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TAQUA TAKES CLASS 5 INTELLIGENCE TO THE EDGE
New Products and IP Interfaces Provide Foundation For
Intelligent Convergence of Voice Into Next-Generation Networks

RICHARDSON, Texas – October 13, 2003 – Taqua, Inc., a leading provider of next-generation voice switching systems and technologies, introduced today at the United States Telecom Association (USTA) conference in Las Vegas, a new series of Class 5 switching system products for central- and remote-office locations that enable an open architecture for the deployment of advanced voice, data, and video services via any broadband access network.

Taqua is introducing the iX7000(TM) and iX700(TM). These intelligent exchanges serve as the foundation for Taqua's Intelligent Converged Network (icon(TM)). icon is a framework for service providers to economically establish a next-generation telephony network, and replace service-limiting, legacy Class 5 switching systems by taking switching intelligence to the edge of the network. This creates a foundation for delivering enhanced, revenue generating services today, and enabling a graceful migration to IP, when and where it is needed in the network.

"Legacy switching vendors have been promising an evolution of lower cost, centralized softswitching with media gateways distributed to the edge for several years," said Charlie Vogt, CEO and president of Taqua, Inc. "Adoption has been slowed because the economic benefits remain uncertain and most service providers are realizing the

architectural vulnerabilities of remotely accessing intelligence. icon takes a 180 degree approach by providing switching intelligence at the edge of the network while enabling an open architecture that can selectively deliver advanced applications to subscribers across any access medium."

Core to the icon architecture is complete end-office replacement. The iX700 and iX7000 intelligent exchanges deliver the most cost effective replacement of central offices, from small end-offices of 600 subscribers or less to large end-offices of up to 80,000 subscribers. In addition, end-offices that use remotes in their network can now be replaced through the icon architecture by using the iX7000 as the host and iX700 as the remote. Central offices that have remotes with 2,500 subscribers or less are ideally suited for iX700 and iX7000 deployments.

Taqua's iX700 is an intelligent line access gateway, a new category of switching platform that further distributes common switching intelligence to the edge of service provider networks. The iX700 utilizes Taqua's patented switch-on-a-card architecture, and combines high-density access termination for both POTS and xDSL interfaces, media gateway, and call control functionality for local switching. A carrier grade, NEBS-3 design, the iX700 is only 21 inches wide, 12.5 inches high and 12 inches deep. It can terminate 624 POTS or xDSL lines. Targeted for cost effective central or remote office line replacement, the iX700 can be deployed in the Central Office, Remote Office, or in a controlled environmental enclosure. The iX700 can provide TDM or IP based trunking for cost effective deployment and service integration, and can be configured with POTS, xDSL, DS1/E1 or IP interface cards. Signaling types supported include loop start, ground start, DTMF, MF, DP, GR-303, SFI, as well as SIP, SIP-T, NCS+DQoS, MGCP, and H.248.

"The iX700 fills a need within our networks that simply can't be addressed by existing systems on the market today," explained Ed Bridges, CEO of TelAtlantic. "Legacy line bays don't have the intelligence or packet interfaces necessary for our planned network evolution, and NGDLCs are simply not designed for the central office, so they lack the desired densities and are cost prohibited. We will be deploying our first iX700 at our

West Side Telephone property during the second quarter of 2004, with additional deployments planned at other independent telephone properties across the country in the second half of 2004 and into 2005."

Taqua's iX7000 utilizes the fundamental architecture and form factor based on the award winning Open Compact Exchange (OCX(R)), Taqua's first voice switching system that has captured a majority of the next-generation Class 5 switching market. The introduction of the packet interfaces marks a significant milestone for Taqua's central office switching platform. Any of the over 100 systems, deployed by Taqua's 70 customers, can be seamlessly upgraded to the iX7000 with IP connectivity simply by inserting the IP card. With the addition of the IP card, the iX7000 is now capable of delivering voice in many packet telephony applications, besides standard TDM deployments.

"The iX700 is an excellent complement for Taqua's existing switching solution which has captured the majority market share for Class 5 packet switches in the last eighteen months," said Kevin Mitchell, analyst for Infonetics Research. "With the addition of IP interfaces, increased densities and network flexibility realized from the iX700, Taqua's icon is providing the architectural roadmap and justification for an even larger set of customers contemplating the timing of their network evolution from legacy switching."

The iX7000(TM) is based on a "switch-on-a-card" design, through which each interface card (or "circuit pack") performs all of the functions required of a Class 5 switch. Each card provides all the dedicated resources for call processing, service logic, switch fabric, media processing, and signaling. By eliminating common equipment, the iX7000 greatly improves service margins and gives carriers pinpoint control over network costs. A fully functional system can be deployed with a single card, and additional expansion cards can be added with market growth. The iX7000 can be configured with POTS, DS1/E1, DS3/E3, OC-3/STM-1o, OC-12/STM-4o and IP interface cards. Signaling types supported include loop start, ground start, DTMF, MF, DP, CAS, PRI, GR-303, SS7 as well as SIP, SIP-T, MGCP, NCS+DQoS, Sigtran/SCTP and H.248.

About Taqua, Inc.

Founded in 1998, Taqua is a market leader in next-generation telephony systems and technologies. The Company focuses on improving local (ILEC) and competitive (CLEC) exchange carrier deployment and operational costs, while delivering new and differentiated revenue generating broadband services. Taqua offers a complete line of circuit and IP voice switching products and services, including full-featured next-generation packet Class 5 switch, intelligent line access gateway, application servers, line and trunk testing systems, and an element management system. In addition, the Company offers a full suite of professional services including network design and capacity planning, as well as installation and cutover services.

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