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TeleCommunication Systems Adds 11 U.S. Patents Advancing Public Safety, Location-Based Services, Messaging, GIS/Mapping and Secure Communications

Note: Comtech Acquired TCS on 2/23/2016

ANNAPOLIS, Md., Oct. 28, 2014 /PRNewswire/ -- TeleCommunication Systems, Inc. (TCS) (NASDAQ: TSYS), a world leader in highly reliable and secure [mobile communication technology](#), today announced that the U.S. Patent and Trademark Office (USPTO) has issued TCS eleven U.S. patents during the third quarter of 2014. TCS also received three foreign patents during the quarter.

News Facts:

The eleven recently issued U.S. patents describe innovations in public safety, location-based services, GIS/mapping, secure communications and messaging, including the following three on prepaid messaging and short messaging systems:

- 1 **Prepaid Short Messaging.** TCS was issued another prepaid short messaging patent that will be added to the company's patent monetization program in addition to two patents received earlier this year. The recently issued Prepaid Short Message Services Revenue Capture patent (U.S. 8,818,330) is a continuation of earlier TCS prepaid patents, bringing TCS' prepaid messaging portfolio to nine, with one additional pending. The prepaid phone systems market has grown into a multibillion-dollar per year industry, with 86 million prepaid users comprising 27 percent of all U.S. wireless users, according to a J.P. Morgan 2013 market report. Most prepaid phone systems allow users a prescribed amount of prepaid messaging and wireless call time, which is determined by their subscription level and current account balance. The '330 patent describes techniques for validating a sender's account via a pre-delivery debit query to ensure that the account has adequate funding. Subsequently during message delivery, the account is queried again to ensure that the account has sufficient funds to cover additional service fees that are levied (e.g. roaming fees, international charges, etc.) prior to the message being sent. If the account is sufficiently funded, the message is sent and delivered; if not, the system drops the message.
- 1 **Short Message Distribution.** Text messaging has become an everyday means of communication for people worldwide. For more than 15 years, TCS has been providing the core technology that enables text messaging. TCS technology processes more than 30 percent of all U.S. SMS text messages, including more than 4 trillion text messages to date. The recently issued Intelligent Delivery Agent for Short Message Distribution Center patent (U.S. 8,787,335) describes a technique for throttling short messages to Short Message Service Centers when the recipient's device is turned off, thus reducing the load and needless pressure on the wireless carrier's critical network resources due to repetitive failed message-delivery attempts.
- 1 **Storing Real-Time Text Messages.** Most consumers now have multiple computing devices, both wired and wireless, that are capable of sending and receiving short messages from virtually anywhere – office, home, mobile device, and now automobiles. Given the use of these multiple platforms, there is an increasing need for real-time synchronization of message and chat history among these devices. For instance, if a working parent received, while on their office desktop, a chat message containing the phone number of their child's daycare center, the parent may later need access to that same message stream and phone number via their mobile device. The recently issued Method and Apparatus for Storing Real-Time Text Messages patent (U.S. 8,799,516) describes techniques to synchronize message and chat history across devices. This is currently a staple feature of many popular social networking messaging applications.

The remaining eight U.S. patents issued in the period are: Encapsulation of Secure Encrypted Data in a Deployable, Secure Communication System Allowing Benign, Secure Commercial Transport (U.S. 8,850,179); SS7 ANSI-41 to SIP Based Call Signaling Conversion Gateway for Wireless VOIP E911 (U.S. 8,774,171); Ingress/Egress Call Module (U.S. 8,787,872); Solutions for Voice Over Internet Protocol (VOIP) 911 Location Services (U.S. 8,798,572); Method and System for Saving and Retrieving Spatial Related Information (U.S. 8,786,469); Probabilistic Reverse Geocoding (U.S. 8,838,379); Enhancing A-GPS Location Accuracy and Yield with Location Measurement Units and Network Timing Measurements (U.S. 8,805,410); Unique Global Identifier Header for Minimizing Prank Emergency 911 Calls (U.S. 8,831,556).

TCS Chairman, President and CEO Maurice B. Tose said: "TCS is a company founded on continuous innovation. These eleven new patents underscore our persistent commitment to growing our patent portfolio and to steadily expand the

number of direct and partner-led IP monetization campaigns in an effort to maximize the value of our engineers' inventions."

TCS Vice President of Intellectual Asset Management Bob Held said: "TCS continues to monetize its intellectual property portfolio via sales, direct licensing, cross licensing and other creative solutions. In the third quarter, we launched a new monetization campaign involving our prepaid messaging portfolio and contracted with several third parties for the review and assembly of additional patent monetization packages. In the first three quarters of 2014, TCS filed for 51 U.S. patents; as of September 30th, the total number of patents issued worldwide in the portfolio was 373, and more than 290 patent applications were pending worldwide."

About TeleCommunication Systems, Inc.

TeleCommunication Systems, Inc. (TCS) (NASDAQ: TSYS) is a world leader in highly reliable and secure mobile communication technology. TCS infrastructure forms the foundation for market-leading solutions in E9-1-1, text messaging, commercial location and deployable wireless communications. TCS is at the forefront of new mobile cloud computing services, providing wireless applications for navigation, hyper-local search, asset tracking, social applications and telematics. Millions of consumers around the world use TCS wireless apps as a fundamental part of their daily lives. Government agencies utilize TCS' cybersecurity expertise, professional services and highly secure deployable satellite solutions for [mission-critical](#) communications. Headquartered in Annapolis, MD, TCS maintains technical, service and sales offices around the world. To learn more about emerging and innovative wireless technologies, visit www.telecomsys.com.

Except for the historical information contained herein, this news release contains forward-looking statements as defined within Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. These statements are subject to risks and uncertainties and are based upon TCS' current expectations and assumptions that if incorrect would cause actual results to differ materially from those anticipated. Risks include the possibility that no revenues will result from our monetization efforts, that issued patents will prove to be less valuable than assumed, and those detailed from time to time in the Company's SEC reports, including the report on Form 10-K for the year ended December 31, 2013, and on Form 10-Q for the quarter ended June 30, 2014.

Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to update or revise the information in this press release, whether as a result of new information, future events or circumstances, or otherwise.

Media Contact for Comtech Telecommunications Corp.:

Michael D. Porcelain, Senior Vice President and Chief Financial Officer

(631) 962-7103

Info@comtechtel.com