



NEWS RELEASE

Cisco Announces Intent to Acquire Silicon Photonics Leader, Luxtera

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SAN JOSE, Calif., Dec. 18, 2018 (GLOBE NEWSWIRE) -- Cisco (NASDAQ: CSCO) today announced the intent to acquire privately-held Luxtera, Inc, a semiconductor company based in Carlsbad, California that uses silicon photonics to build integrated optics capabilities for webscale and enterprise data centers, service provider market segments, and other customers. Luxtera's technology, design, and manufacturing innovation significantly improves chip scale and performance, while lowering costs. Cisco plans to incorporate Luxtera's technology across its intent-based networking portfolio, spanning enterprise, data center and service provider markets.

"With Cisco's 2018 Visual Networking Index projecting that global Internet traffic will increase threefold over the next five years, our customers are facing an exponential demand for Internet bandwidth," said David Goeckeler, executive vice president and general manager, Networking and Security Business at Cisco. "Optics is a fundamental technology to enable this future. Coupled with our silicon and optics innovation, Luxtera will allow our customers to build the biggest, fastest and most efficient networks in the world."

Cisco will pay \$660 million in cash and assumed equity awards for the acquisition of Luxtera. The acquisition is expected to close in the third quarter of Cisco's fiscal year 2019, subject to customary closing conditions and required regulatory approvals.

The acquisition will:

- **Future-Proof Networks for Emerging Applications:** The emerging class of distributed cloud, mobility, and IoT applications is creating an unprecedented strain on existing communications infrastructure. The combination of Cisco's and Luxtera's capabilities in 100 Gigabit Ethernet (GbE)/400GbE optics, silicon, and process technology will enable customers to build future-proof networks optimized for performance, reliability, and cost.
- **Expand Cisco's 100GbE and 400GbE Portfolio:** Integration of Luxtera and Cisco's optical

transceiver portfolio will broaden Cisco's offering of 100GbE and 400GbE optics. As system port capacity increases from 100GbE to 400GbE and beyond, optics plays an increasingly important role in addressing network infrastructure constraints, particularly density and power requirements.

- **Report into David Goeckeler:** Upon completion of the transaction, Luxtera employees will join Cisco's Optics business under David Goeckeler, executive vice president and general manager, Networking and Security Business.

Additional Information

- Blog from Rob Salvagno on [Cisco's acquisition of Luxtera](#)
- Blog from David Goeckeler on [Cisco's strategy for reinventing infrastructure for the extended enterprise](#)
- News Release: [More Bandwidth, More Features: Cisco Unveils 400G Switching Done Right](#)

About Cisco

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Forward Looking Statements

This press release may be deemed to contain forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements regarding the incorporation of Luxtera's technology across Cisco's intent-based networking portfolio, spanning enterprise, data center and service provider markets, the acquisition allowing Cisco's customers to build the biggest, fastest and most efficient networks in the world, the acquisition expanding Cisco's 100 and 400 GbE portfolio and the opportunity to support customers like webscale companies, cloud service providers, and 5G network providers, the expected benefits to Cisco and its customers from completing the acquisition, and plans regarding Luxtera personnel. Readers are cautioned that these forward-looking statements are only predictions and may differ materially from actual future events or results due a variety of factors, including, among other things, that conditions to the closing of the transaction may not be satisfied, the potential impact on the business of Luxtera due to the uncertainty about the acquisition, the retention of employees of Luxtera and the ability of Cisco to successfully integrate Luxtera and to achieve expected benefits, business and economic conditions and growth trends in the networking industry, customer markets and various geographic regions, global economic conditions and uncertainties in the geopolitical environment and other risk factors set forth in Cisco's most recent reports on Form 10-K and Form 10-Q. Any forward-looking statements in this release are based on limited information currently available to Cisco, which is subject to change, and Cisco will not necessarily update the information.

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