

FOR IMMEDIATE RELEASE

## **Pharos Capital Portfolio Company, TeleCommunication Systems, Completes an IPO**

*First IPO in Pharos I Fund*

Dallas, Texas, August 8, 2000 – TeleCommunications Systems Inc., a portfolio company of Pharos Capital Partners, L.P., successfully completed an initial public offering raising approximately \$80 million in gross proceeds, Pharos announced today. The company's shares are now listed on the Nasdaq National Market under the symbol "TSYS." Chase H&Q, Deutsche Banc Alex. Brown and Salomon Smith Barney managed the offering on behalf of the underwriting group.

“We are very pleased to have a portfolio company complete an IPO shortly after our investment, paving the way to the first public exit in our Pharos Fund that we launched in early 2000. TeleCommunications Systems is led by a seasoned, professional management team that founded the business in 1987 and built it into a leading provider of wireless data solutions to carriers, enterprise and government customers with \$50 million in annual revenues,” said Kneeland Youngblood, Pharos Managing Partner.

### **About Pharos Capital**

Founded in 1998, Pharos Capital Partners is a leading private equity firm focused on underserved markets. Pharos assists exceptional entrepreneurs in meeting and exceeding their goals to build innovative and market leading companies. The firm primarily invests \$5 to \$15 million in companies seeking later stage equity funding for internal growth, acquisitions, management buyouts or recapitalizations across industry sectors, with particular focus on healthcare, business services and technology.

### **About TeleCommunication Systems**

TeleCommunication Systems, Inc. (TCS) of Annapolis, Maryland, is a leading developer of advanced network applications that enable the delivery of Internet content, short messages and enhanced data communication services to a wide variety of wireless devices, including phones, two-way pagers and personal digital assistants. As of July 31, 2000, TCS network application software was installed in 18 U.S. and international wireless carrier networks, including Verizon Wireless, Telefonica International, Sprint PCS, US West Wireless and VoiceStream Wireless among others. TCS also develops custom software applications and provides communications engineering services to corporate and government customers.

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