



Mitel Completes Acquisition of ShoreTel

September 25, 2017

Frequently Asked Questions

FAQs - General

1. Is this an acquisition or a merger?

This is an acquisition.

2. Is the acquisition final?

Yes

3. Will the company name or headquarters change?

The combined company will operate as Mitel, and continue to be headquartered in Ottawa, Ontario (Canada).

4. Who will lead the combined company?

The executive management team of the combined company will continue to be led by Rich McBee, as President and Chief Executive Officer. Steve Spooner, Mitel's Chief Financial Officer, will continue in that role.

5. Will you close or consolidate any office locations?

- There are no plans to close any of the major ShoreTel sites.
- There are a handful of cities around the world where Mitel and ShoreTel both have offices close to one another. In these locations, the integration team will look to co-locate employees over time, selecting the location best suited to house employees from both sites.
- Any future office moves will be communicated to our employees well in advance.

6. What will happen to the ShoreTel name?

- The company is now known as Mitel, and over time all instances of the ShoreTel name will be replaced by Mitel.
- Rebranding activities have already begun:
 - Some changes are being made starting on Day 1:
 - updating web sites, IVR systems, certain collateral, signage inside and outside buildings, employees' email/voice mail, and support teams who will now identify themselves as Mitel
 - Remaining changes will take place over time, but as quickly as possible.





7. How do the core businesses of Mitel and ShoreTel fit together?

- This combination is a natural consolidation of two companies that have strategies that are aligned and similar visions of where the industry is going.
- Combined, Mitel and ShoreTel are stronger together, well positioned to take customers and partners to the cloud, and with the size, scale and financial foundation to drive growth.
- Moving forward, we will be taking the best of both companies -- technology, products, and capabilities -- to accelerate our ability to move customers to the cloud and to make them cloud-capable. This is a core element of our strategy moving forward.

8. What are the top 3 benefits of the acquisition?

This acquisition:

- Accelerates Mitel's cloud business; moves Mitel into #2 position in UCaaS globally
- Gives us the scale of a \$1.3B company to compete in the marketplace
- Gives us a unique full suite of solutions and applications: powering connections becomes brilliantly simple
- Customers can count on our seamless solutions to take them to the cloud with investment protection

9. How does the ShoreTel acquisition differentiate you from your competitors?

- Our industry has been going through a massive transformation in the last few years. Our customer base has been at the front edge of this transition, moving first from TDM to IP, then from hardware to software, and now from on-site to the cloud as businesses around the world continue their digital transformation journeys.
- Both Mitel and ShoreTel are cloud leaders. In fact, there was a time when we were fierce competitors. We both have a strong competitive spirit.
- We are harnessing that competitive drive to take the best of our technologies, products, and capabilities to become a global UCaaS market leader.
- The combination of Mitel + ShoreTel immediately puts us into the #2 position in the global UCaaS market. As the #2 player, we will be invited to the table in new customer bids. As well, our #1 position in Europe and tied for #2 position in North America in the on-site space represents a huge base of customers in those regions that we can cloud-enable and move to the cloud.

10. Does this mean Mitel is abandoning its enterprise/on-site business?

- Not at all. We remain committed to serving our enterprise/on-site customers and meeting their needs. We believe that the combination of the two companies will strengthen our product portfolio in both the short and long term and that all customers, both on-site and cloud, will benefit from it.
- Mitel is committed to providing continued support and an attractive path forward to the cloud for all customers and partners – cloud and on-site.





11. How will the combined company manage the acquisition?

- Mitel has a long history of successfully integrating companies, as does ShoreTel.
- We have institutionalized that knowledge and experience into what we call our Integration Management Office (IMO), and we employ a highly disciplined integration methodology.
- Since the first announcement in July (signing of the agreement), a joint integration team with representatives and senior leaders from both Mitel and ShoreTel has been focused on integration planning: doing the careful and thoughtful analysis required to integrate every aspect of the business – from product portfolios to business processes to branding – and lay the path to a seamless integration.
- With the transaction now closed, these plans can now be put into action.
- Some areas will be integrated immediately; others will take time. The success of any integration lies in not doing everything at once. Mitel intends to move through the integration process quickly, but carefully. The primary goal of each integration team is to bring the companies together without disrupting current business.

12. When will the integration process start?

- The planning process for integrating our companies started when we first announced the proposed deal in July.
- With the deal now complete, the integration teams can move from planning to doing and they have already started. For example, signs at our major locations have begun to change, and employees who formerly held @ShoreTel.com email addresses now have an @Mitel.com email address. We've also updated web pages, held numerous channel, customer and employee updates and the list goes on.
 - There is clearly much work to be done beyond today to bring the two organizations together.
- A key tenant of a successful integration is the formation of integration teams that can focus on the details of bringing the two companies together.
 - We have formed 18 unique, dedicated teams covering all functional areas of the company.
 - Each team is staffed with dedicated resources from Mitel and ShoreTel.
 - These teams have been formed to allow everyone else in the organization to stay focused on their day job and not get distracted by the integration.
- It is critical that employees focus on their current jobs, continue to deliver their objectives and leave the heavy integration lifting to the integration teams.
- If you have questions or concerns regarding specific aspects of the integration or the process we are using, please reach out to the integration team at whatisthedeal@mitel.com.

13. Will there be a change to Mitel's go-to-market strategy as a result of this acquisition?

Mitel's go-to-market strategy will not be altered Day 1.





14. What is the plan for the combined product portfolio (how, when, expected timelines)?

- Mitel is taking a highly customer-centric view to this integration.
 - Investment protection and providing our customers a path to the future are key pillars in our roadmap planning.
 - Cloud-based applications will be a cornerstone in providing this path and will enable us to make the latest functionality available to all our customers, regardless of whether they have cloud or on-site solutions.
 - The combined company is now the number #2 UCaaS provider globally, and there will be a lot of focus on our go-forward cloud portfolio. We see a continued shift to the cloud in the market.
- We are planning to share the combined roadmap early in 2018, and will keep our customers, partners, suppliers, and employees updated on the associated timelines.
- We are excited that the technology and know-how available to the combined company will help us accelerate our growth path and enrich our portfolio and roadmap.

15. Will Mitel/ShoreTel stop selling any products as a result of the integration? If so, what is the process for notifying partners/customers?

- There are no changes to the product portfolio on Day 1.
- We will provide updates on the integration efforts. We are planning to share the combined roadmap early in 2018.

16. Will ShoreTel products be rebranded? If so, which ones and when?

Over time, all products and assets will be rebranded to Mitel. That will happen over a period of months and in different stages – for example, it takes time to change the UI and the software and to get the manufacturing supply chain to change the brands on the phones. We will be moving as quickly as possible to fully convert the brand.

17. As the Mitel and ShoreTel engineering teams are integrated, will there be any delay in maintenance releases, patches, etc., that I might need for my product?

All key R&D programs in Mitel and ShoreTel that have been identified and resourced will continue as planned, and we expect no short-term impact. Any longer-term changes will be communicated in due time.

18. Will the software of the platform that I am using today be maintained and have upgrades in the future?

Investment protection and providing our customers with a path to the future are key pillars in our roadmap planning. There are no immediate plans to discontinue any products as part of the integration. We are working on the portfolio integration and will share the portfolio roadmap early in 2018.

19. What is the future of Mitel Open SIP terminals?

No change to Mitel's line of SIP terminals is currently planned as a result of this integration.





20. What is Mitel's cloud product strategy post-acquisition?

We are really excited about ShoreTel CONNECT becoming part of our portfolio as it will immediately strengthen our North American cloud story. Both companies have extensive cloud platforms and are active in various markets. We will be communicating intensively about our cloud plans on a country-by-country basis early in 2018.

21. What is Mitel's enterprise product strategy post-acquisition?

In most markets, the acquisition of ShoreTel will not change our Enterprise/on-site product strategy. Mitel as a combined company will continue to provide strong on-site and cloud options to customers.

22. How does this acquisition affect your applications strategy? Which applications will the combined company sell?

- Mitel and ShoreTel have very compatible strategies on applications.
- Both companies have been working intensively on go-forward cloud applications platforms -- CloudLink for Mitel and Summit CLOUD for ShoreTel. These application platform concepts are similar but complementary, as each has been approached from a slightly different angle.
- We expect that the combination of Mitel's and ShoreTel's technology and resources will enable us to progress more quickly on the applications front than either company could have done on their own, with the clear objective to provide a comprehensive set of cloud-based applications for our customers.

23. What does this acquisition mean for Mitel's Contact Center strategy?

Mitel and ShoreTel share a common vision of creating new contact center applications using a CloudLink / Summit architecture, which will benefit existing on-site and cloud offers. The combination of the two companies will help accelerate this vision.





FAQs for Customers

Got questions not answered here? Reach out to your Mitel or ShoreTel representative or email shoretelcustomers@mitel.com.

1. What can customers expect during the integration process?

- Both Mitel and ShoreTel customers can rest easy knowing that it is business as usual, with no changes to the products, processes and people they are used to. They can expect open and transparent communication from Mitel as well as our commitment to provide continued support and an attractive path forward for all businesses.
- At appropriate times throughout the integration, customers can expect to hear about any relevant updates and changes.

2. Should ShoreTel customers now reach out to Mitel or ShoreTel?

Customers should continue to contact the same company representative they do today. As we move through the integration, any changes will be communicated well in advance.

3. Will ShoreTel customers receive invoices from ShoreTel or from Mitel?

In the short term, ShoreTel customers will continue to receive invoices from ShoreTel. However, Mitel is working to quickly rebrand various items and expects this to be extended to invoices by Q4 2017.

4. Will the integration disrupt any current implementations?

Mitel's priority throughout the integration process is to maintain business continuity for and minimize any disruption to customers. To this end, during the first 90 days post-close all customers will continue to use the same tools, phone numbers, contacts, and processes that they use today. Any changes to this will be communicated well in advance.

5. Will submitted RFP responses have to change?

This acquisition will have no impact on submitted RFP responses.

6. Will prices change as a result of this acquisition?

For the time being there are no changes to pricing. As we move through the integration process, we will communicate any changes to you in advance.





7. In what ways will Mitel be reaching out to customers?

Today the Mitel and ShoreTel Marketing and Sales teams are proactively communicating to Mitel and ShoreTel customers about this major milestone and, importantly, to confirm that it is business as usual. Throughout the integration we will continue to communicate to customers through emails, phone calls, and mail.

