



PRESS RELEASE

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AudioCodes Partners with Sagem Interstar Corporation

AudioCodes media gateways create a smooth transition to T.38 Fax over IP (FoIP) for Sagem Interstar's XMediusFAX®

Lod Israel, - August 8, 2006 – AudioCodes, a leading provider of Voice over Packet (VOP) technologies and voice network products, announced today that it has formed a strategic relationship with Sagem Interstar Corporation (www.faxserver.com), formerly known as Interstar Technologies Inc., the market leader in IP fax server solutions. In an effort to further expand its VoIP offerings throughout the enterprise and call center markets, AudioCodes will supply its media gateway products to Sagem Interstar to deliver economical and reliable VoIP media gateway solutions to Sagem Interstar's XMediusFAX T.38 FoIP fax server application customers.

Sagem Interstar's award-winning XMediusFAX® fax server software empowers organizations with cost-effective, desktop email faxing and fax broadcasting. It enables users to send and receive faxes directly from their existing email clients or networked T.37-compliant multifunction devices. The integration of the AudioCodes TP-260 SIP media gateway products with XMediusFAX® provides a cost effective, highly-reliable solution employing T.38 Fax-over-IP for customers of all sizes.

"We are excited about our new relationship with Sagem Interstar," stated Ron Romanchik, Vice President of North American Sales, AudioCodes Blade Business Line. "The combination of our solutions will provide Sagem Interstar's customers with a simple and cost-effective way to migrate to a T.38 Fax-over-IP solution. The relationship also establishes AudioCodes as a key supplier to the Fax Server, Unified Messaging Market."

"We have invested a great deal of time and energy in testing our XMediusFAX software with the AudioCodes TP-260 SIP gateways to ensure we are offering a solution that meets the high standards of availability, reliability, and performance our customers have grown to expect from us," said Martin Demers, General Manager of Sagem Interstar Corporation (SAFRAN Group). "We are very excited that we can now offer fax server customers – even if they have not migrated to VoIP – all of the benefits of a

true T.38 FoIP solution for a price that is competitive with legacy fax server solutions that are limited by their expensive, single-purpose fax blades.

AudioCodes TP-260 SIP is a complete SIP-compliant media gateway on a blade that delivers a cost-effective solution in a convenient PCI form factor. This stand-alone PCI media gateway supports T.38 FoIP and is an ideal solution for IP-PBXs and all-in-one communication servers. The TP-260 SIP is designed for enterprise applications and provides up to 240 ports for voice, fax, or data for VoIP media gateway applications.

About Sagem Interstar Corporation (SAFRAN Group)

Sagem Interstar Corporation, the North American subsidiary of European mobile/broadband communications leader Sagem Communication (**SAFRAN Group** [Paris: SAF.PA]), is "Changing the Way You Fax" worldwide.

As the global pioneer of boardless T.38 Fax over IP (FoIP) fax server solutions for VoIP networks, Sagem Interstar (formerly named Interstar Technologies Inc.) is well-known for its award-winning XMediusFAX® (boardless T.38 FoIP) and LightningFAX® (for legacy fax boards) fax server software, which cater to enterprise, government and service provider accounts of all sizes. With thousands of systems installed in more than 40 countries, Sagem Interstar dominates the worldwide IP fax server market for the 4th consecutive year, leading with nearly 75% market share, per Davidson Consulting in a July 2005 study. For more information, visit the Sagem Interstar website at **www.faxserver.com**.

About AudioCodes

AudioCodes Ltd. enables the new voice infrastructure by providing innovative, reliable and cost-effective Voice over Packet technology and Voice Network products to OEMs, network equipment providers and system integrators. AudioCodes provides its customers and partners with a diverse range of flexible, comprehensive media gateway and media processing technologies, based on VoIPerfect™ – AudioCodes' underlying, best-of-breed, core media gateway architecture. The company is a market leader in voice compression technology and is a key originator of the ITU G.723.1 standard for the emerging Voice over IP market. AudioCodes voice network products feature media gateway and media server platforms for packet-based applications in the converged, wireline, wireless, broadband access, and enhanced voice services markets. AudioCodes enabling technology products include VoIP and CTI communication blades, VoIP media gateway processors and modules, and CPE devices. Its customers include the leading telecom and data network equipment providers globally. AudioCodes headquarters and R&D facilities are located in Israel with an R&D extension in the U.S. Other offices are located in Europe, the Far East, and Latin America. For more information on AudioCodes, visit **www.audiocodes.com**.

Statements concerning AudioCodes' business outlook or future economic performance; product introductions and plans and objectives related thereto; and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters, are "forward-looking statements" as that term is defined under U.S. Federal securities laws. Forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results to differ materially from those stated in such statements. These risks, uncertainties and factors include, but are not limited to: the effect of global economic conditions in general and conditions in AudioCodes' industry and target markets in particular; shifts in supply and demand; market acceptance of new products and continuing products' demand; the impact of competitive products and pricing on AudioCodes' and its customers' products and markets; timely product and technology development/upgrades and the ability to manage changes in market conditions as needed; and other factors detailed in

AudioCodes' filings with the Securities and Exchange Commission. AudioCodes assumes no obligation to update the information in this release.

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