



Before being divested in 1999, Tadiran Telecom was a company of Tadiran Ltd. which was founded in 1961 in Israel.

Tadiran Telecom is a multinational provider of global network and communications solutions. Tadiran systems are available in over 41 countries. United States headquarters and warehousing is located in Port Washington, New York. Complete technical and sales support is based here as well.

Tadiran Ltd. has the distinction of developing and manufacturing communication equipment for the United States Department of Defense.

Fujitsu Australia currently use Tadiran Coral as their Original Equipment Manufacturer (OEM) partner. U.S. communication companies, including Sprint, BellSouth and GTE, have used Tadiran as their OEM partner, putting their private labels on phones and other equipment manufactured specifically for them by Tadiran.

Gartner Dataquest has released reports on VoIP shipments by vendors for 2004. Tadiran IP phone shipments rank 10<sup>th</sup> overall, and 9<sup>th</sup> among complete system providers. Tadiran ranks within one percentage point of Shoreline and Siemens. NEC has 2.2% of the market, while Tadiran shipments accounted for 2.1% of all IP phones shipped.

# Corporate Ownership

### Privately held by three owners

### Ron Bregman

Telecom veteran who lives in NY and is actively involved in Tadiran. Also owns interest in other telecommunications companies.

#### Africa-Israel Investments Ltd.

More than \$3 Billion in revenues, a global company that owns and operates a diverse portfolio that includes; telecom, land development, construction, real estate, and energy.

#### Avi Shaked

Successful entrepreneur and investor in technology ventures and online companies.



Tadiran is a well funded company with a small ownership group with the foresight and the resolve to invest in Tadiran's employees and technology to deliver profitable products with real-world benefits.

Ron Bregman has made a career of delivering telecommunications solutions to the US market. His companies have catered to large telecommunications equipment manufacturers who chose Ron to supply hardware and software (primarily voice messaging and IVR) to be labeled as their own. After many successful years in telecom manufacturing, Ron was able to purchase Tadiran Telecom in 2001. Ron has continued to push Tadiran development forward, particularly in VoIP solutions.

Africa-Israel has been investing and managing companies for over 70 years. The principal share-holder is Lev Leviev whose diamond company and gold mines have made him a multi-billionaire. Mr. Leviev is affectionately known as the man who toppled the De Beers diamond monopoly.

## Tadiran Heritage

- "Tadiran" was founded in 1961
  With the merging of the communications company *Tadir* and the battery manufacturer *RAN*.
- For many years the largest company in Israel.
- Tadiran divisions active in the following areas:

  Central office equipment, transmission equipment, customer premise equipment, military communications, specialized batteries and power sources, consumer products and electronic components.
- Conglomerate of "Tadiran" companies were divested in 1999. In addition to Tadiran Telecom, other Tadiran companies still exist as separate entities most notably in specialized batteries and military communications.



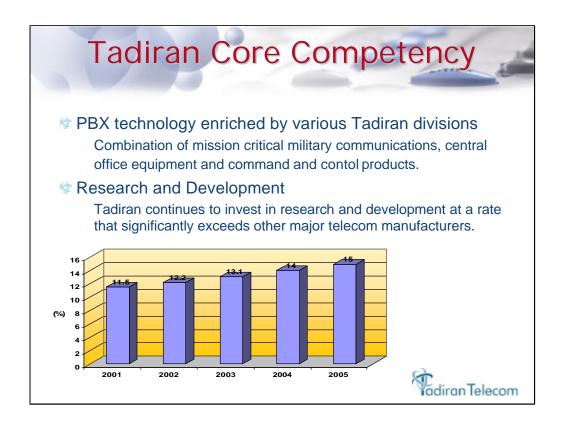
Tadiran has been in the communications industry since the company's inception. Tadir – a radio crystals manufacturer, and RAN - a company that manufactured batteries, joined forces in 1961. Tadiran Ltd began manufacturing customer premise telecommunications equipment in 1964.

Tadiran has developed and manufactured tactical communication equipment for many countries (including the United States military (for over 35 years.) Products include tactical communication equipment, military transceivers and vehicle to vehicle communication systems.

Tadiran communication systems are relied on by U.S. and Allied military organizations in command center combat situations and in locations with little or no existing communication infrastructure. Tadiran systems were used by the U.S. and Allied troops during the Persian Gulf War and are in use today.

Tadiran military technology includes *mission-critical* communications devices for ground craft, aircraft, drones and submarines. Military Special Forces use Tadiran's state-of-the-art ASARS (Airborne Search and Rescue Systems) on missions in hostile territories. It was a Tadiran transponder that allowed Scott O'Grady to be located and rescued after being shot down during NATO operations in Bosnia.

Tadiran pioneered one of the first lithium "long life" batteries.



Much of the Coral core technology originated from state of the art development done by various divisions of Tadiran, especially the military divisions. (Tadiran is known as one of the worlds' largest suppliers of military state of the art communication equipment, including to the US Military.)

While many of the telecommunication giants have slashed R&D budgets to satisfy Wall Street and shareholders, Tadiran Telecom has continued to invest in current and future products.

# Israel and Technology

### Israel is a hotbed for technology companies

- Highest ratio of scientists and technicians per capita.

  Significantly more than US, Japan or Germany.
- Israel has highest ratio of University degrees in the world.
  73% of Tadiran Telecom employees hold university degrees.
- VoIP development in Israel for many companies.

Audio Codes, VocalTec, RadVision and PolyCom/Accord

Other large R&D center here.
Microsoft, Cisco, Intel, Motorola, AOL, HP, IBM





- Israel leads the world in the number of scientists and technicians in the workforce, with 145 per 10,000, as
  opposed to 85 in the U.S., over 70 in Japan, and less than 60 in Germany. With over 25% of its work force
  employed in technical professions, Israel places first in this category as well.
- 2. Israel has the highest ratio of university degrees to the population in the world.
- 3. Israel has the highest per capita ratio of scientific publications in the world by a large margin, as well as one of the highest per capita rates of patents filed.

Tadiran's R&D & engineering facilities are located in Israel

Israel is one of the worlds' technology leaders. (One of the largest exports are R&D high tech products.)

Pentium processor by Intel

Cell phone processors of Motorola

Check Point security products

AOL instant messenger

HP advanced printer technology development

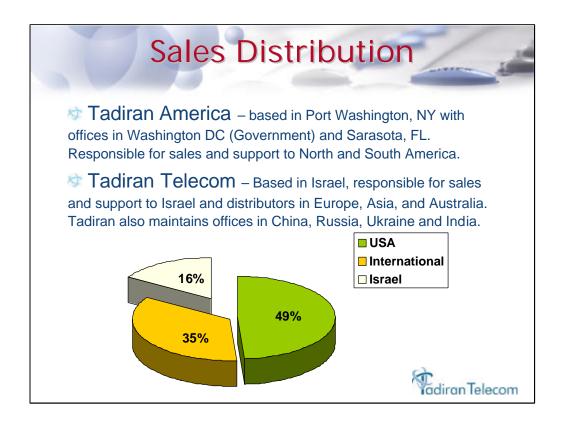
VocalTec (first VoIP technology provider) partnered with Tadiran in 1996 to present the first VoIP PBX solution at the CTI show in Los Angeles.

Israel is the hot bed for VoIP development (Audio Codes, VocalTec, MetaLink, RADVision, PolyCom.)

In proportion to its population, Israel has the largest number of startup companies in the world. In absolute terms, Israel has the largest number of startup companies than any other country in the world, except the US (3,500 companies, mostly in hi-tech).

- 5. Israel is ranked #2 in the world for VC funds right behind the US.
- 6. Israel has the highest percentage in the world of home computers per capita.
- 7. Outside the United States and Canada, Israel has the largest number of NASDAQ listed companies.
- 8. Both Microsoft and Cisco built their only R&D facilities outside the US in Israel.

Source:h ttp://alanweinkrantz.typepad.com/alan\_weinkrantz\_and\_compa/israel\_technology/



Tadiran America is the North American reseller division of Tadiran Telecom. Tadiran America sells and supports a full line of telecommunications solutions through local and regional Business Partners. The US headquarters is located in Port Washington, NY (Long Island) less than an hour from NYC. Approximately 3 months supply of product is warehoused there. All orders for North and South America are filled from this NY location. Products are manufactured in Israel and East Asia. Tadiran's manufacturing allegiance with Sanmina-SCI (NASDAQ SANM) allows for production in 120 different world-wide locations should the need arise. Duplicate product testing facilities are maintained in the US.

Tadiran also has a Government sales and support office located near Washington, DC. The Government sales team works closely with Tadiran America Business Partners in a joint effort to sell and support local, state and Federal agencies, as well as military accounts. The Government team also assists Business Partners with bidding on school districts and college campus opportunities.

Tadiran America also maintains a satellite office in Sarasota FL with sales, marketing, and tech support staffed there. Before moving to NY, Tadiran was based in nearby Clearwater, FL. This office houses some of the talented Tadiran employees who still live in FL.



Tadiran Telecom is a desirable partner for many other communications vendors around the world.



Tadiran has been selected by many of the largest telephone carriers in the world as their choice for customer premise telecommunications equipment. This is especially significant in many countries where the operating telephone company is the most significant player in the market.

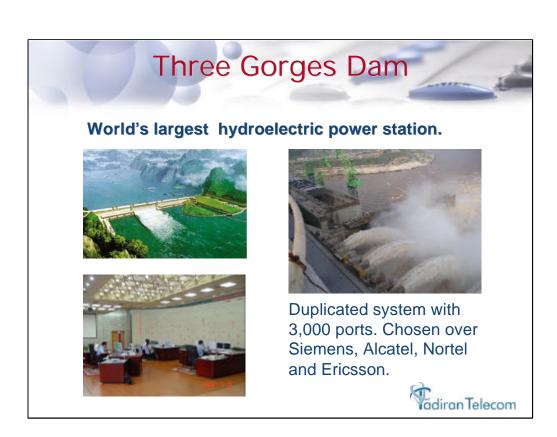


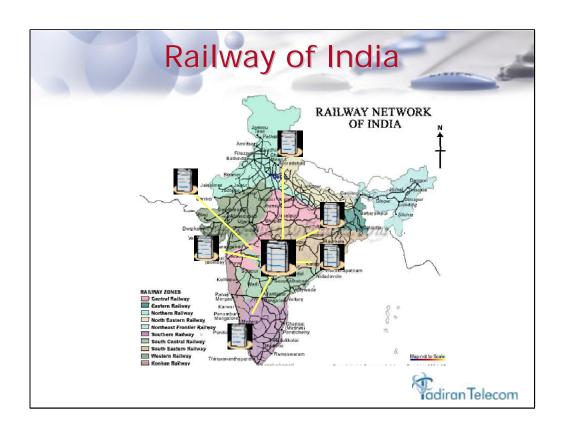
Tadiran continues to be the choice of many government agencies both in the US and abroad. This is just a small sample of customers who have chosen Tadiran solutions. Tadiran products are listed on the GSA schedule which makes them available in the US to most local entities as well as state and federal.

Tadiran has a Government Sales division located in the Washington, DC area.



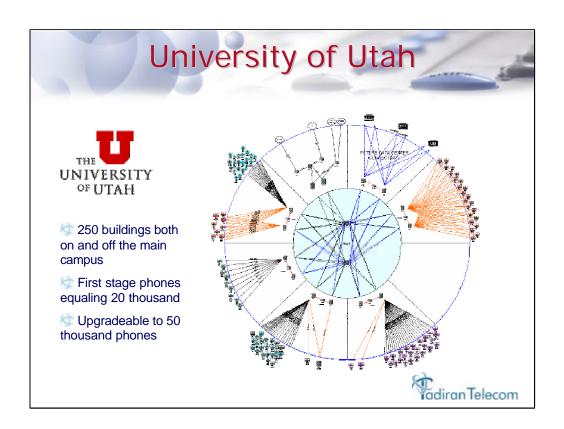
The Tadiran customer list truly is a who's who of some of the largest companies in the world. Tadiran's ability to network locations using standards-based protocols has made it the choice for many national and international companies. The Discovery Channel has grown significantly over the last several years. They started with a single Coral and now have many large systems networked connecting over 12,000 telephones.





The ability to scale Tadiran systems up to these levels is a testament to the design of the products. These two featured systems highlight utilities and transportation. The Three Gorges Dam is the worlds largest hydroelectric power stations. They have two large Coral systems that are duplicated with over 3000 ports installed.

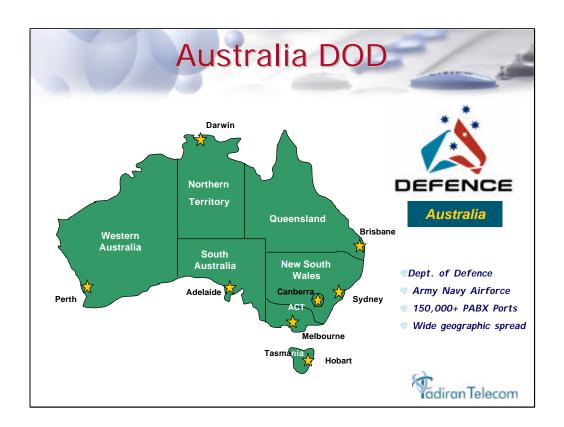
The Railway system in India is a vital transportation element for one of the largest and most diverse countries in the world. A network of Coral systems is installed to provide easy communications.



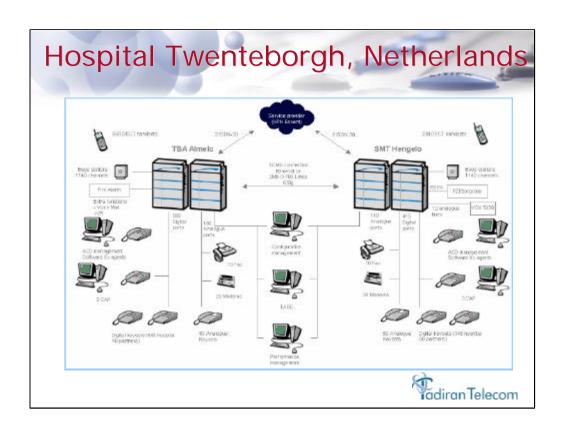
In 2004 the University of Utah chose the Tadiran Coral IPx as the backbone of their campus communications. The university looked closely at eight manufacturers including AVAYA and Cisco, but settled on Tadiran not only because the solutions delivered all the requirements, but because Tadiran demonstrated that it was more flexible than its larger competitors. This is a good testament to the Tadiran slogan "Big enough to pay attention to the smallest details." Ranking just below Siemens and NEC on Gartner's 2004 report for IP phones sold, Tadiran is big enough, but yet not so big that a customer feature request can't be fast-tracked and released to meet a deadline.



Mission critical systems are something that Tadiran is well known for. The "hot-standby" option allows for a telephone system to have duplicate power supplies and central processing so that if a component failure occurs, not even a single call will be dropped. The Fire Department of Moscow serves a population of almost 9 million people. They rely on Tadiran Coral systems.



Again, Tadiran networking solves the communications needs of an organization that has vast distance to cover, and mission critical needs. Fujitsu of Australia sells the Tadiran products under their label.



Hospitals are another example where communications systems simply can never be down. This group of hospitals in the Netherlands is an example of a Tadiran hospital deployment. Using the ATC processor based system (like the Coral IPx 4000) a system with 2000 telephones could not only have redundancy and hot standby, but could also boot in under 30 seconds. The allowable downtime in systems like this is measured in seconds per year!



This presentation has touched on some of the Tadiran solutions, as we talked about the company behind the products. Those products range from affordable solutions for small business, to advanced call centers, to telephone system networks bridging multiple time zones and continents.



Tadiran Telecom is an ISO-9001 certified manufacturer with more than 50% of its employees comprised of engineers and technical staff. Tadiran Telecom has a reputation for the delivery of mission critical solutions and market-driven applications deriving real-world benefits..