



## **ORCKIT ANNOUNCES EXECUTIVE PARTICIPATION IN SIX-YEAR VARIABLE FORWARD TRANSACTION**

TEL AVIV, Israel, March 7, 2006 -- Orckit Communications Ltd. (Nasdaq: ORCT) announced today that it has been informed by Eric Paneth, the Company's Chairman, CEO and a Director, and Izhak Tamir, the Company's President and a Director, that each of them has entered into a "Variable Forward" ("VF") transaction with Credit Suisse Capital LLC relating to up to 420,000 ordinary shares of the Company. The VF transaction is essentially the forward sale of a portion of the shares held by Messrs. Paneth and Tamir.

The maximum number of shares involved in this transaction for each of them represents approximately 2.7% of the Company's outstanding shares and approximately 25% of the respective holdings of each of Messrs. Paneth and Tamir, including shares issuable upon exchange and exercise of vested and unvested options held by them.

The VF transaction will mature in 2012 and will provide Messrs. Paneth and Tamir with the ability to benefit from future upside appreciation in the Company's share price, up to an agreed amount, while also providing each of them with protection against decreases in the Company's share price through 2012.

At the maturity of the VF, Messrs. Paneth and Tamir may each elect to retain their shares in the Company and settle the VF contract with cash.

As required by United States securities laws, Mr. Paneth and Mr. Tamir have each filed a Form 144 with the Securities and Exchange Commission in connection with the VF transaction.

### **About Orckit Communications**

Orckit Communications Ltd. is a leading provider of advanced telecom equipment targeting high capacity broadband services. Our products include Corrigent's CM-100 metro optical transport solution, based on RPR and MPLS technologies, delivering packet transmission services in the metro area. For more information on Orckit see [www.orckit.com](http://www.orckit.com)

Certain matters discussed in this news release are forward-looking statements that involve a number of risks and uncertainties including, but not limited to, risks in product development plans and schedules, rapid technological change, changes and delays in product approval and introduction, customer acceptance of new products, the impact of competitive products and pricing, market acceptance, the lengthy sales cycle, exchange rate fluctuations, fluctuation in order size, proprietary rights of the Company and its competitors, risk of operations in Israel, government regulation, dependence on third parties to manufacture products, general economic conditions and other risk factors detailed in the Company's United States Securities and Exchange Commission filings. Orckit assumes no obligation to update the information in this release.