

For Immediate Release

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Canadian Telecom Provider Chooses Newest Telos Codec**

CLEVELAND, Ohio, June 8th, 2001 — Western Canada's largest telecom provider, Telus (www.telus.com), has purchased 12 of Telos Systems' new Zephyr Xstream codecs to provide high-quality audio for its clients.

Telus plans a high-profile first use for their Zephyr Xstream codecs, helping to provide broadcast coverage of the International Amateur Athletic Federation's 2001 World Track and Field Championships to be held this August in Edmonton, Alberta. The IAAF Championship is the third-largest sporting event in the world, boasting an estimated viewing and listening audience of more than 4 billion.

According to Brad Hooper of BSE Broadcast Systems & Equipment, Telos Systems' distributor in Western Canada, Zephyr Xstream was exactly what Telus wanted. "Zephyr Xstream met Telus' requirements perfectly," comments Hooper. "The CD-quality audio produced by Zephyr Xstream, and its use of new low-delay MPEG AAC-LD coding algorithms were big factors in the decision."

Zephyr Xstream is the first codec to implement the new Low Delay MPEG AAC coding from Fraunhofer IIS, the developers of MPEG Layer 3 (MP3). Relative to Layer 3, AAC-LD produces comparable audio quality while reducing encoding times by nearly 80%. Zephyr Xstream also features a 10Base-T Ethernet port for streaming audio over IP and network remote control, and standard AES/EBU inputs and outputs complement traditional analog connections.

Telos' Zephyr line has become the world's most popular family of digital network transceivers since its introduction in 1995. Zephyr has set the standard for high-quality ISDN audio transmission, and is standard equipment in radio and television facilities around the globe. For more information, visit www.telos-systems.com.

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Telos Systems, with headquarters located in Cleveland, Ohio, and offices in Baltimore, Maryland; San Diego, California; and Freising, Germany is a leading manufacturer of ISDN, digital network and telephone interface products for talk-show programming, call-in radio segments, teleconferencing, audio production, remote broadcasts, and intercom applications.

Omnia, a Telos company, is world-renowned for its innovative digital audio signal processing expertise. Its family of digital audio processors for FM, AM, TV, DAB, Internet, and broadcast audio production are setting new standards for audio quality in the broadcast and Internet industries worldwide.

To find out more about Telos Systems, call +1 (216) 241-7225 or e-mail info@telos-systems.com.