tadiran Spectralink.

For more information, please visit <http://www.elisra.com>

About MultiPhy

MultiPhy is a fabless semiconductor company that provides digital-signal-processing based integrated circuits for high speed communications. Founded in 2007, the company develops

40Gb/s and 100Gb/s CMOS chips for direct detect and coherent transmission solutions, leading in the technology paradigm shift made necessary by the dramatic increase in network traffic. MultiPhy has world-class expertise in communications theory, optical communications, algorithms development, as well as analog, digital and mixed signal CMOS VLSI design. The company's differentiated patent pending technology enables the development of cost effective, low power, high performance solutions at 40Gb/s and 100Gb/s as well as 1Tb/s Coherent OFDM technology for next generation networks.

For more information, please visit www.multi-phy.com

About Optiway

Optiway Ltd., founded in 2004 successfully introduced optical multi-service solutions for In-Buildings Wireless communications, based on its unique patented optical technology, OTDMLL.

Optiway offers elegant, cost effective solutions that enable cellular operators, service providers and property owners to extend coverage and provide in-building radio (cellular, public safety, and Wi-Fi) communication in high-rise buildings, tunnels, parking lots, campuses, etc.

Optiway's solution multiplexes sources from different technology standards and different operators on a single fiber. The company's products are technology agnostic and field proven with all common cellular technologies, in multiple frequency bands. As a result, Optiway delivers high capacity systems that are easy to design, deploy and maintain and drastically reduce the total cost of ownership.

About Civcom

Civcom is a pioneer in the development and manufacturing of the cost-saving dynamic Opto-electronic FREE LIGHT™ tunable transponders and FREE PATH™ manageable dispersion compensation modules, with bitrates of 1Gbps to 40Gbps for Telecom and Datacom with high density data transfer and storage applications.

Civcom leads the way in the field of dispersion tolerance transmission providing solutions for some of the most progressive tunable transponders. Headquartered in Israel, Civcom was acquired in 2008 by Padtec of Brazil. For more information please visit <http://www.civcom.com>.

About The Technion Israel Institute of Technology

The Technion, is Israel's primary technological university and the largest centre for applied research in Israel. Ranked among the leading technological universities in the world, numerous innovations in all fields have their origins in Technion research. Two Technion researchers won the Nobel Prize in 2004. The Technion offers pre, graduate & postgraduate students the opportunity to pursue world-class research in science, engineering, industrial management, as well as many other fields. Today there are over 12,000 students at the Technion, 25% of them graduate students, taught by a thousand staff members.

About Ben Gurion University

Ben-Gurion University is a major center for teaching and research, with 20,000 students enrolled in the faculties of Engineering Sciences, Health Sciences, Natural Sciences, Humanities and Social Sciences, the School of Management and the Kreitman School of Advanced Graduate Studies. The scientific community at Ben-Gurion University numbers over 1400 researchers, including about 800 tenured faculty appointments and over 300 medical clinicians from the Soroka University Medical Center.

In the Tera Santa consortium, Ben Gurion University brings two leading research groups in Optical Communications and in Wireless Communications, both are part of the Electrical and Computer Engineering Department. The contribution of the two research group (total 10 researchers) is focused

on developing Digital Signal Processing algorithms and theoretical modeling of the uniquely developed Optical OFDM Terabit technology and system.

About The Hebrew University and Yissum Technology Transfer

The Hebrew University, Israel's leading academic institution, carries out more than 1/3 of all academic scientific research in Israel and 43% of its biotech research. Overall, there are 23,500 students enrolled at the University, including 6,900 master's degree students and 2,700 doctoral candidates, studying in 5 campuses and 7 different faculties.

Yissum was founded in 1964 to protect and commercialise technologies from the university. Through Yissum's efforts, \$2 Billion of products originating in Hebrew University technology are sold worldwide each year; over 7,000 patents have been registered covering 2,023 inventions; 530 technologies have been licensed and 72 start up companies were created.

About Bar-Ilan University and Bar-Ilan Research & Development Company Ltd.

Bar-Ilan University has a student population of approximately 33,917 at the main campus in Ramat Gan, and at the four regional colleges operating under its auspices – in the Jordan Valley, in Safed, in the western Galilee and in Ashkelon.

The university cultivates and combines Jewish identity and tradition with modern technologies and research. Instilling the fundamentals of Jewish heritage through basic Jewish studies and advanced research within the framework of faculties, departments and research centers, renders the university unique.

Bar-Ilan Research & Development Co. Ltd. was established by Bar-Ilan University in order to develop and commercialize the applied research and to transfer the technology invented by the researchers at the University. This follows the basic concept that intellectual property and other innovative developments that have a potential to be industrial products should be nurtured in a business environment. Functioning as a commercial entity, the Company can most efficiently interface between scientific and technological development at the University and the world of business and industry.

About Tel Aviv University

Located in Israel's cultural, financial and industrial heartland, Tel Aviv University is the largest university in Israel.. It is a major center of teaching and research, comprising [nine faculties](#), 106 departments, and [90 research institutes](#). Among the University's 2,200 faculty members are internationally renowned scientists who have made significant contributions to the advancement of knowledge in fields as diverse as particle physics, cell biology, biotechnology, genetics, and fiber optics, as well as in every area of the humanities, social sciences and law. The University promotes a multidisciplinary approach to research, through centers for brain studies, environmental studies, cardiac research, cancer research, energy studies, nanoscience, bioinformatics, aging, communications, cultural studies and others, where academic collaboration is breaking down outmoded barriers between disciplines.

The University enjoys extensive research contacts with leading academic and scientific institutions abroad, including over 150 cooperation agreements with universities in North and South America, Europe and the Far East.

For further details visit www.ramot.org

About the MAGNET Program

The MAGNET Program, in the Office of the Chief Scientist of the Ministry of Industry, Trade & Labor, sponsors innovative generic industry-oriented technologies to strengthen the country's technological expertise and enhance competitiveness.

MAGNET operates in 4 main tracks. The common denominator collaboration is a win-win proposition. Both industrial companies and academic research groups are better able to continue developing new and innovative products through synergetic collaboration than if it each worked alone.

Any company with a forward vision can find a framework that can promote its needs and it is welcome to participate in the MAGNET activities.

MAGNET welcomes new proposals and looks forward to providing you with assistance in establishing a new operation within its framework or by enabling you to join an existing activity.

Certain statements contained in this release may contain forward-looking information with respect to plans, projections or future performance of the Company. By their nature, forward-looking statements involve certain risks and uncertainties including, but not limited to, product and market acceptance risks, the impact of competitive pricing, product development, commercialization and technological difficulties as well as other risks.

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