

LAMBDA OPTICALSYSTEMS ANNOUNCES STRATEGIC PARTNERSHIP WITH MILAN-BASED SIRTI S.P.A.

Sirti S.p.A. will provide sales, marketing, systems integration and support for the LambdaNode and LambdaCreate products in the Italian market and with Sirti customers globally

RESTON, VA, OCTOBER 4, 2005 – Lambda OpticalSystems, the leading provider of all-optical switching solutions, announced today that it has signed an agreement with Sirti S.p.A., the leading Italian company in the engineering and construction of telecommunication networks and systems, for distribution of Lambda's products in Italy as well as globally through Sirti's subsidiary companies in Europe and Latin America. This is Lambda's first such agreement in Europe and is targeted at a number of specific business opportunities. The partnership will make Lambda OpticalSystems' LambdaNode[™] and LambdaCreate[™] products available to the Italian market.

Lambda is committed to providing affordable all-optical networking solutions to government agencies and telecommunications carriers that face growing demands for high-bandwidth services and advanced applications. While the advantages of an all-optical solution are recognized globally, the European market is at the forefront of deploying all-optical networks for increased capacity requirements and for video intensive, advanced applications that cannot be supported effectively by current technologies. For this reason, Lambda OpticalSystems has spent a considerable amount of time and effort in Europe right from the company's inception. This focus now is beginning to bear fruit.

"Sirti S.p.A. is a well-established company in the Italian telecommunications industry, and we are pleased to partner with an organization with their history, expertise, and reputation," said Irfan Ali, Lambda president and chief executive officer. "Our international growth strategy is based on the creation of such relationships, which can translate our technical progress to date into full-fledged business success."

Sirti is an engineering company and system integrator of telecommunications systems and networks and is engaged in the supply of turnkey solutions, and network and service management systems for fixed and mobile networks. Sirti handles all of the cable plant for Telecom Italia and has recently won a contract to supply physical telecom infrastructure for Italian National Railway on its new high speed rail-line.

"Sirti S.p.A. is pleased to partner with Lambda OpticalSystems and to represent its innovative alloptical solutions," said Maurizio Beccari, Business Development Manager for the Telecom area. "Lambda is a leading company offering an efficient all-optical network that can support the highbandwidth applications and services demanded today."

About Sirti S.p.A.

Sirti was established in 1921 as a provider of long-distance telephony in Italy. Today it is listed on the Italian Stock Exchange and has a long history of excellence and innovation, with 10 regional offices and several technical crews throughout Italy. Among Sirti's customers are organizations in a variety of industries, including telecommunications, railways and public urban transport, national and international broadcasting, large enterprises, government and the military.



About Lambda OpticalSystems

Based in Reston, Virginia, Lambda OpticalSystems is committed to the development of next-generation all-optical solutions to transform transport networks. The company's family of all-optical switches with integrated DWDM and GMPLS control plane lets telecommunications carriers, government agencies, and research and education networks deliver high-bandwidth services while maximizing network management efficiency and affordability. For more information, call 703-689-9500, ext.1006, or visit <u>www.lambdaopticalsystems.com</u>.

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