



TEKELEC

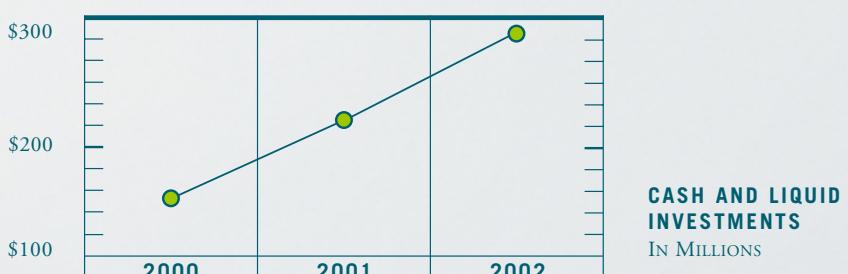
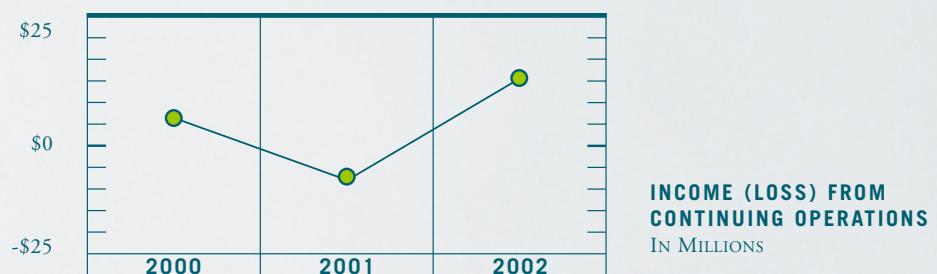


SHAPING
everyday
LIFE
globally...



Tekelec IS THE QUIET technology GIVING access to YOU

Tekelec is a leading developer of telecommunications signaling solutions, packet-telephony infrastructure, network monitoring technology, and value-added applications. Tekelec's innovative solutions are widely deployed in traditional and next-generation wireline and wireless networks and contact centers worldwide. Corporate headquarters are located in Calabasas, California, with research and development facilities and sales offices throughout the world. For more information, please visit www.tekelec.com.



When I joined Tekelec in 1998, I joined a leading-edge technology company, with a solid client base, and a bright future. Today Tekelec continues to be a leading-edge technology company, which has outperformed its competitors over the last five years, but particularly through the last couple of very difficult years in the telecom industry. We are very proud of Tekelec's performance in 2002 with full year revenue growth of 4% and earnings growth of 33%, compared to 2001.

I feel very fortunate to have had the opportunity to hire Fred Lax, with whom I have worked closely over the past two years. Through his role as Chief Operating Officer, and as the person who has driven our international expansion and operational efficiencies, he has become integral to both the operations and strategic focus of our business.

I am grateful to Tekelec's management team and employees whose talent and dedication have served our customers and shareholders well. I am confident that under Fred's leadership, even better performance lies ahead.



Michael L. Margolis

Chief Executive Officer

February 1998 - February 2003



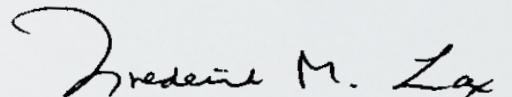


I am pleased to assume the Chief Executive position at Tekelec. I truly look forward to working with the entire Tekelec team and pledge my ongoing commitment to our efforts in product development, innovation, and global expansion, to meet the needs of our customers and in creating shareholder value.

As we look to 2003 and beyond, we will focus on four strategic objectives: invest to maintain our technology leadership in advanced signaling solutions, prudently pursue our international expansion efforts, invest in our next-generation switching portfolio, and remain focused on improving our operational efficiency and maintaining our operational excellence.

I would like to personally thank Mike for the stewardship he has provided the company over the past five years. I especially appreciate the opportunity to have worked closely with him over the past couple of years and am grateful for the support and guidance he has provided.

Regardless of the overall trends in the telecom industry, we will remain focused on expanding our global reach and meeting the evolving needs of our customers.



Frederick M. Lax
Chief Executive Officer





wireless LEADS as a powerful growth ENGINE

Tekelec continues to benefit from the dramatic increase in mobile communications. Wireless is a powerful growth engine for Tekelec, primarily because mobile communications generate substantially more signaling traffic than fixed-line networks, due to features such as roaming, mobile registrations, and handoffs between cell sites. Growth in wireless network usage is expected to remain robust, driven by a combination of more subscribers, increasing individual minutes of use, and the continued adoption of data services such as Short Message Service (SMS).

Mobile operators use Tekelec solutions to handle network expansion reliably and cost-effectively by leveraging IP or ATM networks to carry signaling traffic. The benefits to the mobile operator are reduced transport costs, flexible bandwidth, greater message throughput, lower network infrastructure cost, and a migration path to the 3G network.

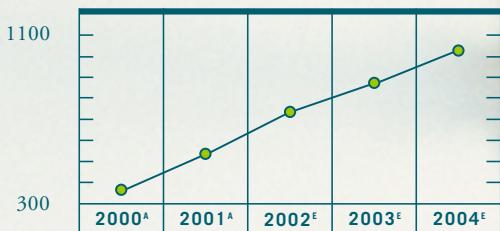


C U 2 NITE
8PM :-)



strategic INVESTMENT TO advance TECHNOLOGY PROVIDES us a leading EDGE

TOTAL MOU ACROSS ALL U.S. SUBSCRIBERS
IN BILLIONS (MORGAN STANLEY RESEARCH)



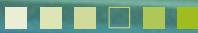
Throughout this difficult period for the telecom industry, while our competitors have significantly scaled back their investments in R&D, Tekelec has continued to invest strategically in evolving our products, while maintaining profitability. Our technology lead over our competitors has continued to grow, and will be further evidenced by the rollout of our TekServer platform and TekWare applications this year. The substantially enhanced processing capabilities of the TekServer platform, combined with its central location in the telecommunications network, will allow us to offer highly valued applications to network operators. The growth in the use of SMS and the introduction of advanced services like Mobile Messaging and picture phone, create enormous opportunities for Tekelec. As the success of our number portability solution demonstrates, our EAGLE® 5 Signaling Application System provides us a tremendous platform from which to sell value-added applications to our customers. We intend to leverage this opportunity significantly in 2003.



OUR PRODUCTS ARE critical to the reliable functioning of networks

While the continued squeeze on carrier capital spending has impacted the rate of adoption of next-generation packet networks, we continue to be pleased by the favorable reception of Tekelec's products, specifically our SS7 over IP signaling gateway, the IP⁷™ Secure Gateway, and our softswitch, the VXi™ Media Gateway Controller. While there is currently a level of uncertainty within the industry and among investors regarding the timing of the rollout of converged packet networks, we believe it is not a matter of whether, but when, these networks will be widely deployed. Tekelec is committed to bringing its carrier-grade products and services to next-generation networks. With the introduction of GenuOne™ in early 2003, Tekelec has introduced a platform encompassing all of the components of a next-generation switching solution on a robust blade architecture for industry leading performance and scalability.





TEKELEC

provides products and

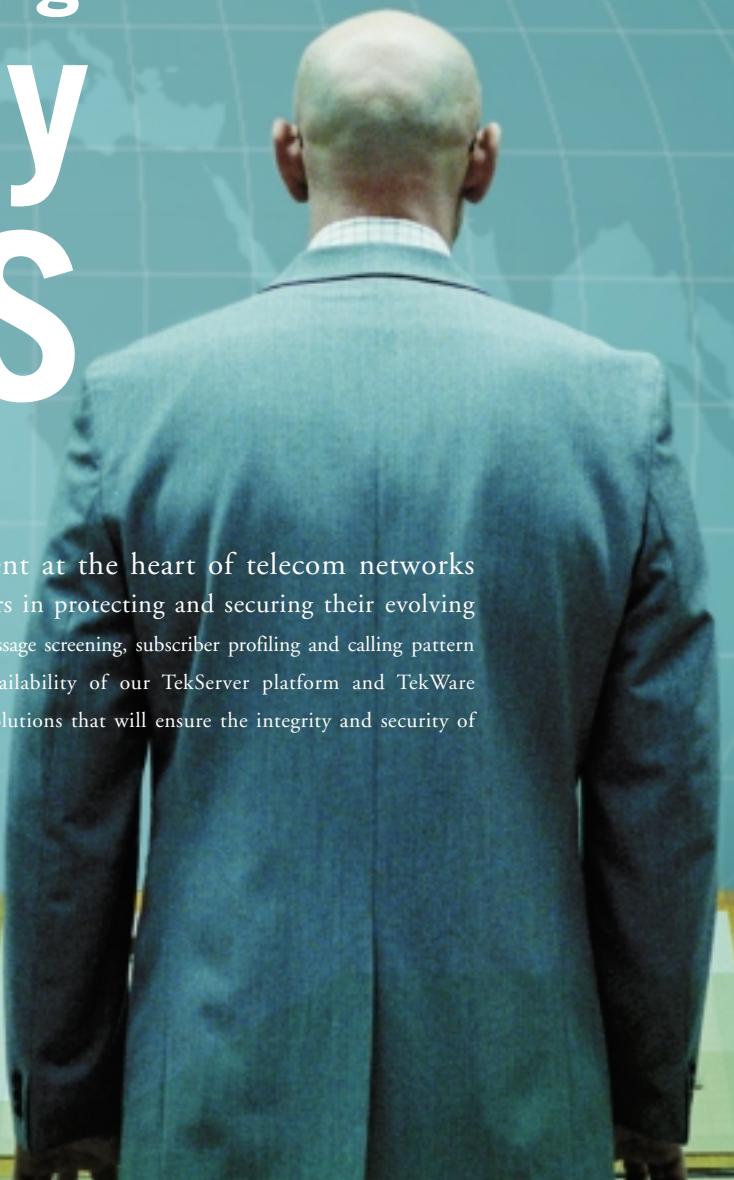
SERVICES

to meet growing

security

NEEDS

The unique position of our equipment at the heart of telecom networks ideally positions us to assist service providers in protecting and securing their evolving networks. Security applications such as call tracing, message screening, subscriber profiling and calling pattern analysis will be enhanced with the commercial availability of our TekServer platform and TekWare applications. In 2003, we will continue to develop solutions that will ensure the integrity and security of telecommunications networks.





INNOVATIVE solutions enhance contact center operations



The IEX Contact Center Division helped contribute to Tekelec's strong financial performance in 2002, reflecting its innovative solutions and attractive value proposition for enhancing the performance and productivity of contact center operations. The flagship TotalView™ Workforce Management product is a comprehensive productivity management solution enabling contact centers to deliver consistent service, lower operating costs, and boost operational efficiency.





TEKELEC CONTINUES TO EXPAND GLOBALLY



While maintaining our leadership in North America, we continue to pursue our global expansion efforts. Our international operations already have proven to be highly successful in Europe and elsewhere, including new frame agreements with SFR, the Cegetel Group mobile subsidiary in France, and Maroc Telecom, in Morocco. We have made a strong commitment to support customers in Europe, Latin America, Asia and Australia and are now working with 36 customers across 27 countries outside of North America.



THE PEOPLE OF Tekelec



are experts serving
THE WORLD

TEKELEC TIMELINE

DECEMBER 2002 – Tekelec acquires signaling network applications and development team from VeriSign's Illuminet, Inc.

SEPTEMBER 2002 – SFR, Cegetel Group mobile subsidiary, selects Tekelec's mobile number portability solution

SEPTEMBER 2002 – Tekelec completes sale of its Network Diagnostics Division to Catapult Communications

AUGUST 2002 – Tekelec opens Beijing office

JULY 2002 – Tekelec opens office in São Paulo, Brazil

JUNE 2002 – Tekelec announces TekWare

APRIL 2002 – KMC Telecom purchases Tekelec's softswitch solution

JANUARY 2002 – EAGLE 5 platform to perform international gateway role in France Telecom's network

NOVEMBER 2001 – Tekelec to provide number portability to Orange France

JUNE 2001 – NewSouth selects Tekelec's softswitch solution

MAY 2001 – Tekelec provides EAGLE STP with LNP to Verizon

MARCH 2001 – Tekelec announces EAGLE 5 Signaling Application System

MARCH 2001 – Time Warner Telecom purchases EAGLE STP pairs and LNP solution

NOVEMBER 2000 – Tekelec provides number portability to Cable and Wireless Optus

NOVEMBER 2000 – Tekelec introduces softswitch, the VXi media gateway controller

OCTOBER 2000 – Movilnet purchases EAGLE STP pair

GSM operator, Bouygues Telecom

ARMSTRONG, TIMOTHY ARMSTRONG, DWAYNE ARRUDA, LISA ASHTON, HANS ATCHLEY, MICHAEL ATTAR, ROBERT BABER, BYRON BAGAASEN, TERRENCE BAGLEY, JAMES BAILEY, JANET BAILEY, EMILE BAUERLEGEON, STEPHANIE BAKER, ARTHUR BALDINI, PATRICIA BALDWIN, JEROME BALL, HERIBERT BALLESTEROS, APIRUS BANTUKUL, CHRISTOPHER BARANSKI, RICHARD BARBOUR, CARRIE BARCOLA, MEGHAN BARNI, MARIA BARRON, RODOLFO BARTA, BETSY BATES, RICHARD BATKO, ALLISON BAWN, JEREMY BAUS, RICHARD BAUS, VALITA BAXLEY, JOE BEARDEN, KIMBERLY BEATTY, NOVELLE BILTON, EDWIN BIRMINGHAM, LAURIE BLACKBURN, STURT BLACKBURN, JOAN BLAIR, NEVILLE BLAKEMORE, BERNARD BLANCHETTE, RANDOLPH BLATT, JEFFREY BLOOM, MITCHELL BLOOM, MARILYN BOARD, LINDA BOHNEL, THOMAS BONDS, BRIAN BONDY, MARA BOOTH, MICHAEL BOOTS, OLIVER BOUTEVILLE, JENELLE BOWLING, KEVIN BOYD, REBECCA BRADY, TIMOTHY BRADY, ADAM BRAKE, DARRYL BRANCH, JAMES BRAND, RICHARD BRAYSHAW, DAN BRENDEN, TIMOTHY BRENNEMAN, KATHLEEN BREWER, JON BRIGGS, DAVID BRINKWORTH, JAMES BRITSCH, PAUL BRODFUERER, GLENN BROERS, MARY ANNE BROERS, JONI BROOKS, THOMAS BROWN, WILLA BROWN, WILLIAM BROWN, RICHARD BROWNFIELD, TINA BRUNGARDT, MICHAEL BRYAN, ROBERT BURNIS, JANA BUCHANAN, MICKEY BUCKLER, KIRK BUCKLEY, RONALD BUCKLY, GREG BUDDIE, DIANE BUSCH, QISHAN CAI, TIMOTHY CALAHAN, CARTER CALLOWAY, DELLA CAMERON, CHAD CAMPBELL, MICHAEL CAMPBELL, CECIL CAMPFIELD, NICHOLE CAMPION, DAWN CANGELOSI, GIUSEPPE CANNELLI, NICHOLAS CARABOOLAD, RICHARD CARINO, RICHARD CARLISI, LYNN CAROLUS, CHARLES CARPENTER, JOAN CARROLL, JAMES CARSON, ERIC CARTER, JONATHAN CARTER, ROGERIO CARVALHO, PETE CASTELLON, SERGIO CASTELLON, JEFFREY CASTOR, JILL CAUGHLY, WEI YAN CHAN, JAMES CHANG, BRYAN CHAPPELL, RAYMOND CHEADE, JANA CHEANEY, HUA CHEN, HU-JUNG CHEN, YONG CHEN, KALYANI CHENNUPATTI, CHUN-JEN CHIANG, CHIN CHINNOK, CHIN-CHUAN CHIU, FELICE CICCONE, JOSE CISNEROS, KENNETH CLARK JR, ANTHONY CLARK, CINNY CLEETON, KURTIS CLEVELAND, JOSEPH COBBS, DONALD COBLE, DONALD COCHRAN, BARNABY COCKROFT, DAVID COLBECK, CASSIE COLEMAN, COLLEEN COLLARD, STEPHEN CONNELL, KEVIN COOLEY, CAROLYN COOPER, CLARKE COOPER, FARRAH CORLEY, MARY CORVIA, ANTHONY COSENTINO, ELIZABETH COUNTRYMAN, DOUGLAS COWELL, DENITA COX, MURRY COX, JEFFREY CRAIG, CAROLYN CRANDALL, WILLIAM CRANE, DANNY CRASE, LORI CRAVEN, JEFFREY CRAVER, CARL CRAWFORD, DARCI CRAWFORD, TIMOTHY CRAWFORD, JOSEPH CRIVELLO, GARY CROCKETT, THOMAS CROCKETT, TODD CROOK, JOHN CROSSEN, ROBERT CROW, DANNY CUDE, SARA CUELLAR, MICHAEL CULLEN, DAVID CUMMINGS, JAMES CURRIN, CARLOS CZENTORYCHY, KAREN DAMARI, RICHARD DANKOVICK, CHERYL DAVIDSON, MARK DAVIDSON, DECEDRIC DAVIS, JOHN DAVIS, THUY DAVIS, CHRISTOPHER DAWSON, JOEL DAY, BEVERLY DEASY, JOE DEFENDER, ELIZABETH DELANEY, ROBERT DELANEY, JAMES DELLA CHIESA, SUSAN DEROCHER, CHRISTOPHER DESARDIANS, DANIEL DETWILER, CHARLES DEZERN, ANDRES DIAZ GARCIA, RICARDO DIAZ, ROBERT DIERK, STEPHEN DIMIG, ANDREW DINH, KIRK DIXON, DONALD DODD, DESRISE DOMINGEAUX, JIANHUA DONG, ZENGXING DONG, ERIC DONIN, LARRY DOSSEY, KEVIN DOZIER, JAMES DRAUCKER, TWILA DREIBRG, MICHAEL DRUM, ANDY DRYSDALE, CHASITY DUNCAN, BRADLEY DUNKELBERGER, GARY DUNN, JACQUELINE DUNN, ROB DUPLANTIS, THOMAS DURBIN, CHRISTOPHER EDWARDS, SUZANNE EDWARDS, TODD EICHLER, ROBERT ELLIS, CHARLES ELLISON, DANIEL ENGEL, JOSEPH ENGLISH, ROBERT ENNIS, HAROLD EPPS, MARK ERICKSON, JOHN ERNST, JARREL ETRIDGE, THOMAS ETERN, NORM EVANS, TIMOTHY EVANS, HEATHER FADGEN, KARI FAFLIK, RICHARD FALLIN, HONGGANG FAN, KAMAL FARMAH, MOHAMMAD FAROOQ, PHILIP FARRELL, DONALD FEDERLINE, CHARLES FELTNER, CHESTER FENNELL, JOSEPH FERGUSON, WARREN FERGUSON, JAMES FERRIGAN, LARRY FETTY, MICHAEL FINELLI, MICHAEL FINLEY, MATTHEW FISHER, ILONA FISKUM, ADRIAN FITZGERALD, KAROLYN FLESHER, RAMIL FLORES, WILLIAM FLUCKINGER, VIRGINIA FONDE, KIMBERLY FRANK, DAVID FRANKIE, DOUGLAS FRANKIE, EILEEN GAFFNEY, PETER GALLAGHER, JAMES GAMMON, FENG GAO, ROBERT GARRELL, JAMES GARRETT, RALPH GARRETT, RONALD GARRETT, RY OTES, JOSEPH GAUDETTE, NICHOLAS GAZALEH, MATHEOS GEBREMEDHIN, ALVIN GEIGER, CONNIE GEMMELL, H. J. GERHARDT, JOEP GERRIS, RAGAEI GHALI, SHELIE GIBBONS, CHRISTINA GIBSON, JOHN GIBSON, MICHAEL GILES, ANNETTE GILL, JAMES GIVENS, DEAN GLENN, PRABHAKAR GOLLA, MARIO GONZALEZ, ROBERT GOODMAN, TODD GOODSON, BRAD GOSNELL, JAMES GRAHAM, CORY GRANT, LAURA GRAY, CARY GREEN, GEORGE GREEN, STEPHEN GREEN, MARK GREENE, DAVID GRIFFITH, RUSSELL GRIFFITHS, ROBERT GROFF, LOUISE GROVE, ROBERT GROVER, HAI GUAN, OWEN GUION, CHARLES GUILDEE, JOHN GUNN, CAN GURALP, KERRY GUSTAFSON, EDWIN GUTIERREZ, MIGUEL GUTIERREZ, LUIS GUZMAN, PETRA HAGEMAN, HARVEY HALBROOK, ANGELA HALL, BILL HALL, TERRANCE HALL, ROSE HAMMONDS, ZANE HANKINS, BRENDA HANSEN, WEIHUA HAO, MARTIN HARAN, JOHN HARDIN, PAUL HARDIN, GILLES HARDY, ROGER HARLAN, MARVIN HARMON, JON HARRIS, JOSEPH HART, MELISSA HARTLEY, TERESA HAWLEY, STANLEY HAYAMI, RICHARD HAYTER, CHRISTOPHER HEINZE, FABIEN HELLERSPERK, DALE HEMRICK, SARA HENDRIX, PAUL HERGERT, CHRISTOPHER HERNANDEZ, CLAUDIO HERNANDEZ, VALERIE HERRING, JAMES HERSHBERGER, BRUCE HERZER, JOSEPH HEWELL, 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JAMES MOADE, CHRISTOPHER MOAKLEY, RICHARD MOFFETT, MICHAEL MOHAN, KENNETH MOISEY, STEPHEN MOLLOT, SHARON MONTGOMERY, GLENN MOORE, RICHARD MOORE, WADEYA MOORE, DENNIS MORALES, JOSEPH MORALES, STEVEN MORLEY, VALENTINA MOROZOVA, ANITA MORRIS, DEBORAH MORRIS, KATHRYN MORRIS, WILLIAM MORRIS, MARY MORRISON, CELIA MULLERT, DENNIS MULLERT, ASBURY MULLINIX, CARL MULLINS, PATRICIA MUMMYNE, ROBIN MUNESATO, SUZANNE MURRAY-TUXILL, CONNIE MUSSELWHITE, MUTHU MUTHUSAMY, GLADYS MWANGI, JOSHUA MYERS, BOHUMIL NAJDROVSKY, MARTHA NAVARRETE, FEDERICO NAVARRO, PAMELA NERPEL, FRANK NESTICK, JAMES NEUFELD, TEDDY NEVES, HIEU NGO, LAN NGO, HAI-VAN NGUYEN, HUYEN NGUYEN, THINH NGUYEN, TUAN NGUYEN, WILLIAM NICHOLSON, GERALD NIEMI, MARK NIXON, DAVID NODEN, HELEN NORRIS, JULIUS NUGENT, ADEBO OUDUSINA, MARK OGLESBY, ARTHUR OLENDER, ELEFTERIA OLIVER, ALVIN ONO, RICHARD ONORATO, MICHAEL O'Rourke, DUANE ORTON, JOSE OTERO, JACQUELINE OWENS, STEVEN OWNBY, VIKRAM OZA, JAMES PACHECO, PETER PAGLIA, MICHAEL PAUL, EUNISLL PAK, KEVIN PALANSKY, JEREMY PALEY, JONATHAN PALMER, CLAUDE PARCELL IV, EDWARD PARIS, BRYAN PARKER, DANNY PARKER, KIM PARKER, SCOTT PARKER, DOUGLAS PATTON, ANDREW PAVELL, ROBERT PAYE, PATRICIA PAYNE, DAVID PEDERSEN, DAVID PENNINGTON, JAMES PETERMAN, JEFF PETERS, STEPHANIE PETERS, WILLIAM PETERS, CLIFTON PETTWAY, ANDREW PHAM, HEN PHAM, THUYNTRIN PHAN, DEREK PHILBECK, DANIEL PHILLIPS, TERRY PHILLIPS, TINA PHIMPRAKHACHAN, DUC PHU, TROY PIASZCZYK, TERESA PIPPIN, PATRICE PISANO, MICHAEL PITCHER, LAUREL PLESNIARSKI, JEFFREY PLOWMAN, JEFFREY POLAKOWSKI, STEVEN POLGLASE, GERARD POYDENCE, DONALD PRATHER, KENDALL PRATT, RANDY PRICE, DAVID PRINCE, ERVIN PRINCE, PAUL PUCINO, TINO QIN, THANH QUACH, JOSIE QUASHIE, JAMES QUIGGINS, SUMIT RAHMAN, VICTOR RAMOS, SCOTT RAMSEY, TODD RAMSEY, CHANDRASEKHAR RAO, RAGHAVENDRA RAO, VUDATA RAJ RAO, GARY RAPER, LESLIE RATTIFL, VENITA RAVISHANKAR, THOMAS RAY, RICHARD RAZZETTO, SUE READE, PAULA REBER, PATRICIA REDMOND, DONNA REICH, MARCUS REIN, JAMES RHEW, DAVID RICE, GARY RICE, JAMES RICE, LANCE RICHTER, MICHAEL RICKEL, SHAROLYN RILEY, THOMAS RISOLIO, DENNIS RITTER, MICHAEL ROACH, ANDREW ROANE, RICHARD ROBERTSON, BENJAMIN ROBINSON, GEORGE ROBINSON, JONATHAN ROGERSON, DENISE ROGISTER, NEERAJ ROHILLA, MANUEL ROJAS, WILBERT ROLAND, CAROLE ROLLING, LARRY ROSS, MARK ROSSI, ANDREW ROSE, JOSEPH RUDD, ANTONIO RUIZ, TRAVIS RUSSELL, MARTIN SABYE, SCOTT SAGER, CHRISTOPHER SALTARIE, ROBERT SALINA, HECTOR SALMON, MICHAEL SAMS, SERGIO SANCHEZ CASALONG, MICHELLE SANFT, NOEL SANTOS, SATYEN SARHAD, JOHN SARLAY, ANTHONY SAYERS, RICHARD SCHADELER, NATHAN SCHOCKMEL, RHONDA SCHWAB, BARBARA SCOLAVINO, BRIAN SEARS, ANDREW SEMAN JR., ANKUR SHAH, BILAL SHAH, CHENG SHAN, JOHN SHANNON, DANIEL SHAW, JULIAN SHAW, MICHAEL SHAW, LORI SHEPARD, RICK SHERRELL, SHANTALA SHETTY, BORIS SHTEYN, BRADLEY SIMMONS, JEANNE SIMMONS, ROBERT SIMORA, LARRY SLATE, MARI SLATER, SEAN SLAVEN, MATHEW SMALLWOOD, LESLIE SMITH, PERLE SOLANO, ADRIAN SONCODI, MARTA SONCODI, PAULO SOUZA, MICHAEL SPITZER, BRIAN SPRATZ, DAVID SPRAGUE, UWIJAL SRIVASTAVA, TERRI STADY, KEVIN STAHL, WILLIAM STANLEY, CHRISTOPHER STEAGALL, NATHAN STEARNS, RICHARD STEED, RICHARD STERNAGLE, JOHN STILES, JACKSON STOCKTON, JON STUVE, INGRID SUTCLIFFE, ERICK SWANSON, ROBERT SWINK, VINCENT TANG, KEITH TAPP, STEVEN TAYLOR, AZIZ TEJANI, DAVID TENORIO, KENG SOON TEE, PHILIP TERRALL, JOHN THACKER, JEANNE THOMPSON, JOHN THOMPSON, GIA TICH, DAVID TILL, ROBERT TINSLEY, KAREN TOGO, CHRIS TOJZA, MAHESH TOMAR, SUSAN TOMASZ, NEIL TOMLINSON, DAVID TOMPSETT, LORENZO TORRES, STUART TOWERY, LINDA TRACY, MARTIN TRAN, NAM TRAN, NGHIA TRAN, THANG TRAN, THINH TRAN, TU TRAN, CARLOS TREJO, MEGAN TRIP, DAVID TRIPP, HAROLD TROMM, HUNG TRUONG, AMY TUCKER, THURMAN TUNNEL, ANDREW TURNBULL, DAVEY TURNER, GILBERT TURNER, KIMBERLY URBAN, MATTHEW USEY, VOLODYMYR UZUN, CAROL VALCIC, ROELAND VAN ECK, ARNO VAN HIERDEN, SANDRA VARGAS, JOHN VAUGHERS, LAWRENCE VEGA, CARLOS VIDALE, ISABEL VIEGO, KIM VISCOUNTY, SORIN VOICU-COMENDANT, TUYEN VU, DAVID WAGNER, THOMAS WAGNER, BARBARA WALKER, DONNY WALKER, DONALD WALLACE, ROBERT WALLACE, HOWARD WALLER, PAMELA WALLS, KIMBERLY WALTON, JOSEPH WAN, MICHAEL WANDS, DIANE WARD, JENNIFER WARFEL, PAUL WARING, JAMES WELLS, GUY WEST, ROBERT WEST, KATHLEEN WHELAN, ROGER WHELAN, DANNY WHITE, DEWEY WHITE, JAMES WHITE, DAVID WHITLOCK, CYNTHIA WHITMORE, DIANE WHITMORE, ROBERT WHITNEY, CHRISTOPHER WHITTINGTON, MARIA WIATROWSKI, PANDU WIBISONO, NORBERT WIESCHALLA, BRETT WILLIAMS, TIMOTHY WILLIAMS, WALLACE WILLIAMS, MICHAEL WILLIS, SANDRA WILSON, LAVERNE WITHERSPOON, AMY WOLF, MARTHA WOLF, DAVID WOLF, AUBREY WOODWARD, PAUL WORLEY, STEPHEN WORSLEY, JEFFREY WORTH, LAWRENCE WRIGHT, LIUXIAN WU, THOMAS WU, DEMETRIUS WYNN, MICHAEL XU, QIAO XU, PHILIP YARNIK, DANIEL YEAM, I-CHIH YEH, JAMES YOUNG, LORI YOUNG, MARK YOUNG, PAUL YOUNG, THOMAS YOUNG, PETER ZAREMBA, LIU ZHEN, DANNY ZIGLER, NANCY ZIMMERMANN, KENNETH AANDERUD, MUSTAPHA AASSAR, GEORGE ABDENOUR, DEVESH AGARWAL, LIANA AIDINOWA, SEAN AITKEN, ROY ALEXANDER, ROBERT ALLEN, TOILE ALLEN, ST. CLAIRE ALLEYNE, RICK ALLISON, JOSE ALONSO, RAUL AMAVASICA, LAURA AMORE, HOWARD ANDERSON, JULIE ANDERSON-MIKYTUCK, CHARLES ANDERTON, SIDNEY ANTMORRACH, BRUCE ARMSTRONG, TIMOTHY ARMSTRONG, DWAYNE ARRUZA,

1999

MAY 2000 - Telfort, Dutch subsidiary of British Telecom, purchases EAGLE STPs and number portability solution

JANUARY 2000 – Uni2, France Telecom subsidiary, deploys Tekelec's number portability solution

DECEMBER 1999 – Orange implements Tekelec's IP solution

NOVEMBER 1999 – Tekelec partners with US WEST
Wireless on open-network technology

JUNE 1999 – MobilRom purchases EAGLE STPs for GSM network.

MAY 1999 - Vodafone Network Pty, Ltd. purchases

MAY 1999 = Telkomsel chosen by Bell Atlantic for network

MAY 1999 **THE** **TEX** **CONVENTION**
redesign project

FEBRUARY 1999 - US WEST Wireless purchases SS7/IP

UST 1998 – EAGLE STP receives approval from
com South Africa

1998 – AT&T Wireless purchases Tekelec's TM solution

1 JULY 1998 – Tekelec opens London office to support

1998 – Nextel purchases three STP pairs

JANUARY 1998 - Bell Atlantic honors Tekelec with Supplier Excellence Award

997 - Tekelec delivers first STP-based local number portability (LNP) solution

1992 – Tekelec receives first order for EAGLE STP

1998

1992



CORPORATE HEADQUARTERS

TEKELEC
26580 WEST AGOURA ROAD
CALABASAS, CA 91302

REGIONAL OFFICES

VISTA, CALIFORNIA
ENGLEWOOD, COLORADO
LOMBARD, ILLINOIS
MT. LAUREL, NEW JERSEY
MORRISVILLE, NORTH CAROLINA
IRVING, TEXAS
SUNSET HILLS, VIRGINIA
BEIJING, CHINA
AMSTERDAM, THE NETHERLANDS

SUBSIDIARIES

IEX CORPORATION
RICHARDSON, TEXAS

TEKELEC LIMITED
EGHAM, UNITED KINGDOM

TEKELEC BRAZIL
SÃO PAULO, BRAZIL

TEKELEC CANADA
OTTAWA, CANADA

TEKELEC FRANCE
PARIS, FRANCE

TEKELEC GERMANY
ROSENHEIM, GERMANY

TEKELEC ITALY
MILAN, ITALY

TEKELEC SINGAPORE

INDEPENDENT ACCOUNTANTS

PRICEWATERHOUSECOOPERS LLP
LOS ANGELES, CALIFORNIA

LEGAL COUNSEL

BRYAN CAVE LLP
SANTA MONICA, CALIFORNIA

TRANSFER AND REGISTRAR

U.S. STOCK TRANSFER CORPORATION
1745 GARDENA AVENUE
GLENDALE, CALIFORNIA 91204-2991
818.502.1404

COMMON STOCK

The Company's common stock is traded over the counter on The Nasdaq Stock Market under the symbol TKLC.

REPORT ON FORM 10-K

A copy of Tekelec's form 10-K without exhibits for the year ended December 31, 2002, as filed with the Securities and Exchange Commission, is available, without charge, upon written request to: INVESTOR RELATIONS, TEKELEC 26580 WEST AGOURA ROAD, CALABASAS, CALIFORNIA 91302, VIA THE INTERNET AT [HTTP://WWW.TEKELEC.COM](http://WWW.TEKELEC.COM) OR BY FAX AT 818.880.7807.

ANNUAL MEETING

Tekelec's Annual Meeting of Shareholders will be held at 9:00 am on May 8, 2003, at Tekelec's offices located at 26580 West Agoura Road, Calabasas, California.

BOARD OF DIRECTORS

JEAN-CLAUDE ASSCHER
PRESIDENT, TEKELEC-AIRTRONIC, S.A.

FREDERICK M. LAX
PRESIDENT AND CHIEF EXECUTIVE OFFICER,
TEKELEC

ROBERT V. ADAMS ^{1,2}
PRESIDENT AND CHIEF EXECUTIVE OFFICER,
RV ADAMS CAPITAL MANAGEMENT

DANIEL L. BRENNER ^{1,2}
SENIOR VICE PRESIDENT,
LAW & REGULATORY POLICY,
NATIONAL CABLE & TELECOMMUNICATIONS
ASSOCIATION

HOWARD ORINGER ^{1,2,3}

MANAGING DIRECTOR,
COMMUNICATIONS CAPITAL GROUP

JON F. RAGER ^{1,2,3}

PRESIDENT,
RAGER BELL DOSKOCIL & MEYER CPAs

¹MEMBER OF AUDIT COMMITTEE

²MEMBER OF COMPENSATION COMMITTEE

³MEMBER OF CORPORATE DEVELOPMENT COMMITTEE

CORPORATE OFFICERS

FREDERICK M. LAX
PRESIDENT AND CHIEF EXECUTIVE OFFICER

PAUL J. PUCINO

VICE PRESIDENT AND CHIEF FINANCIAL
OFFICER

LORI A. CRAVEN

VICE PRESIDENT AND GENERAL MANAGER,
NETWORK SYSTEMS DIVISION

DEBRA MAY

VICE PRESIDENT AND GENERAL MANAGER,
CONTACT CENTER DIVISION,
IEX CORPORATION

RONALD W. BUCKLY

VICE PRESIDENT, GENERAL COUNSEL AND
CORPORATE SECRETARY

DAVE FRANKIE

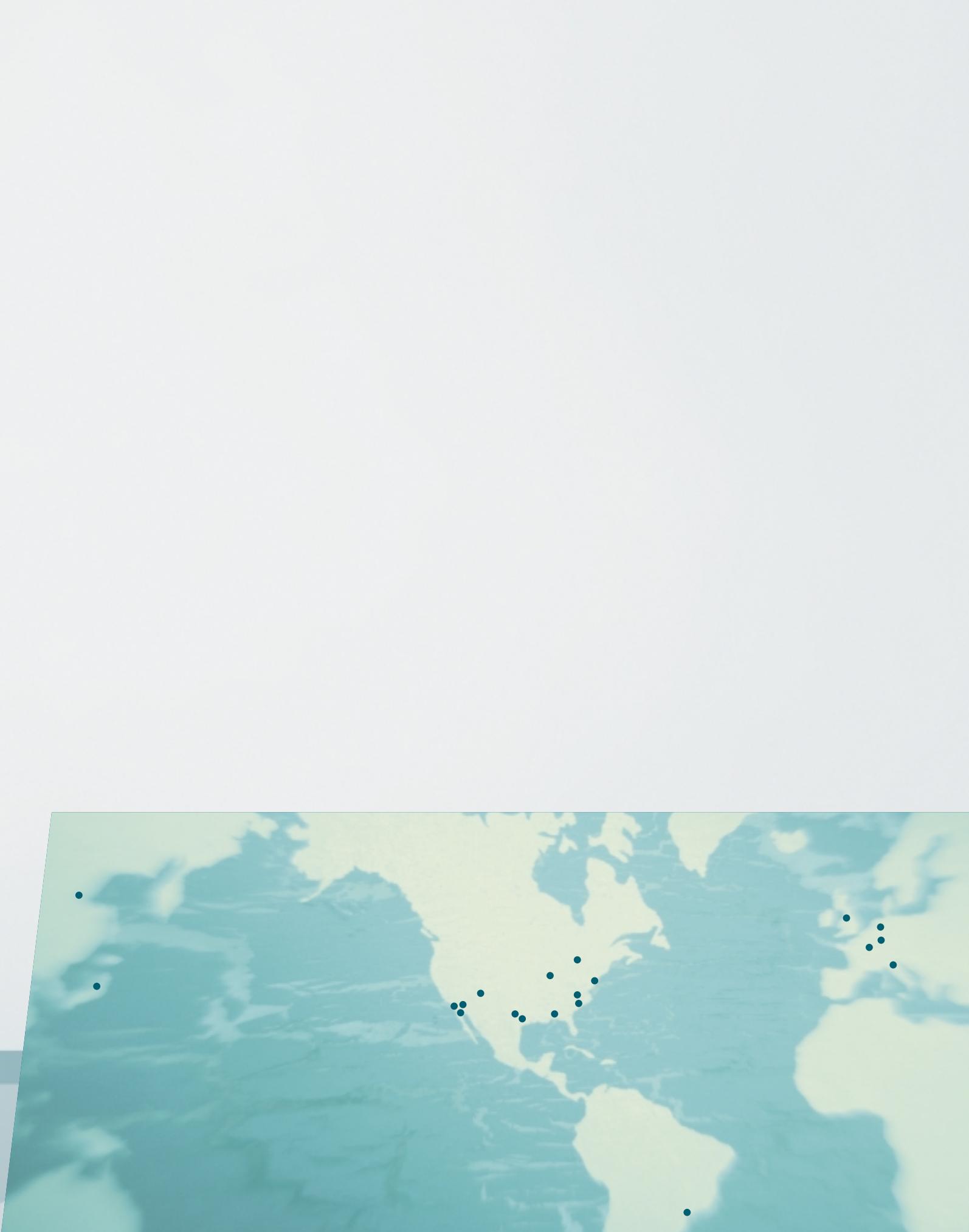
VICE PRESIDENT, OPERATIONS AND QUALITY

DANNY L. PARKER

VICE PRESIDENT, CORPORATE DEVELOPMENT

TERESA A. PIPPIN

VICE PRESIDENT, HUMAN RESOURCES





TEKELEC

26580 WEST AGOURA ROAD, CALABASAS, CA 91302

WWW.TEKELEC.COM