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Delta Enters Strategic Partnership with BroadLight to Deliver Cost-Effective BPON and GPON Transceivers

September 26, 2006 – Mountain View, Calif. – BroadLight and Delta Electronics (Delta) today jointly announced that they have entered into an agreement for a strategic partnership, whereby Delta will assume the production and sale of BroadLight's PON (passive optical network) transceiver products. This will enable BroadLight to focus 100 percent on PON controller development and ensure that its transceiver customers are fully supported today and have cost-effective transceiver options for future PON designs.

"By transferring manufacturing and sale rights of transceivers to Delta, BroadLight can focus on delivering highly-integrated PON controllers that are first-to-market, cost-reduced and performance enhanced," said Dror Heldenberg, CFO of BroadLight. "Delta already has an optical transceiver business unit and can focus on expanding that business with additional product lines and future cost-effectiveness."

"We are extremely pleased to partner with BroadLight as it provides our engineering teams with proven technology that is already in volume deployment around the globe," said James Tai, Senior Director of Delta's Optical Communication Component Business Unit. "We look forward to supporting BroadLight's existing customers and working closely together in the future to deliver transceivers that work seamlessly with their PON controller designs."

Terms of the Agreement

Under the terms of the Agreement, BroadLight will share its transceiver IP with Delta and begin transitioning production of its existing transceiver products to Delta's facility. Delta will handle all the manufacturing, production, marketing and sales for these products and pay BroadLight a royalty fee.

For more information and to inquire about this announcement, customers and interested parties should contact info@broadlight.com or sales@broadlight.com.

About Delta Group

Delta Group is the world's largest provider of switching power supplies and a major source for power management solutions, components, visual displays, industrial automation, networking products, and renewable energy. Established in 1971, Delta Group has sales offices worldwide and manufacturing plants in Taiwan, Thailand, China, Mexico and Europe. As a global leader in power electronics, Delta is committed to environmental protection and has implemented green, lead-free production and recycling and waste management programs for many years. Delta's mission continues to be: "To provide innovative energy-saving products for a better quality of life." More information about Delta Group can be found at <http://www.deltaww.com>.

About BroadLight

BroadLight delivers the industry's only end-to-end solution (from the customer premises to the central office) for equipment vendors designing ITU-T compliant PON systems. The company's completely integrated product line consists of standards-based communication semiconductors and software solutions that enable its customers to deliver BPON and GPON equipment to carriers and services providers worldwide. This end-to-end solution provides customers with a lower risk development cycle and enables them to significantly speed time-to-market. As a result, BroadLight technology has been adopted by leading manufacturers who are currently providing equipment for some of the world's largest fiber PON roll-outs.

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