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**FOR IMMEDIATE RELEASE**

**19 October 2015**

**RECOMMENDED COMBINATION  
OF  
PACE PLC ("PACE")  
AND  
ARRIS GROUP, INC. ("ARRIS")**

**Update on the recommended proposed cash and share combination of ARRIS Group, Inc. ("ARRIS") and Pace plc ("Pace") (the "Combination")**

ARRIS has provided an update on the status of the required merger-control clearances in connection with the pending Pace transaction. As previously disclosed, ARRIS and Pace have received the required clearances from regulators in Germany, Portugal and South Africa and have received requests for additional information from the Antitrust Division of the U.S. Department of Justice (the "Antitrust Division"), as well as regulators in Brazil and Colombia. The parties continue to work to respond to these additional requests. As a result of the continuation of the process, ARRIS now believes that the closing of the transaction will not occur until late December or the first quarter of 2016.

ARRIS continues to believe that it will be able to obtain the necessary clearances, although no assurance can be provided that all required approvals will be obtained. The Antitrust Division's current focus appears to be on certain optical transmission products of ARRIS and Pace. It is possible that, as a condition to the approvals, the governmental agencies may impose requirements, conditions or limitations on ARRIS' business after the completion of the transaction which may include a divestiture. Such requirements could further delay the completion of the transaction or reduce the anticipated benefits of the combination.

"While we are disappointed in the potential delay in the timing for completion," commented Bob Stanzione, ARRIS Chairman and CEO, "we believe that even if conditions are imposed, the transaction remains in the best interests of the shareholders. Based on our current understanding of the Antitrust Division's areas of continued focus and given the opportunities for the combined business and the potential synergies, we believe that the non-GAAP EPS accretion ranges for the first 12 months following the combination, previously estimated and disclosed by ARRIS, continue to remain possible."

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### **Dealing Disclosure requirements**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time (BST)) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time (BST)) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time (BST)) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of

relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **No Offer or Solicitation**

This Announcement 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. This Announcement does not constitute a prospectus or a prospectus equivalent document.

### **Forward-Looking Statements**

Statements made in this Announcement, including those related to the timing for the closing of the transaction, the timing and process for, and likelihood of, receiving the required merger control clearances, and the potential synergies and opportunities and expected accretion are forward-looking statements. Actual results may differ materially from the results suggested by these statements for a variety of reasons, including decisions made by regulatory authorities; the requirements, conditions and limitations imposed by regulatory authorities upon ARRIS and its business after completion of the transaction; should ARRIS decide to divest a business or portion of a business, the uncertainties regarding any sale process, including price and timing; and the other risk factors described in ARRIS' definitive proxy statement filed with the Securities & Exchange Commission on September 15, 2015. 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 Filed With the SEC**

In connection with the proposed acquisition of Pace, it is expected that the shares of ARRIS International ("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 has filed with the SEC a registration statement on Form S-4 that contains 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 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' and New ARRIS' other public filings with the SEC may be obtained without charge at the SEC's website at [www.sec.gov](http://www.sec.gov) and at ARRIS' 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 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.

Pace and New ARRIS are each incorporated under the laws of England. Some of the officers and directors of Pace and New ARRIS are residents of countries other than the United States. It may not be possible to bring an action against Pace and New ARRIS in a non-US court for violations of the 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.

### **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 Form S-4/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, is contained in the Form S-4/Proxy Statement. 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.