

ARRIS GROUP INC
Form 425
April 23, 2015

Our Next Stage of Growth
ARRIS announces intent to acquire Pace
Town Hall
23 April 2015
Filed by Arris Group, Inc. (SEC File No. 000-31254)
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed pursuant to Rule 14a-12
under the Securities Exchange Act of 1934
Subject Company: Pace plc
Date: April 23, 2015

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This document may contain forward-looking statements concerning certain trends, expectations, forecasts, estimates, or other factors affecting or relating to PACE or ARRIS or its industry, products or activities that are intended to qualify for the protections afforded under the Private Securities Litigation Reform Act of 1995 and other laws and regulations. Forward-looking statements speak to the future and may be identified by the use of forward-looking terms such as may, will, expects, believes, anticipates, plans, forecasts, outlook, impact, potential, confidence, improve, optimistic, deliver, comfortable, trend, and other variations on such terms or comparable terminology. These forward-looking statements are subject to risks and uncertainties that may differ materially from those indicated in the forward-looking statements. Such risks and uncertainties include, but are not limited to, the combination will not be completed, failure to obtain necessary regulatory approvals or required financing or to satisfy any of the requirements of the combination, adverse effects on the market price of ARRIS shares and on ARRIS's or Pace's operating results because of a failed combination, failure to realize the expected benefits of the possible combination, negative effects relating to the announcement of the combination, further announcements relating to the possible combination or the consummation of the possible combination on the market price of ARRIS's or Pace's securities, significant transaction costs and/or unknown liabilities, customer reaction to the announcement of the combination, possible litigation or the public disclosure thereof, general economic and business conditions that affect the combined companies following the consummation of the combination, changes in global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rate movements and their interpretation or application, regulations, rates and policies, future business combinations or disposals and competitive developments. This list is not intended to be an all-encompassing list of risks and uncertainties. Additional information regarding these and other factors can be found in the filings with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2014. By their nature, forward-looking statements involve unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The failure to achieve such forward-looking statements in this Announcement could cause ARRIS's plans with respect to Pace, ARRIS's or Pace's future achievements, industry results and developments to differ materially from those expressed in or implied by such forward-looking statements. While we believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will be correct and persons reading this document are therefore cautioned not to place undue reliance on these forward-looking statements as of the date of this document. ARRIS and Pace expressly disclaim any obligation to release publicly any revisions to forward-looking statements in light of subsequent events or developments, except as required by law.

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

It is expected that the shares of New ARRIS to be issued by New ARRIS to Pace shareholders under the scheme will be issued exemption from the registration requirements of the Securities Act of 1933, as amended, provided by Section 3(a)(10) thereof.

issuance of New ARRIS shares to ARRIS stockholders pursuant to the merger that forms a part of the combination, New ARRIS 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 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 INFORMATION RELATING TO 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. ARRIS' and New ARRIS' other public filings with the SEC may be obtained without charge at the SEC's website at www.sec.gov or <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, Lakeview, CA 94569, or by e-mail to investorrelations@arris.com or <http://ir.arris.com>. Security holders may also read and copy any reports, statements and other information filed with the SEC at the SEC's 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 at www.sec.gov for 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 transaction 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 solicitation, including 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 located in 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 or for investors to enforce against them the judgments of US courts.

Responsibility

The directors of ARRIS accept responsibility for the information contained in this document and, to the best of their knowledge and belief (and to the reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and

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The announcement
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Combination enhances shareholder value

Significantly enhances ARRIS international presence

Provides large scale entry into satellite segment

Broader product portfolio in equipment, software and services

World-class technology and people

~ \$8B pro forma revenues

~ 8,500 combined employees, globally based

Accretive transaction that maintains capital structure flexibility

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SHAREHOLDERS

ARRIS and Pace to each merge into
subsidiaries of a **new holding**
company
(New ARRIS)

New ARRIS to be **incorporated in the**
UK

Operational
headquarters
will
remain
in
Suwanee,
GA

No
Change
in
ARRIS
Board
of
Directors,
CEO or CFO

New ARRIS shares expected to be
listed on NASDAQ

NEW ARRIS
POST-CLOSING STRUCTURE

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SHAREHOLDERS

~76%

~24%

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COMBINED ASSETS OF:

POST-CLOSING STRUCTURE

NEW ARRIS

(UK INCORPORATED)

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PACE OVERVIEW

A world leader in technologies, products and services

for

the

Pay

TV

and

broadband
industries,
Pace
has
an
end-to-end range of products and services to simply and
cost-effectively evolve digital services for subscribers

FY2014 Revenue

\$2.6 Billion

Over 200 Customers

served, in 50 countries

500+ patents approved or

pending

~2,000 Global Employees

HQ in Saltair, UK

Non North America

revenue

\$2.6B

200+

~38%

500+

2K

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ARRIS' s next stage of growth

Entry into the satellite segment

With Pace' s innovation and talent, we can broaden our
product portfolio in equipment, software, and services

Benefit from Pace's strong presence in Latin America
one of our industry's highest growth regions

Become even more responsive to meeting the needs of
our customers around the world

Fuel innovation in our industry

Keep pace with the announced operator consolidations

Create value for our shareholders

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ARRIS' s next stage of growth

Diversify ARRIS' s customer base and geographic presence

Provide scaled entry into satellite segment

Create desirable product portfolio combinations

Support new economies of scale

Generate compelling financial benefits

Fuel innovation

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CONNECTED TV CLIENTS

MODEMS
VIDEO GATEWAYS
SET-TOP BOXES
MULTISCREEN
NETWORK & CLOUD
CUSTOMER PREMISES EQUIPMENT
CLOUD SERVICES
ACCESS & TRANSPORT
CMTS / CCAP
VIDEO INFRASTRUCTURE
GLOBAL SERVICES
IP or HFC
Delivery
Network

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PACE PORTFOLIO
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What's next

Entering period of regulatory and shareholder reviews

Transaction expected to close in the late 2015

Until closing, both ARRIS and Pace will continue to

operate as independent companies

Business as usual!

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Do:

Remain focused on continuing to serve our customers
and delivering outstanding results

Execute on our plans

Meet our commitments

Manage our costs

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Don t:

No discussions are to take place between ARRIS and Pace regarding information like pricing, bids, customer contracts or information, future product launches and any other sensitive topic.

Don't engage with Pace in business meetings with customers or engage in other practices that could be interpreted that we're acting as one company before the transaction closes.

When speaking with customers or partners, do not comment on Pace's current or prospective products, pricing, or company news.

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Refer external inquiries

Forward all inquiries from reporters, bloggers and
industry analysts to **Jeanne Russo**, ARRIS Global
Communications, at 215-323-1880.

Forward all inquiries from financial analysts to

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ARRIS
Investor
Relations,
at
720-
895-7787.
Bob Puccini
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Speaking on behalf of ARRIS

Only authorized ARRIS leaders are to speak on behalf of
the company

Be cautious with any comments made on chat boards,
social media, and other online channels

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