



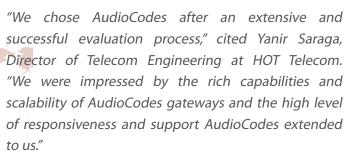
A Cable Telephony Case Study: HOT Telecom

Powered by AudioCodes Mediant™ 2000 and Mediant™ 8000 Media Gateways

HOT Telecom, the Israeli cable operator has deployed AudioCodes Media Gateways into their VoIP network serving as trunking gateways and enterprise access (CPE) equipment.

Utilizing the AudioCodes' Mediant™ 8000 high density redundant media gateways, enables HOT Telecom to inter-connect its growing VoIP service network to Bezeq (Israel PTT), the four Israeli cellular providers and the six international telephony carriers. The interconnection includes a few hundred E1s and is constantly growing, providing a service to thousands of residential and business users.

By adopting hundreds of AudioCodes' Mediant™ 2000 media gateways, HOT Telecom connects it's growing enterprise customer base to its VoIP service network, connecting to existing PBXs in the customer's premises, and providing a transparent move from existing Service Providers.







HOT Telecom – A True Triple Play Provider

HOT started as a cable multi-channel TV operator. Its main service is multi-channel TV, providing service to over 950,000 subscribers, which consist of more than 60% of the TV customers in Israel.

At the start of 2001, HOT Telecom started providing Internet access infrastructure services for its cable plant. As an internet infrastructure Service Provider, HOT Telecom provides service to over 570,000 internet subscribers, which is over 35% of broadband customers in Israel.

In November 2004, HOT Telecom began providing its telephony services, gradually giving countrywide service coverage in Israel. HOT Telecom was the first competitor to the incumbent Bezeq. Based on Packet Cable technology, the HOT Telecom VoIP network is constantly growing and currently providing service to over 250,000 subscribers in Israel.

HOT Telecom VoIP Network – A True Best-of-Breed Strategy

The foundation of the HOT Telecom VoIP network was built in order to scale up to support a multitude of subscribers. The technology selected in order to achieve this target was PacketCable, based on industry standards.

In constructing the network, HOT Telecom has taken a bestof-breed strategy, selecting the finest, standard-based, cost effective solution for each part of its network.

The main components of the HOT Telecom VoIP network include AudioCodes Media Gateways, VoIP Softswitches from Nortel and Gallery IP Telephony, and CMTS and IP Core Infrastructure from Cisco Systems. Combining all of these vendors together was not an easy task and was successfully done by the Systems Integrator and the vendors involved, with AudioCodes as a key contributor to these efforts.

Selecting the Right Vendor for the Trunking Gateway

One of the key elements in each CLEC VoIP network is the trunking media gateway, interconnecting its network with the incumbent's networks.

As a new telephony Service Provider, most calls generated in HOT Telecom's network are terminated in other providers networks, traversing AudioCodes Mediant 8000 media gateways. As a key, central component in the HOT Telecom VoIP network, AudioCodes' Mediant 8000 media gateways were selected because of a number of reasons:

- PacketCable Support AudioCodes Mediant[™] family of media gateways is one of the only media gateway families in the market to fully comply with the standard for VoIP over cable networks.
- Media Control Protocols AudioCodes Mediant family of media gateways is one of the most flexible of the media gateway families in terms of media gateway control protocols. It supports H.323, SIP, MGCP, TGCP and MEGACO
- High Density The Mediant 8000 media gateway offers modularity and density of up to 7,200 low bit rate channels using E1/T1 connections, or 18,000 low bit-rate channels using STM-1 connections.
- Price per Channel AudioCodes' superior channel density allows maximum utilization of the media gateway capacity and one of the best price-performance in the market.
- High Availability The Mediant is a NEBS compliant, carrier-class equipment, designed with no single point of failure, in order to provide maximum availability for carrier telephony networks.
- Interoperability AudioCodes commitment to interoperability allows customers the freedom of choice to select the Softswitch vendors, and class 5 switches with whom they want to interconnect.
- VoIP Quality AudioCodes' use of it's own DSP technology supplies the best VoIP quality in the current market place. This was proven by the ETSI 3rd Speech Quality Event 2004.



Selecting the Right Vendor for Enterprise Access Gateway

After the first phase of selecting the trunking gateway, and connecting residential customers, HOT Telecom faced a second decision of choosing the right vendor for the Enterprise Access Media Gateways.

The Enterprise Access Media Gateway serves as CPE (Customer Premises Equipment), connecting enterprise PBX systems into the HOT Telecom VoIP network, over fiber.

The Enterprise customers are the main "cash-cow" of any Service Provider telephony network, and are also the most sensitive customers to quality of service, service availability and voice quality. Selecting the Mediant 2000 as their solution for enterprise access was only natural for HOT Telecom because of the following reasons:

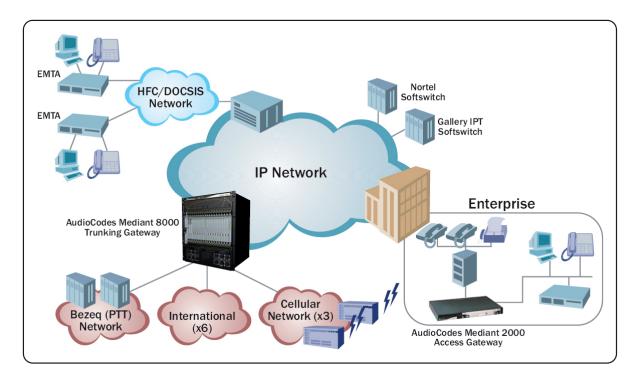
- Reliability After extensive testing of the Mediant 2000 gateway against other vendors' solutions, it was proven to be one of the most reliable products in the market today.
- Interoperability The main role of an access media gateway is to connect with numerous different PBXs and Key Systems using different types of signaling protocols. AudioCodes' proven track record of interoperability has enabled the Mediant 2000 to be a natural choice for a standard access media gateway.
- Scalability A unique feature of the AudioCodes Mediant 2000 media gateway is the "pay-as-you- grow" approach. A built-in feature key allows the customer to buy the media gateway hardware scalable from 1 up to 16 E1/T1 ports, and pay according to usage. This flexibility allows the Service Provider to reduce the initial investment, pay exclusively for revenue generating equipment, and remotely upgrade the system to support more connections in the future.

- Manageability A CPE media gateway, installed in hundreds of units countrywide, must include extensive management capabilities. The Mediant family of media gateways supports various different management features relevant for Service Provider networks.
- VoIP Quality The Enterprise is one of the most sensitive customers to voice quality. Any degradation in voice quality compared to the TDM telephony network is not accepted by the enterprise. AudioCodes use of its' own DSP technology supplies the best VoIP quality in the market today, as proven by the ETSI 3rd Speech Quality Event 2004.

Summary

"AudioCodes continues to play an important part in the VoIP telecom revolution," said Yehuda Hershkovits, Vice President of Systems at AudioCodes. "We are confident that our feature-rich and field-proven products will enable HOT Telecom to provide their customers with advanced and enriched telephony services. Receiving PacketCable Certification and being interoperable with many Softswitch vendors have contributed to our added value as a major enabler of VoIP network solutions."





About AudioCodes MediantTM 8000 Media Gateway

The Mediant 8000 VoIP Gateway is the large-scale member of the AudioCodes family of market-ready, standards-compliant media gateway products designed for the carrier environment. Featuring high availability and a large choice of vocoders, the Mediant 8000 supports MEGACO, MGCP and TGCP call control and is compatible with PacketCable 1.0 requirements. The Mediant 8000 is based on VoIPerfect™, the comprehensive and field-proven architecture used in all AudioCodes' product lines ranging from voice over packet processors to high-density media gateway platforms



About AudioCodes Mediant™ 2000 Media Gateway

The Mediant 2000 is AudioCodes compact and cost-effective media gateway solution and is designed to interface between TDM & IP networks in enterprises or small-scale carrier locations. Incorporating AudioCodes' innovative Voice over Packet technology, the Mediant 2000 enables rapid time-to-market and reliable, cost-effective deployment of next-generation networks. The Mediant 2000 is based on VoIPerfect™, the comprehensive and field-proven architecture used in all AudioCodes' product lines ranging from voice over packet processors to high-density media gateway platforms. In addition to supporting up to 16 E1/T1 media gateway ports, it also supports the integration of an SBC (Single Board Computer) for running third party applications.





About AudioCodes

AudioCodes Ltd. (NASDAQ: AUDC), provides innovative, reliable and cost-effective Voice over IP (VoIP) technology, Voice Network Products, and Value Added Applications to Service Providers, Enterprises, OEMs, Network Equipment Providers and System Integrators worldwide. AudioCodes provides a diverse range of flexible, comprehensive media gateway, and media processing enabling technologies (based on VolPerfect™- AudioCodes' underlying, best-of-breed, core media architecture). The company is a market leader in product development, focused on VoIP Media Gateway, Media Server, Session Border Controllers (SBC) and Value Added Application network products. AudioCodes has deployed tens of millions of media gateway and media server channels globally over the past few years and is a key player in the emerging best-of-breed, IMS based, VoIP market. The Company is a VoIP technology leader focused on quality and interoperability, with a proven track record in product and network interoperability with industry leaders in the Service Provider and Enterprise space. AudioCodes Voice Network Products feature media gateway and media server platforms for packet-based applications in the converged, wireline, wireless, broadband access, enhanced voice services, video, and Enterprise IP Telephony markets. AudioCodes enabling technology products include VoIP and CTI communication blades, VoIP media gateway processors and modules, and CPE devices. AudioCodes' headquarters and R&D facilities are located in Israel with an R&D extension in the U.S. Other AudioCodes' offices are located in Europe, the Far East, and Latin America.

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