

## Tekelec Completes Acquisition of Taqua

**CALABASAS, Calif.--(BUSINESS WIRE)--**April 8, 2004--Tekelec (Nasdaq:TKLC - News) today announced that it has completed its acquisition of Taqua. Fred Lax, President and CEO of Tekelec, commented, "We have been very pleased by customer reaction to the Taqua announcement. The acquisition brings to Tekelec a market-leading Class 5 packet switching solution optimized for the small switch service provider market. In terms of the RBOC opportunity in the U.S, over 50% of their Class 5 switches support less than 5,000 customer lines. On a global basis, approximately 90% of wireline switching systems are Class 5 or end-office, and of these Class 5 switches, more than 70% serve less than 5,000 lines, so this is a significant global market opportunity.

"The Taqua platform superbly complements our existing SanteraOne platform and allows us to offer our customers a next-generation switching portfolio that includes Class 4, Class 5, line access, wireless gateways and applications, and business voice solutions.

"Lastly, we have made significant progress on transition and integration planning activities, which will allow us to complete the Taqua integration very quickly. This will allow us to begin working effectively as an integrated team to rapidly serve our customers' needs."

### **Employment Inducement Stock Options**

In connection with the acquisition, nine Taqua officers and key employees were granted employment inducement stock options to purchase a total of 515,000 shares of Tekelec common stock, pursuant to NASDAQ Marketplace Rule 4350 (i) (1) (A) (iv). Of this amount, options to purchase 100,000 shares were granted to Charles Vogt, President and CEO of Taqua. The number of shares involved in these grants amounts to less than 1% of the outstanding common shares of Tekelec. All option grants have an exercise price equal to Tekelec's closing price on April 8, 2004, and will vest over a four-year period.

### **About Tekelec**

Tekelec is a leading developer of telecommunications signaling solutions, packet-telephony infrastructure, network monitoring technology, and value-added applications. Tekelec's innovative solutions are widely deployed in traditional and next-generation wireline and wireless networks and contact centers worldwide. Corporate headquarters are located in Calabasas, California, with research and development facilities and sales offices throughout the world. For more information, please visit [www.tekelec.com](http://www.tekelec.com).