



Press Release, September 6, 2004

CoreOptics and Marconi Unveil Industry's First Adaptive Distortion Tolerant Transponder Platform

Nuremberg, Germany, September 6, 2004: CoreOptics Inc., a leading designer and manufacturer of 40Gbit/s and 10Gbit/s optical networking subsystems, and Marconi Corporation plc, a global telecommunications equipment, services and solutions provider, today announced their cooperation in the launch of the industry's first 10 Gbit/s adaptive distortion tolerant transponder platform having a maximum likelihood sequence estimator (MLSE) as key building block.

Building on the company's expertise in the development of high capacity optical transport subsystems, CoreOptics' 10 Gbit/s adaptive distortion tolerant transponder provides market-leading levels of performance and cost effectiveness for the next generation of converged networks. The key feature of this product platform is enabled by CoreOptics' MLSE electronic equalisation engine that acts adaptively as part of the receiver to compensate for both optical and electrical distortions accumulated along the transmission link.

"Our company's mission is to deliver innovative products to overcome optical layer impairments using advanced digital signal processing techniques" said Hamid Arabzadeh, CoreOptics President and CEO. "CoreOptics has been in the forefront of developing highly integrated Electronic Distortion Equalisation (EDE) products based on Maximum Likelihood Sequence Estimation (MLSE) algorithm, utilizing company's vast intellectual property in the high-speed Analogue to Digital converter, Automatic Gain Control, Clock/Data Recovery and Adaptive Distortion Tolerant technologies."

Key benefits of this product platform include reduction in initial capital expenditure, by eliminating the need for the conventional Dispersion Compensation Modules (DCMs) and Dual-Stage amplifiers. The operational expenditure savings include simplification of network planning, installation and provisioning by enabling a complete set of plug-and-play features. The distortion tolerant transponder will enable transmission of 10 Gbit/s services on the widely deployed 2.5 Gbit/s metro networks, enabling service providers to maximize revenue generation from their installed base.

"I am very pleased to announce our partnership with CoreOptics in defining this truly innovative product that is one of the most critical building blocks of the next generation converged networks" commented Dr. Christoph Glingener, Vice President of Product Technology at Marconi. "Having its roots in a joint project started two years ago, the partnership is a very good example of how two companies sharing the same vision successfully converted an advanced technology into a commercial product. CoreOptics' Distortion Tolerant Transponder will further enhance Marconi's universal cost-optimized multi-haul transport platform across the metro and long haul domains and will unleash the full power of configurable optical networks."

Please join us for a product demonstration at ECOC 2004, CoreOptics Booth #356.

About CoreOptics

CoreOptics with operations in Nuremberg, Germany and Manchester New Hampshire, USA develops and manufactures subsystems for ultra high-speed optical networking applications in the telecommunications and information technology industries.

CoreOptics current portfolio includes advanced 10Gbps and 40Gbps transponders for Metropolitan, Regional and Long Haul optical systems using DWDM, OTN, SONET/SDH, ATM and IP protocols.

The company was founded in January 2001 and has received financing from leading venture capital firms, Crescendo Ventures, TVM, High Tech Private Equity, Atila Ventures and others. The team includes over 50 highly skilled engineers with extensive experience in RF and digital ASIC design as well as optical systems, applications and network architecture. Additional information about CoreOptics can be found at www.CoreOptics.com.

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About Marconi Corporation plc

Marconi Corporation plc is a global telecommunications equipment, services and solutions company. The company's core business is the provision of innovative and reliable optical networks, broadband routing and switching and broadband access technologies and services. The company's customer base includes many of the world's largest telecommunications operators.

The company is listed on the London Stock Exchange under the symbol MONI and on NASDAQ under the ticker MRCIY. Additional information about Marconi Corporation can be found at www.marconi.com.

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This press release contains forward-looking statements with respect to products, partners, customers, future growth and other matters. Please refer to the Form 10-K report filed by Marconi Corporation plc with the United States Securities and Exchange Commission for a discussion of risks that could cause actual results to differ materially from such statements.

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