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ARRIS ANNOUNCES PRELIMINARY AND UNAUDITED FIRST QUARTER 2015 RESULTS

Suwanee, Ga. (April 29, 2015) ARRIS Group, Inc. (NASDAQ:ARRS) today announced preliminary and unaudited financial results for the first quarter 2015.

First Quarter 2015 Financial Highlights

- Revenues were \$1,215.2 million
- Adjusted net income (a non-GAAP measure) was \$0.44 per diluted share
- GAAP net income was \$0.13 per diluted share
- End-of-quarter cash resources were \$631.6 million
- Order backlog was \$725.7 million
- Book-to-bill ratio was 1.08
- Repurchased approximately 871 thousand shares for \$25 million

“We are off to a good start in 2015. Our first quarter came in line with our expectations, and we are executing on key elements of our strategy. Notably, we are expanding our product offerings, scale and international reach with the pending acquisitions of both Pace and Active Video Networks. With respect to the second quarter 2015, we expect revenues will grow and will be in the range of \$1,270 million to \$1,310 million, with adjusted net income per diluted share in the range of \$0.53 to \$0.58 and GAAP net income per diluted share in the range of \$0.17 to \$0.22,” said Bob Stanzione, ARRIS Chairman and CEO.

Revenues in the first quarter 2015 of \$1,215.2 million were down \$9.8 million, or 1%, as compared to first quarter 2014 revenues of \$1,225.0 million. First quarter revenues were also down \$48.2 million, or 4%, as compared to fourth quarter 2014 revenues of \$1,263.4 million.

Adjusted net income (a non-GAAP measure) in the first quarter 2015 was \$0.44 per diluted share, as compared to \$0.47 per diluted share for the first quarter 2014, a decrease of \$0.03 per diluted share or 6%. Adjusted net income decreased \$0.34 per diluted share, or 44% percent, as compared to the fourth quarter 2014 adjusted net income of \$0.78 per diluted share.

A reconciliation of adjusted net income per diluted share to GAAP net income per diluted share is attached to this release and also can be found on the Company’s website (www.arris.com).

GAAP net income in the first quarter 2015 was \$0.13 per diluted share, as compared to first quarter 2014 GAAP net income of \$0.28 per diluted share and fourth quarter 2014 GAAP net income of \$1.29 per diluted share. The first quarter GAAP net income decreased \$0.15 per diluted share, or 54%, compared to the first quarter of last year. It also decreased \$1.16 per diluted share, or 90%, compared to the fourth quarter of 2014.

Cash & Cash Equivalents - The Company ended the first quarter 2015 with \$631.6 million of cash resources, which includes \$628.6 million of cash, cash equivalents and short-term investments, and \$3.0 million of long-term marketable securities, as compared to \$697.4 million, in the aggregate, at the end of the fourth quarter 2014. The Company used \$63.3 million of cash for operating activities during the first quarter 2015, as compared to \$27.0 million generated during the first quarter 2014.

Order backlog at the end of the first quarter 2015 was \$725.7 million as compared to \$996.1 million and \$631.0 million at the end of the first quarter 2014 and the fourth quarter 2014, respectively. The Company's book-to-bill ratio in the first quarter 2015 was 1.08 as compared to the first quarter 2014 of 1.37 and the fourth quarter 2014 of 1.03.

ARRIS management will conduct a conference call at 5:00 pm EDT, today, Wednesday, April 29, 2015, to discuss these results in detail. You may participate in this conference call by dialing 888-680-0869 or 617-213-4854 for international calls prior to the start of the call and providing the ARRIS Group, Inc. name, conference pass code 79388669 and Bob Puccini as the moderator. Please note that ARRIS will not accept any calls related to this earnings release until after the conclusion of the conference call. A replay of the conference call can be accessed approximately two hours after the call through May 6, 2015, by dialing 888-286-8010 or 617-801-6888 for international calls and using the pass code 61686806. A replay also will be made available for a period of 12 months following the conference call on ARRIS' website at www.arris.com.

About ARRIS

ARRIS is a global innovator in IP, video and broadband technology. We have continually worked with our customers to transform the experience of entertainment and communications for millions of people around the world. The people of ARRIS are dedicated to the success of our customers, bringing a passion for invention that has fueled our history: We created digital TV, delivered the first wireless broadband gateway and are pioneering the standards and pathways for tomorrow's personalized, Ultra HD, multiscreen, and cloud services. We are dedicated to meeting today's challenges and preparing for the tasks the future holds. Collaborating with our customers, ARRIS will continue to solve the

most pressing challenges of 21st century communications. Together, we are inventing the future. For more information: www.arris.com

No Offer or Solicitation

This release is provided for informational purposes only and does not constitute an offer to sell, or an invitation to subscribe for, purchase or exchange, any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law.

Forward-Looking Statements

Statements made in this press release, including those related to:

- the proposed acquisitions of AVN and Pace;
- growth expectations and business prospects;
- revenues and net income for the second quarter 2015, and beyond;
- expected sales levels and acceptance of new ARRIS products; and
- the general market outlook and industry trends

are forward-looking statements. These statements involve risks and uncertainties that may cause actual results to differ materially from those set forth in these statements. Among other things,

- ARRIS' completion of the Pace acquisition is subject to satisfaction of a number of conditions outside of ARRIS' control, including receipt of necessary regulatory approvals, and the approval of the shareholders of ARRIS and Pace;
- ARRIS may fail to realize the expected benefits of the announced transactions; there may be negative effects relating to the announcement of the transactions or any further announcements relating to the transactions; and ARRIS may incur significant transaction costs and/or unknown liabilities;
- projected results for the second quarter 2015 as well as the general outlook for 2015 and beyond are based on preliminary estimates, assumptions and projections that management believes to be reasonable at this time, but are largely beyond management's control;
- ARRIS' customers operate in a capital intensive consumer based industry, and volatility in the capital markets or changes in customer spending may adversely impact their ability or willingness to purchase the products that the Company offers;
- the strengthening U.S. Dollar may adversely impact ARRIS' international customer's ability or willingness to purchase products and the pricing of ARRIS products;

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- because the market in which ARRIS operates is volatile, actions taken and contemplated may not achieve the desired impact relative to changing market conditions and the success of these strategies will be dependent on the effective implementation of those plans while minimizing organizational disruption; and
 - termination of the previously proposed acquisition of Time Warner by Comcast and the announced transactions within our customer base, including the proposed acquisition of DIRECTV by AT&T, and the proposed acquisition by Frontier Communications of several properties owned by Verizon may have an impact on customer's spending.

In addition to the factors set forth elsewhere in this release, other factors that could cause results to differ from current expectations include: the impact of rapidly changing technologies; the impact of competition on product development and pricing; the ability of ARRIS to react to changes in general industry and market conditions including regulatory developments; rights to intellectual property; market trends and the adoption of industry standards. These factors are not intended to be an all-encompassing list of risks and uncertainties that may affect the Company's business. Additional information regarding these and other factors can be found in ARRIS' reports filed with the Securities and Exchange Commission, including its Form 10-K for the year ended December 31, 2014. In providing forward-looking statements, the Company expressly disclaims any obligation to update publicly or otherwise these statements, whether as a result of new information, future events or otherwise, except as required by law.

Important Additional Information Regarding the Transaction Will Be Filed With the SEC

In connection with the proposed acquisition of Pace, it is expected that the shares of New ARRIS to be issued by New ARRIS to Pace shareholders under the scheme will be issued in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended, provided by Section 3(a)(10) thereof. In connection with the issuance of New ARRIS shares to ARRIS stockholders pursuant to the merger that forms a part of the transaction, New ARRIS will file with the SEC a registration statement on Form S-4 that will contain a prospectus of New ARRIS as well as a proxy statement of ARRIS relating to the merger that forms a part of the combination, which we refer to together as the Form S-4/Proxy Statement.

INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE FORM S-4/PROXY STATEMENT, AND OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE TRANSACTION CAREFULLY AND IN THEIR ENTIRETY, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTION, THE PARTIES TO THE TRANSACTION AND THE RISKS ASSOCIATED WITH THE TRANSACTION. Those documents, if and when filed, as well as ARRIS's and New ARRIS's other public filings with the SEC may be obtained without charge at the SEC's website at www.sec.gov and

at ARRIS's website at <http://ir.arris.com>. Security holders and other interested parties will also be able to obtain, without charge, a copy of the Form S-4/Proxy Statement and other relevant documents (when available) by directing a request by mail to ARRIS Investor Relations, 3871 Lakefield Drive, Suwanee, GA 30024 or at <http://ir.arris.com>. Security holders may also read and copy any reports, statements and other information filed with the SEC at the SEC public reference room at 100 F Street N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at (800) 732-0330 or visit the SEC's website for further information on its public reference room.

Participants in the Solicitation

ARRIS, its directors and certain of its executive officers may be considered participants in the solicitation of proxies in connection with the transactions contemplated by the Proxy Statement. Information about the directors and executive officers of ARRIS is set forth in its Annual Report on Form 10-K for the year ended December 31, 2014, which was filed with the SEC on February 27, 2015, and its proxy statement for its 2015 annual meeting of shareholders, which was filed with the SEC on April 9, 2015. Other information regarding potential participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Proxy Statement/Prospectus when it is filed.

Pace and New ARRIS are each organized under the laws of England and Wales. Some of the officers and directors of Pace and New ARRIS are residents of countries other than the United States. As a result, it may not be possible to sue Pace, New ARRIS or such persons in a non-US court for violations of US securities laws. It may be difficult to compel Pace, New ARRIS and their respective affiliates to subject themselves to the jurisdiction and judgment of a US court or for investors to enforce against them the judgments of US courts.

UK Takeover Code Directors' Confirmation

The statements above with respect to projected ranges of revenues, adjusted net income per diluted share and GAAP net income per diluted share for the second quarter 2015 constitute a profit forecast for the purposes of the UK City Code on Takeovers and Mergers (the "Profit Forecast"). The Profit Forecast has been prepared on a basis consistent with ARRIS' accounting policies, which are in accordance with U.S. GAAP.

The Profit Forecast is based on the following assumptions:

Factors outside the control of ARRIS:

- there will be no material changes to the conditions of the markets in which ARRIS operates, including material changes in the capital spending of ARRIS' customers;

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- foreign currency exchange rates, interests rates and tax rates in the geographic markets in which ARRIS operates remain materially unchanged from the currently prevailing rates;
 - there will be no material interruptions in the delivery of components for the manufacture of ARRIS' products or the delivery of finished products to customers;
 - the announcement of the proposed AVN transaction and the proposed acquisition of Pace will not have any impact on the timing or receipt of customer orders;
 - there will be no material adverse changes to existing global macroeconomic or political conditions;
 - there will be no material regulatory developments that affect ARRIS' operations or the operations of its customers; and
 - there will be no material adverse events that have a significant impact on ARRIS' financial condition.

Factors within the control of ARRIS:

- except as previously announced with respect to AVN, there will be no material acquisitions or dispositions by ARRIS prior to June 30, 2015;
- there will be no material change in the supplier base of ARRIS;
- ARRIS's operational costs will not change materially prior to June 30, 2015
- there will no material change in the business or operational strategy of ARRIS; and
- there will be no material changes to the management of ARRIS.

The Directors of ARRIS Group, Inc. confirm that the Profit Forecast has been properly compiled on the basis of the assumptions stated above and the basis of accounting used in preparing the Profit Forecast is consistent with the accounting policies of ARRIS Group, Inc.

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