



## **ARRIS Purchases Digeo, Inc. in Cash Transaction**

### **Next Step in ARRIS IP Video Evolution**

**Conference Call Wednesday, September 23, 2009, 8:30 AM EDT**

**9/22/2009 - Suwanee, GA: ARRIS Group Inc. (Nasdaq: ARRS)** announced today that it has agreed to purchase the assets of Digeo, Inc., including its intellectual property portfolio, for a cash purchase price of approximately \$20 million. The Digeo acquisition, along with the recently announced acquisition of EG Technology (EGT), provides ARRIS with substantial technical expertise in video networking and an innovative multimedia services delivery platform. The engineering talent and intellectual property acquired as part of these transactions will be combined with ARRIS' internal development efforts to accelerate the introduction of next-generation IP-based consumer video products and services. These new products will allow the Company's customers to cost effectively integrate and distribute new forms of personalized multimedia content throughout the home.

ARRIS will continue to develop and market the current line of Digeo Digital Video Recorder (DVR) products, including Digeo's Moxi Cable DVR and consumer HD DVR with its Emmy® award winning user interface. Moxi customers will continue to enjoy uninterrupted service and updates.

"Several years ago we laid out a strategy to establish ARRIS as a leader in video networking," said Bob Stanzione, ARRIS Chairman and CEO. "Our strategy includes both organic development and strategic acquisitions. The Digeo acquisition, along with our acquisition of EGT last month, has enhanced our ability to aggressively pursue end to end video delivery initiatives."

As a result of the Digeo transaction ARRIS will gain approximately 75 employees located in Kirkland, Washington. The addition of the Digeo engineering team will raise the Company's research and development investment by approximately \$3M per quarter. In addition to a highly talented work force and award-winning products and technology, ARRIS will acquire an extensive intellectual property portfolio in technologies including Digital Video Recording, Home Networking, E-Commerce, and Multimedia.

"As the global leader in broadband technology for the cable industry, ARRIS delivers the market position necessary to take the Moxi vision to the next level," said Greg Gudorf, Digeo CEO. "ARRIS recognizes the value of adding Digeo's highly-innovative technology to its portfolio, allowing the Company to integrate the Moxi line of products and services as core to its expansion into the digital home. Further, ARRIS

recognizes the value Digeo's highly-talented people bring to the equation. I am extremely pleased that the Digeo team will continue to drive the evolution of the Moxi platform."

The transaction is expected to close early in the fourth quarter of 2009.

### **Conference Call and Webcast**

A conference call and webcast with a presentation and discussion of this transaction will be held at 8:30am EDT, September 23, 2009. The conference call will be broadcast live via the Internet at: <http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=87823&eventID=2449527> (To view this web page, copy and paste the URL into your browser.) Presentation materials for the call will also be available for viewing at the ARRIS Investor Relations website (<http://www.arrisi.com>). Those wishing to participate in the conference call via the telephone may dial-in at 800-510-9691, international 617-614-3453, access code: 25185660. A telephone replay will be available from 11:30 am EDT on September 23, 2009 through midnight, EDT September 30, 2009 by dialing 888-286-8010, international 617-801-6888 access code: 11932132. The conference call replay will also be available via webcast through the ARRIS Investor Relations website at <http://www.arrisi.com>.

### **About ARRIS**

ARRIS is a global communications technology company specializing in the design, engineering and supply of technology supporting triple- and quad-play broadband services for residential and business customers around the world. The company supplies broadband operators with the tools and platforms they need to deliver, reliable telephony, demand driven video, next-generation advertising and high-speed data services. ARRIS products expand and help grow network capacity with access and outside plant construction equipment, reliably deliver voice, video and data services and assure optimal service delivery for end customers. Headquartered in Suwanee, Georgia, USA, ARRIS has R&D centers in Suwanee, Chicago, IL, Beaverton OR, Wallingford CT, State College, PA, Waltham, MA, Cork, Ireland and Shenzhen, China, and operates support and sales offices throughout the world. Information about ARRIS products and services can be found at [www.arrisi.com](http://www.arrisi.com).

### **About Digeo**

Digeo, Inc., a Paul Allen-backed company, provides premium home entertainment products including digital video recorders (DVR). The company's mission is to enable the best consumer experience in high-definition entertainment for the connected home. The company's flagship product - the Moxi® HD DVR with Emmy® award-winning menu and features - serves as the hub for whole-home distribution of digital entertainment. The Moxi platform empowers consumers to discover, experience and share high definition media, including TV, movies, music, games, photographs and video. The Moxi HD DVR is available directly to consumers at [www.moxi.com](http://www.moxi.com) or via Amazon at [www.amazon.com/moxi](http://www.amazon.com/moxi). Moxi products are also available through cable providers, with nearly a half million units deployed to U.S. households to date. Digeo continues to innovate and provide Moxi solutions to the cable and IPTV industry, including the licensing of the Moxi platform and services to consumer electronics manufacturers and service providers. To learn more, please visit [www.digeo.com](http://www.digeo.com).

## **Forward-Looking Statements**

This press release contains forward-looking statements concerning expectations with respect to the Digeo and EGT acquisitions, including new product introductions and expected benefits and synergies, the expected closing date, and the assumptions relating to the foregoing. The statements in this presentation that use such words as "believe," "expect," "intend," "anticipate," "contemplate," "estimate," or "plan," or similar expressions also are forward-looking statements. Actual results may differ materially from those contained in, or suggested by, any forward-looking statement. Specific factors that could cause such material differences include: the difficulty of integrating multiple businesses, the uncertain economic climate and financial markets and their impact on our customers' plans and access to capital, and the demand for their products and services. Other factors include customer adoption of our technologies, development and marketing of technology by our competitors, rights to intellectual property and the current trend toward increasing patent litigation, market trends and the adoption of industry standards, and consolidations within the telecommunications industry of both the customer and supplier base. This list of factors is representative of the factors which could affect our forward-looking statements and is not intended as an all encompassing list of such factors. For additional factors please see our Form 10-Q for the quarter ended June 30, 2009, as filed with the SEC. We disclaim any obligation to update these statements, whether as a result of new information, future events or otherwise.

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