



Press release – July 4, 2007
(for immediate use)

ALLEGRO NETWORKS TO DEPLOY FIRST BUSINESS WiMAX NETWORK WITH ALVARION'S BREEZEMAX

Emerging wireless telco chooses WiMAX for Strategic Broadband Deployment

Queensland based telco Allegro Networks announced today it expected to have the country's first business grade WiMAX network operational within 90 days.

After technical and commercial trials of several vendors over the past months, Allegro has selected world class supplier Alvarion for its WiMAX network. The first base stations are expected to be delivered within six weeks.

Thousands of businesses in the outer metro and growth corridors across south-east Queensland will have access to a high-speed network providing converged voice and data services.

The Allegro announcement provides an unexpected and privately funded kick-start to the Federal Government's aspirations to broadband Australia with wireless and fibre technologies by 2009.

Allegro will build the network utilizing licensed 3.4 GHz spectrum, in the process achieving market leadership in the business grade WiMAX broadband market, ahead of the likes of Unwired, Austar and Opel.

Alvarion's BreezeMAX™ will be used for the deployment.

Allegro Chairman, Ted Pretty, said: "WiMAX has a key role in establishing a robust, affordable, and efficient broadband network in Australia.

"In broadband terms, regional Australia starts closer to the city than people think. In Brisbane it is about 10km away from the CBD. These businesses need broadband today. They can't wait until 2009 or 2013 to receive advanced services. We are not hesitating to make the investment required to meet their needs.

"Alvarion was the one company able to meet our deadlines while maintaining the required quality of service (QoS). Furthermore, Alvarion's WiMAX leadership and know-how was clearly evidenced by the commercial trials with several vendors over the past months. We chose Alvarion for its proven WiMAX network and the first base stations are to be delivered imminently."

Allegro's first to market deployment with business grade service confirms that WiMAX in the licensed spectrum ranges is complementary to and can leverage fibre backhaul. Allegro will seek to gain wholesale access to the backhaul fibre and other

network elements of the Optus Elders consortium (OPEL) that were awarded nearly A\$1 billion by the Federal Government as part of the Federal Government Broadband Connect project for regional Australia.

Allegro joint Managing Director David Waldie said: "We are impressed with the performance of Alvarion's solution. It enables us to deliver up to 12 Mbps throughput at 20 km, and as the standard evolves, speed is expected to increase markedly. We are excited about the opportunities the Alvarion ecosystem can offer us."

Alvarion President and CEO Tzvika Friedman said the choice of Alvarion by an emerging wireless telco further demonstrates Australia's commitment to WiMAX. "We are offering the benefits of our OPEN WiMAX ecosystem, which allows service providers to choose from the best combination of vendors and partners," he said.

For more information

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About Allegro

Allegro Networks is one of Queensland's leading wireless telecommunications companies. The company has a young and dynamic management team with broad business experience, a proven track record, and impeccable telecommunication industry credentials. Allegro is chaired by Mr. Ted Pretty, the former head of Telstra's Product and Retail division, and current Chairman of Fujitsu Australia Limited. Co-founders and joint managing directors David Waldie and Andrew McMaster have also both worked for major Australian Telcos. Allegro recently invested more than a million dollars in the purchase of spectrum in the South East Queensland corner - the first step in the company's bold plan to build a 4G network servicing businesses in outer metropolitan Brisbane and up and down the growth corridors to the Gold and Sunshine Coasts and west to Ipswich. The Allegro proposition is all about performance enhancement - helping businesses in Australia's fastest growing region achieve greater efficiency and productivity, by providing them with a superior telecommunications service.

About Alvarion

With more than 3 million units deployed in 150 countries, Alvarion (www.alvarion.com) is the world's leading provider of innovative wireless broadband network solutions enabling Personal Broadband to improve lifestyles and productivity with portable and mobile data, VoIP, video and other services.

Leading the market with the most widely deployed WiMAX system in the world, Alvarion is leading the market to Open WiMAX solutions with the most extensive deployments and proven product portfolio in the industry covering the full range of frequency bands with both fixed and mobile solutions. Alvarion's products enable the delivery of personal mobile broadband, business and residential broadband access, corporate VPNs, toll quality telephony, mobile base station feeding, hotspot coverage extension, community interconnection, public safety communications, and mobile voice and data.

As a wireless broadband pioneer, Alvarion has been driving and delivering innovations for over 10 years from core technology developments to creating and promoting industry standards. Leveraging its key roles in the IEEE and HiperMAN standards committees and experience in deploying OFDM-based systems, the Company's prominent work in the WiMAX Forum is focused on increasing the

widespread adoption of standards-based products in the wireless broadband market and leading the entire industry to Open WiMAX solutions.

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on the current expectations or beliefs of Alvarion's management and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: the failure of the market for WiMAX products to develop as anticipated; Alvarion's inability to capture market share in the expected growth of the WiMAX market as anticipated, due to, among other things, competitive reasons or failure to execute in our sales, marketing or manufacturing objectives; inability to further identify, develop and achieve success for new products, services and technologies; increased competition and its effect on pricing, spending, third-party relationships and revenues; as well as the inability to establish and maintain relationships with commerce, advertising, marketing, and technology providers and other risks detailed from time to time in the Company's 20-F Annual Report Risk Factors section as well as in other filings with the Securities and Exchange Commission. Information set forth in this press release pertaining to third parties has not been independently verified by Alvarion and is based solely on publicly available information or on information provided to Alvarion by such third parties for inclusion in this press release. The web sites appearing in this press release are not and will not be included or incorporated by reference in any filing made by Alvarion with the Securities and Exchange Commission, which this press release will be a part of.

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