



Ceragon Networks® FibeAir® Radio Systems Featuring XPIC Solution Are Gaining Customer Recognition For Doubling Channel Capacity

Ceragon's XPIC Innovative Solution Commercially Installed Worldwide

TEL AVIV, Israel, December 21, 2005 - Ceragon Networks Ltd. (NASDAQ and TASE: CRNT), www.ceragon.com, a global provider of high-capacity broadband wireless systems, today announced that the company has successfully completed installations of FibeAir radio systems featuring cross-pole interference cancellation (XPIC), for cellular operators in Europe, Asia, Latin America, and Africa, with excellent customer feedback. Using Ceragon's FibeAir 1500P wireless systems with integrated XPIC functionality, these operators have been able to double capacity in the same frequency channel, enabling them to benefit from increased spectral efficiency, expand their service range, and significantly improve their ROI.

"The rapidly growing number of both subscribers and voice and data rich applications in our networks creates an ever-increasing demand for capacity and requires a more efficient use of our spectrum," said Mr. Alexander Dorofiy, Deputy Chief Technical Officer KyivStar, Ukraine's leading national mobile operator. "Ceragon's FibeAir Family with XPIC addresses this critical issue by providing increased capacity on the same single channel, thereby broadening the scope of our services, at lower cost."

Ceragon's FibeAir family of radios, operating in co-channel dual polarization (CCDP) mode using the XPIC algorithm, enables two STM-1/OC-3 carriers to be transmitted over a single 28 MHz channel, using vertical and horizontal polarization. Ceragon's wireless systems with integrated XPIC functionality are designed to meet the growing demand of telecommunication operators for higher-capacity connectivity, more efficient spectrum utilization of increasingly complex networks, and reduced deployment and maintenance costs.

“As the need for wireless capacity continues to increase worldwide, Ceragon’s FibeAir radio systems incorporating XPIC address this critical need by enabling double capacity in the same spectrum bandwidth,” said Ira Palti, President and CEO, Ceragon Networks Ltd. “We continue to lead the high capacity wireless market with this type of innovation. We believe we are the first vendor to provide working XPIC solutions in split-mount configurations, and XPIC has already been deployed for commercial networks in several countries throughout the world.”

Ceragon’s FibeAir radio systems use state-of-the-art technology for ultra-high capacity voice, data, and video transmission, and deliver ultra-high capacities of up to 622 Mbps due to the XPIC mechanism. FibeAir supports protected (hot standby), space or frequency diversity and East-West configurations in the same indoor unit, as well as point-to-point, ring, star, and cascaded chain topologies.

About KyivStar GSM

Kyivstar GSM is Ukraine's leading national mobile operator having the largest coverage in GSM: more than 1,300 Ukrainian cities and towns and over 23,000 villages, all highways of national and regional importance and most of river banks and sea shores, covering the territory where more than 95% of the population of the country live. The number of subscribers currently constitutes over 12,000,000 people, which is more than ¼ of all the population of Ukraine. Today Kyivstar GSM is the largest and the most preferable mobile operator of Ukraine. Having signed direct agreements with 288 foreign mobile operators, Kyivstar GSM offers affordable roaming services with 154 countries of the world located on 5 continents; it also has GPRS-roaming agreements with 113 operators in 72 countries of the world. More information is available at www.kyivstar.net.

About Ceragon Networks Ltd.

Ceragon Networks Ltd. (NASDAQ and TASE: CRNT), a pacesetter in broadband wireless networking systems, enables rapid and cost-effective high-capacity network connectivity for mobile cellular infrastructure, fixed networks, private networks and enterprises. Ceragon’s modular FibeAir® product family operates across multiple frequencies, supports integrated high-capacity services over SONET/SDH, ATM and IP networks, and offers innovative built-in add/drop multiplexing and encryption functionality to meet the growing demand for value-added broadband services. Ceragon’s FibeAir product family complies with North American and international standards, and has been

installed for more than 150 customers in more than 60 countries. More information is available at www.ceragon.com.

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This press release may contain statements concerning Ceragon's future prospects that are "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and projections that involve a number of risks and uncertainties. There can be no assurance that future results will be achieved, and actual results could differ materially from forecasts and estimates. Important factors that could cause actual results to differ materially from forecasts and estimates include: Ceragon's limited operating history and history of losses; Ceragon's dependence on a limited number of key customers, independent manufacturers and suppliers; and the demand for Ceragon's products and technology. These risks and uncertainties, as well as others, are discussed in greater detail in Ceragon's Annual Report on Form 20-F and Ceragon's other filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date on which they are made and Ceragon under takes no commitment to revise or update any forward-looking statement in order to reflect events or circumstances after the date any such statement is made.

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