



FOR IMMEDIATE RELEASE

**Astute Networks and NEI Enter into a Worldwide Solutions
Integration Agreement**

San Diego, CA – Oct. 15, 2008 – NEI (NASDAQ: NENG), a leading provider of server appliance products and services for storage, security and communications software vendors, and Astute Networks, Inc., a leading provider of bladed storage solutions optimized for the most demanding applications on the edge of the network, today announced that the two companies have entered into a worldwide solutions integration agreement. Under the terms of the agreement, NEI will provide solutions based on Astute Networks' suite of Caspian Edge Storage Blade products and related software. The two companies will be showcasing their solutions at the ATCA Summit in Santa Clara, CA on October 21 – 23, 2008 in booths 310/312 and 409.

The companies have previously collaborated in bringing innovative solutions to market. In June 2008, NEI and Astute Networks introduced the industry's first stateless AdvancedTCA® (ATCA) server solution combining Astute Network's Caspian R1100 Edge Storage Blade with NEI's A-13000 high-availability ATCA platform. The agreement between NEI and Astute Networks will enhance an already successful relationship and will enable the companies to combine synergies for business development, marketing and sales.

"NEI's demonstrated expertise in the development of ATCA storage solutions for the enterprise and carrier markets will expand Astute Networks' customer reach and augment its product functionality," said Mike Heumann, vice president of sales and marketing, Astute Networks. "The agreement will provide customers with a variety of benefits including custom solution development, enhanced product price/performance, lower TCO and time-to-market advantage."

“Astute Networks’ line of Caspian products will give NEI’s customers additional options for fully integrated ATCA solutions,” said Jeff Hudgins, vice president of marketing, NEI. “This will enable NEI to extend the value of its bladed ATCA servers by offering a complementary storage configuration that is reliable, compact and very easy to deploy across a variety of application environments.”

About NEI

NEI, the partner of choice for software developers, OEMs and service providers worldwide, is a leading developer of comprehensive platforms, appliances and support services deployed to reduce time to market, development time and total lifecycle costs. Founded in 1997, NEI is headquartered in Canton, Massachusetts and trades on the NASDAQ exchange under the symbol NENG. For more information about NEI's products and services, visit www.nei.com.

About Astute Networks

Astute Networks is the leading provider of bladed storage solutions for edge applications such as Telecom Network Control, IPTV/VoD, Military C4I, and video surveillance. Our focus is to provide you the most reliable storage platform with the highest performance, greatest rack densities, and power efficiencies - while being easy to deploy and maintain. Our solutions enable you to achieve lower lifecycle costs, faster time to market and higher competitiveness for you and your company. Astute Networks is located in San Diego, California and is backed by venture capital firms including Tallwood Venture Capital, Sevin Rosen Funds, Scale Venture Partners, KeyNote Ventures, U.S. Venture Partners and Narra Venture Capital. Additional information is available at www.astutenetworks.com. Astute Networks - Edge Storage Made Simple™

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