LANCOM and Rohde & Schwarz Consolidate Joint Growth Strategy

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Increase in Interest

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Aachen, July 30, 2018 – German network infrastructure manufacturer Rohde & Schwarz Networks and Cybersecurity and technology group Rohde & Schwarz are joining forces to lay the foundation for continued, sustainable and above-average growth in the network and cybersecurity solutions market. Rohde & Schwarz will increase its interest in LANCOM to 100 percent.

Rohde & Schwarz has held a majority interest in LANCOM since November 2016. To consolidate the growth strategy of both companies, the Munich-based technology group is now increasing its interest in Germany's leading manufacturer of network infrastructure solutions for business and the public sector to 100 percent. Rohde & Schwarz Networks and Cybersecurity will operate as an independent subsidiary within the group.

LANCOM founder Ralf Koenzen and Co-Managing Director Stefan Herrlich will continue to run LANCOM's business and assume additional responsibilities within the group. Ralf Koenzen will head the newly founded Networks & Cybersecurity Division at Rohde & Schwarz, which will also integrate Rohde & Schwarz Cybersecurity. Stefan Herrlich will become a member of the supervisory board of Rohde & Schwarz Cybersecurity GmbH.

"The increased commitment of Rohde & Schwarz opens up further outstanding growth opportunities for LANCOM. We will use joint innovations to open up new markets and press ahead with the internationalization of our business," explains LANCOM founder and Managing Director Ralf Koenzen.

"We are pleased to enter this long-term commitment with LANCOM with its great track record of success," says Bosco Novak, member of Rohde & Schwarz corporate management and supervisory board member of Rohde & Schwarz Cybersecurity GmbH. "In just a very short time, the partnership has resulted in highly exciting developments that we will benefit from even more in the future. In the age of Industry 4.0, we are also leading the way in securing networked infrastructures."

Rohde & Schwarz Networks and Cybersecurity has grown by an average of 14 percent per year (CAGR) since its founding in 2002, and 17 percent in 2017. The far above-average growth compared to the market has always been organic and profitable, supported by the company's portfolio of WAN, LAN and WLAN solutions.

The next major growth driver is the R&S®LANCOM Management Cloud (LMC), which has been available for several months. R&S®LMC is the world's first hyper-integrated network management solution for SD-WAN, SD-LAN and SD-WLAN. It gives R&S®LANCOM Access to the fast-growing software defined networking (SDN) market.

The transfer of the shares is subject to the approval of the German Federal Cartel Office. The parties have agreed not to disclose the purchase price.

Rohde & Schwarz

The Rohde & Schwarz technology group develops, produces and markets innovative information and communications technology products for professional users. Rohde & Schwarz focuses on test and measurement, broadcast and media, cybersecurity, secure communications and monitoring and network testing, areas that address many different industry and government-sector market segments. Founded more than 80 years ago, the independent company has an extensive sales and service network in more than 70 countries. On June 30, 2017, Rohde & Schwarz had approximately 10,500 employees. The group achieved a net revenue of approximately EUR 1.9 billion in the 2016/2017 fiscal year

(July to June). The company is headquartered in Munich, Germany, and also has regional hubs in Asia and the USA.R&S® is a registered trademark of Rohde & Schwarz GmbH & Co.KG.

Rohde & Schwarz Networks and Cybersecurity

Rohde & Schwarz Networks and Cybersecurity GmbH is the leading German manufacturer of networking solutions for business customers and the public sector. LANCOM offers professional users secure, reliable and future-proof infrastructure solutions for local-area and multi-site networks (WAN, LAN, WLAN), as well as centralized network management based on software-defined networking technologies (SD-WAN, SD-LAN, SD-WLAN). The LANCOM routers, gateways and WLAN solutions are developed and manufactured in Germany, and a selection of the VPN portfolio is certified by the German Federal Office for Information Security (BSI) for the protection of particularly sensitive networks and critical infrastructures (EPCIP). Rohde & Schwarz Networks and Cybersecurity 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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