



Press Release

Kagoor Networks® Continues Momentum with Siemens Venture Capital Investment

*Siemens Venture Capital Leads \$4M Follow-on Financing with
ComVentures and VantagePoint Venture Partners Participation*

SAN MATEO, CA, September 22, 2003 – Kagoor Networks, a leader in Voice-over-IP (VoIP) Border Control solutions, today announced that it has raised \$4 million as a follow on to its recent 3rd round of financing. Siemens Venture Capital (SVC) led the round with participation from existing investors VantagePoint Venture Partners and ComVentures. This latest round of capital will allow the company to continue expanding the sales and marketing of its *VoiceFlow*® series product line. The VoIP Border Control (also called Session Border Control) category has been gaining traction and momentum with VoIP service providers and vendors as packet voice trials and deployments continue to accelerate.

“Siemens clearly has a major focus on packet voice products and technology and believes that the VoIP border control technology is an important piece in building end-to-end packet voice networks,” said Bjoern Christensen, President & CEO of Siemens Venture Capital. “Kagoor has demonstrated innovation and leadership in this emerging VoIP category.”

Kagoor’s *VoiceFlow* platform and products solve crucial problems faced by both service providers and enterprises that are evolving to VoIP networks. These functions include VoIP security and firewall features, network address translation (NAT), legacy firewall traversal, call admission control, remote monitoring and management of VoIP endpoints, Quality of Service (QoS) features like packet marking, and a variety of management, regulatory and control features. All of these functions are provided on a single, integrated *VoiceFlow* platform. Kagoor offers the most comprehensive VoIP Border Control product line available with its *VoiceFlow* series 200, 1000 and 3000. The product line allows Kagoor customers to address a wide range of topologies ranging from cost-effective CPE to carrier grade, fault tolerant systems delivering up to 20,000 concurrent calls. The company has live deployments of its *VoiceFlow* series with a wide variety of major worldwide carriers/service providers and has established strong partnerships with industry leading vendors and system integrators.

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“An investment from Siemens is great validation from an acknowledged, worldwide technology leader that the VoIP Border Control category is a critical VoIP infrastructure piece and that Kagoor is a clear market leader,” said Opher Kahane, CEO and co-Founder of Kagoor Networks. “We are delighted to have Siemens as an investor and also that both VantagePoint and ComVentures chose to reinvest in Kagoor and continue their on-going investment support in this technology category.”

“Kagoor’s technology and products came out on top after a thorough analysis,” according to Gerd Goette, Investment Partner for Siemens Venture Capital. “We believe the comprehensive product portfolio combined with the robust platform and extensive application and protocol support distinguish Kagoor in the marketplace and will allow them to maintain their leadership role in this important new category.”

About Kagoor Networks:

Kagoor Networks, a premiere supplier of VoIP Border Control solutions, is committed to helping service providers and enterprises overcome the technical roadblocks, typically found at VoIP network borders, which have inhibited widespread commercial deployment of VoIP services. Kagoor’s award winning *VoiceFlow* product series addresses the issues of security, NAT, QoS, service assurance, bandwidth management, and monitoring and remote management with regard to VoIP networking. It is the only solution that can effectively scale from very high capacity, carrier/service provider grade equipment to low-end, economical, enterprise CPE. Founded in early 2000, Kagoor is a private company headquartered in San Mateo, Ca., and manages an R&D facility in Herzeliya, Israel. More information is available at www.kagoor.com.

About Siemens Venture Capital:

Siemens Venture Capital (SVC) is the corporate venture organization for all Siemens’ businesses worldwide. SVC plays a key role in the Siemens global network of innovation. The goal is to identify and fund investments in emerging and innovative technologies that will enhance the core business scope of Siemens. This investment focus is to augment the efforts of various Siemens business segments such as Information and Communications, Automation and Control, Medical Solutions, Transportation Systems and Power. To date, SVC has invested some 500million euros in more than 70 start-up companies and 25 venture capital funds mainly in the U.S., Europe and Israel. SVC is located in Germany (Munich) and in the U.S. (San Jose, CA and Boston, MA). For more information please visit our Web site: www.siemensventurecapital.com.

About ComVentures

ComVentures, a venture capital firm with more than \$1 billion under management, specializes in early-stage investments in the communications market. ComVentures focuses their investment expertise on pioneering, progressive companies that capitalize on the constant drive to build next-generation equipment, software, and services for enterprises and carriers. For more detailed information, visit us at www.comventures.com.

About VantagePoint Venture Partners

VantagePoint Venture Partners is one of the nation's largest venture capital firms, with \$2.5 billion in committed capital in four funds. The Firm is an active multi-stage investor, providing funding and resources for all stages of a company's lifecycle from seed round through late stage and privately negotiated investments in public companies. VantagePoint is based on a full-service Partner-Team approach that provides entrepreneurs with a blend of technology, venture capital, operations, and corporate-finance expertise. As hands-on investors, the Firm is focused on technology investing in communications, semiconductor, software, and related growth industries. More information is available at www.vpvp.com.

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