

# Polycom: Summary Transaction Overview at Entry

Overview		Transaction Structure																	
<b>Business Description</b>	<ul style="list-style-type: none"> <li>Polycom is a leading global provider of open, standards-based unified communications (“UC”) solutions for voice and video communication and content sharing</li> </ul>																		
<b>Closing Date</b>	<ul style="list-style-type: none"> <li>Acquisition: September 27, 2016</li> </ul>																		
<b>Capital Structure at Entry</b>	<ul style="list-style-type: none"> <li>Total Equity &amp; Debt: \$1,584 mm               <ul style="list-style-type: none"> <li>Total Equity: \$659 mm</li> <li>Total Debt<sup>(1)</sup>: \$925 mm</li> </ul> </li> </ul>																		
<b>Co-Investors</b>	<ul style="list-style-type: none"> <li>LP co-invest of \$319mm (49% of equity)</li> </ul>																		
<b>Executive Partners</b>	<ul style="list-style-type: none"> <li>Daniel Moloney, Mary McDowell<sup>(2)</sup>, Michael Seedman</li> </ul>																		
<b>Entry Valuation &amp; Liquidity/Leverage</b>				<b>Entry Summary Financials (FY 2016E)</b>															
<b>Valuation</b>	<ul style="list-style-type: none"> <li>TEV<sup>(3)</sup> / FY2016E PF Total EBITDA: 4.7x</li> </ul>	<table border="1"> <thead> <tr> <th>\$ in millions</th> <th>Total</th> <th>Projected Net Cost Savings</th> <th>PF Total</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>\$1,163</td> <td></td> <td>\$1,163</td> </tr> <tr> <td>PF EBITDA<sup>(5)</sup></td> <td>\$201</td> <td>\$75<sup>(5)</sup></td> <td>\$276</td> </tr> <tr> <td>% Margin</td> <td>17%</td> <td></td> <td>24%</td> </tr> </tbody> </table>		\$ in millions	Total	Projected Net Cost Savings	PF Total	Revenue	\$1,163		\$1,163	PF EBITDA <sup>(5)</sup>	\$201	\$75 <sup>(5)</sup>	\$276	% Margin	17%		24%
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<b>Liquidity/Leverage</b>	<ul style="list-style-type: none"> <li>\$117 million total liquidity – \$67 million of cash at close and \$50 million undrawn revolver</li> <li>Net Debt<sup>(4)</sup> / FY2016E PF Total EBITDA : 3.1x</li> </ul>																		

Note: Please see Appendix—Footnotes” and “Siris Disclaimer” and “Case Studies” for important information, additional considerations and definitions.

(1)\$750 mm 1<sup>st</sup> Lien Debt + \$175.0 mm + 2<sup>nd</sup> Lien Debt = \$925.0 mm Total Debt (excludes \$50 mm revolving credit facility undrawn at close).

(2)Ms. McDowell now serves as CEO of Polycom.

(3)Total Enterprise Value (“TEV”) = \$659.0 mm total equity + \$925.0 mm total debt - \$211.5 mm of transaction expenses - \$67.2 mm of minimum cash = \$1,305.3 mm / \$276.2 mm FY16E PF Total EBITDA = 4.7x.

(4)Net Debt = \$925.0 mm total debt - \$67.2 mm cash on balance sheet = \$857.8 mm net debt / \$276.2 mm FY16E PF Total EBITDA = 3.1x.

(5)PF EBITDA represents Total EBITDA including Siris’ projected net cost savings of \$75.0 million (\$90 million gross savings less \$15 million RSU Replacement costs) over initial two years, as if realized at entry. There can be no assurance such cost savings will be achieved.



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