



PRESS RELEASE 2016-491

German high-tech companies join forces

Network infrastructure manufacturer LANCOM Systems attracts Rohde & Schwarz as a strategic partner

Aachen, October 31, 2016 – LANCOM Systems GmbH, the leading German manufacturer of network infrastructure solutions for business customers and the public sector, has secured a new shareholder, Rohde & Schwarz. Subject to approval from the German antitrust authority, the Munich-based electronics group will purchase the shares of two departing shareholders.

After more than 14 years of successful collaboration, two financial investors – S-UBG AG Aachen and a family-run office – are leaving the LANCOM ownership group. Both investors have been with LANCOM since it was established in 2002. Their shares will be purchased by the Munich-based electronics group, Rohde & Schwarz. LANCOM's founder and managing director Ralf Koenzen, co-managing partner Stefan Herrlich and founding partner Carl-Thomas Epping will retain their shares. The shareholders are committed to the common objective of developing LANCOM Systems into the leading European provider of LAN, WAN and WLAN infrastructures. The recently announced entry into the market for cloud-based network management, combined with SDN/SD-WAN technologies (software-defined networking/software-defined WAN), will play a key role.

LANCOM founder Ralf Koenzen sees enormous potential in the collaboration with the new shareholder: *"Rohde & Schwarz and LANCOM are very well matched in terms of strategic focus and corporate culture, including a commitment to technology made in Germany. We complement one another*



ideally in our business models and portfolios. Through this collaboration we expect a big boost to our further growth combined with a high degree of continuity. We are very much looking forward to this collaboration."

Peter Riedel, President and COO of Rohde & Schwarz, affirms: "We are delighted at having gained an interest in LANCOM as a new shareholder. We want to help LANCOM make the most of its enormous growth potential in the future. Our similar corporate structures will enable us to make rapid progress in exploiting synergies with regard to market access and the product portfolio. We are excited about moving forward together."

Since being established in 2002, LANCOM Systems has achieved impressive average annual growth of 14 % (CAGR). In 2015 LANCOM received the prestigious Sustained Excellence Award from Deloitte. It honors the achievements of companies that show outstanding long-term growth, innovative excellence and a long-term commitment to entrepreneurship. LANCOM has about 270 employees, mainly at the corporate headquarters in Würselen, near Aachen.

The parties agreed to maintain confidentiality concerning the purchase price and the details of the agreement.



LANCOM Systems Background:

LANCOM Systems GmbH is the leading German manufacturer of networking solutions for business customers and the public sector. LANCOM offers professional users secure and future-proof infrastructure solutions for local-area and multi-site networks (LAN, WLAN, VPN), and also for central, Cloud-based network design and management (SDN/SD-WAN). All LANCOM routers, gateways and Wireless LAN components are developed and manufactured in Germany, and a selection of the VPN solutions is certified by the German Federal Office for Information Security (BSI) for the protection of particularly sensitive networks and critical infrastructures (EPCIP). LANCOM Systems has its headquarters in Würselen near Aachen, Germany. Customers include small and medium-sized enterprises, government agencies, institutions, and major corporations from Germany, Europe and, increasingly, worldwide.

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Rohde & Schwarz Background:

The Rohde & Schwarz electronics group offers innovative solutions in all fields of wireless communications as well as in IT security. Founded more than 80 years ago, the independent company has an extensive sales and service network with subsidiaries and representatives in more than 70 countries. On June 30, 2016, Rohde & Schwarz had approximately 10,000 employees. The group achieved a net revenue of approximately EUR 1.92 billion in the 2015/2016 fiscal year (July to June). The company is headquartered in Munich, Germany, and also has strong regional hubs in Asia and the USA.

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