SVB Financial Group

Comdial Corporation Selects Silicon Valley Bank Secures New Line of Credit

SARASOTA, FL. – May 12, 2004 – Comdial Corporation (OTC Bulletin Board: CMDZ.OB), a leading provider of IP telephony and unified communication solutions, today announced that it has selected Silicon Valley Bank (SVB), the primary banking subsidiary of Silicon Valley Bancshares (NASDAQ:SIVB), for its primary banking relationship, including the establishment of a $2.5 million line of credit for working capital purposes.

“As previously announced, Comdial’s goal is to continue to optimize its capital structure and Silicon Valley Bank is a financial partner that can provide banking solutions to meet Comdial’s future capital requirements” said Ken Clinebell, Comdial’s chief financial officer. “This line of credit will provide the availability of additional working capital to fund the company’s growth initiatives in 2004 and 2005.”

“We take pride in our continued relationships with leading communications technology companies like Comdial,” said Christopher Jones, senior vice president, Silicon Valley Bank. “Our mission is to help emerging and established technology companies, such as Comdial, succeed by providing the diversified financial services that will help them grow and prosper.”

About COMDIAL

Comdial is a converged voice and data communications solutions provider with over 25 years of long-standing success as a leading brand. Focused on superior customer service and reliable communications solutions, Comdial is dedicated to producing best-in-class small to mid-sized enterprise communications products. Through innovative technology and flexibility, Comdial provides comprehensive Internet Protocol (IP) communications solutions tailored to meet each customer’s evolving business needs. For more information about Comdial and its communications solutions, please visit the Comdial web site at www.comdial.com.

About Silicon Valley Bank

Silicon Valley Bank provides diversified financial services to emerging growth and mature companies in the technology, life sciences and private equity markets, as well as the premium wine industry. Through its focus on specialized markets and extensive knowledge of the people and business issues driving them, Silicon Valley Bank provides a level of service and partnership that measurably impacts its clients’ success. Founded in 1983 and headquartered in Santa Clara, Calif., the company serves more than 9,500 clients across the country through 26 regional offices. More information on the company can be found at www.svb.com

Forward-Looking Statements

This press release contains statements that may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Investors and prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, including Comdial Corporation's ability to obtain additional funding for its business should such funding become necessary, its ability to maintain market share and to grow in a very competitive market, its ability to develop technologically advanced products to keep pace with many competitors that are much larger and have significantly more resources than Comdial, market acceptance of new products it develops, lower than anticipated demand brought about by continued weakness in telecommunications spending, risk of dilution of the Company's stock from private placement investments including the financing that was completed in March 2004 and from the private placement that was completed in 2002 as well as any other private investments or public offerings that may occur form time to time, dependence on a relatively small number of large customers, ability to maintain necessary engineering, sales, marketing and other key staff members, the risks associated with the outsourcing of its manufacturing requirements, including international risk factors, its ability to achieve its operational goals and to generate positive cash flow, any unfavorable outcome of pending disputes or litigation, including, but not limited to intellectual property infringement claims that arise from time to time and the various other factors set forth from time to time in Comdial's filings with the SEC, including, but not limited to, Comdial's Form 10-K for the year ended December 31, 2003. Comdial Corporation undertakes no obligation to publicly update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events