



Nistica Secures Series A Funding to Deliver Intelligent Optical Subsystems

New class of devices critical to support rollout of IPTV, VOD and Business Ethernet services

Bridgewater, NJ. May 24, 2006 – Nistica, a new optical subsystems developer in the telecommunications market, announced today that it has received Series A funding from PA Early Stage, Technology Venture Partners and other investors. The company has developed a new class of intelligent optical modules to enable edge networks to scale at healthy margins, and rapidly deliver bandwidth for the new wave of consumer multimedia and enterprise wavelength services. William Cadogan, former Chairman and CEO of ADC and investor in Nistica, is the Chairman of Nistica's Board of Directors.

Nistica was founded by longstanding telecom technology veterans Thomas Strasser and Jefferson Wagener, and is led by CEO Ashish Vengsarkar. All three optical systems experts have deep experience in building network infrastructure products that deliver carrier-class reliability.

Says Chairman Cadogan of the venture, "The burgeoning applications of IPTV, Video on Demand, Gigabit Ethernet, and Multimedia Services make the edge of the network a lynchpin in the delivery of huge amounts of content to subscribers. Only through optical switching between the network core and the access infrastructure can carriers meet this delivery challenge. Nistica will help operators affordably automate, simplify and incrementally scale WDM wherever they need it."

Industry analysts estimate that nearly 100% of central offices in the North American market will require more than one optical wavelength for meeting the projected growth in network bandwidth. Today only 10% of central offices can cost-justify expensive core Reconfigurable Optical Add-Drop Multiplexing (ROADM) technology. Nistica's subsystem technologies are designed to fill this key cost-performance gap for telecommunications systems manufacturers.

Nistica CEO Ashish Vengsarkar states, "We provide the ability to automate the network *edge* at a small fraction of the cost of today's technologies that automate the network *core*. While providing low-cost solutions, we deliver two essential qualities to the network edge: high optical performance, and telecom-class reliability. This combination is unique, and is being met with great enthusiasm by our prospects."

Nistica will launch its initial product suite in two weeks, at GLOBALCOMM 2006 in Chicago, Illinois.

About Nistica

Nistica is the first optical networking company to develop a new class of intelligent, low-cost subsystems for automating the edge of service provider networks. Nistica helps systems vendors and carriers simplify the deployment and reconfiguration of optical capacity between their growing broadband access networks and their high-powered optical core networks. Formed in January 2005 by optical networking experts, Nistica has been funded by PA Early Stage, Technology Venture Partners, William Cadogan and other notable individual investors, and has numerous patents pending on its products, methods of development and software algorithms. For more information, go to www.nistica.com.

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