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TeleCommunication Systems Expands Location Based Services in the Middle East

TCS Launches \$3 Million of LBS Deployments with Two Leading Regional Mobile Network Operators

Note: Comtech Acquired TCS on 2/23/2016

ANNAPOLIS, Md., Jan. 7, 2016 /PRNewswire/ -- TeleCommunication Systems, Inc. (TCS) (NASDAQ: TSYS), a world leader in secure and highly reliable wireless communication technology, today announced that the company has expanded its presence in the Middle East by adding two of the largest mobile network operators in the region to its customer portfolio. With more than 22 million mobile subscribers combined, the two mobile network operators are utilizing TCS' [Location Based Services](#) (LBS) solutions to meet the rapidly growing demand for mobile internet offerings in one of the strongest markets for smartphone growth worldwide. The combined value of the two contracts is approximately \$3 million.

News Facts:

- | Middle East and Africa smartphone shipments are set to total 155 million units in 2015 after increasing 66% year on year during the first quarter, according to the latest figures announced in July 2015 by global technology consulting firm International Data Corporation (IDC).
- | GSMA Intelligence, the research division of the GSMA (Groupe Speciale Mobile Association) international mobile operator trade organization, predicts in its 2014 report that Middle East and North Africa will become the fastest growing market in the world for mobile data traffic with an anticipated 70 percent compound annual growth rate from 2013 to 2018. TCS, which is recognized by Frost & Sullivan as the only true end-to-end LBS provider globally, provides a time-tested, comprehensive and flexible solution that includes applications, infrastructure, mapping and content. ABI Research and Informa Telecoms & Media rank TCS as the second largest global provider of location infrastructure.
- | Both operators are deploying TCS' Xypoint® Gateway Mobile Location Center (GMLC), Xypoint Serving Mobile Location Center (SMLC) and Standalone SMLC for their 2G, 3G and 4G networks. They are using the LBS platforms for value added services such as mobile advertising, workforce management and safety & security.
 - | TCS' GMLC is a control plane system that interfaces with emergency and commercial LBS clients (via the Location Services Gateway) and the operator's network to provide a mobile station's location.
 - | TCS' SMLC uses cell-ID and Timing Advance (TA) location technologies for more accurate network-based positioning for 2G GSM networks.
 - | The company's Standalone SMLC uses Enhanced cell-ID and Round Trip Time (RTT) to determine the position of a device on the network. When deployed with the Satellite Reference Network, the Standalone SMLC also supports UE-based Assisted GPS (A-GPS) for more precise positioning.
 - | With one of the two mobile operators, TCS has also deployed its Location Gateway product with Middleware functions, as well as its Operations Support System (OSS).
 - | With the second mobile operator, TCS has partnered to deploy a Passive Location Based Services system, and Enhanced Cell ID (eCID), A-GPS, and Observed Time Difference of Arrival (OTDOA) position engines.

TCS Commercial Software Group President Jay Whitehurst said: "Remarkable advances in Middle East broadband and mobile location technologies are fueling increased demand for services that use them from enterprises and subscribers. TCS' twenty-plus years of LBS experience and end-to-end LBS portfolio have led to deployment of our products by two of the largest Middle East mobile network operators. We are pleased to partner with these leading operators to help shape the future of location technology in this dynamic region."

About TeleCommunication Systems, Inc.

TeleCommunication Systems, Inc. (TCS), headquartered in Annapolis, Maryland, is a world leader in secure and highly reliable wireless communications. Our patented solutions, global presence, operational support and engineering talent enable 9-1-1, commercial location-based services and deployable wireless infrastructure; cybersecurity; defense and aerospace components; and applications for mobile location-based services and messaging. Our principal customers are wireless network operators, defense and public safety government agencies, and Fortune 150 enterprises requiring high reliability and security.

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 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, 2014 and on Form 10-Q for the quarter ended September 30, 2015.

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.

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