

## Mitel Announces Definitive Agreement to Acquire Polycom

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Mitel and Polycom announced that they have entered into a definitive merger agreement in which Mitel will acquire all of the outstanding shares of Polycom common stock in a cash and stock transaction valued at approximately \$1.96 billion. Under the terms of the agreement, Polycom stockholders will be entitled to \$3.12 in cash and 1.31 Mitel common shares for each share of Polycom common stock, or \$13.68 based on the closing price of a Mitel common share on April 13, 2016. The transaction represented a 22% premium to Polycom shareholders based on Mitel's and Polycom's "unaffected" share prices as of April 5, 2016 and is expected to close in the third quarter of 2016, subject to shareholder and regulatory approvals and other customary closing conditions.

The communications and collaboration industry is undergoing a period of intense change that is rapidly redrawing the competitive landscape and breaking down barriers between previously discrete markets and technology domains. Through a series of strategic acquisitions, Mitel has successfully capitalized on changing market dynamics and transformed the company to help customers operate more efficiently and cost effectively. The combination of Mitel and Polycom will create a new industry leader leveraging Mitel's recognized leadership as a pioneer in global communications with Polycom's well-known premium brand and industry-leading portfolio in the conference and video collaboration market.

The combined company will be headquartered in Ottawa, Canada, and will operate under the

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Mitel name while maintaining Polycom's strong global brand. Richard McBee, Mitel's Chief Executive Officer will lead the combined organization. Steve Spooner, Mitel's Chief Financial Officer, will also continue in that role. On the closing of the proposed transaction, it is expected that Polycom directors will assume two seats on the Mitel board. Once merged, the combined company will have a global workforce of approximately 7,700 employees.

"Mitel has a simple vision - to provide seamless communications and collaboration to customers. To bring that vision to life we are methodically putting the puzzle pieces in place to provide a seamless customer experience across any device and any environment," said Mitel CEO Rich McBee. "Polycom is one of the most respected brands in the world and is synonymous with the high quality and innovative conference and video capabilities that are now the norm of everyday collaboration. Together with industry-leading voice communications from Mitel, the combined company will have the talent and technology needed to truly deliver integrated solutions to businesses and service providers across enterprise, mobile and cloud environments."

"Together, Polycom and Mitel expect to drive meaningful value for our shareholders, customers, partners and employees around the world," said Peter Leav, President and CEO of Polycom. "We look forward to working closely with the Mitel team to ensure a smooth transition and continued innovation to bring the workplace of the future to our customers."