



ShoreTel Acquires Enterprise Mobility Leader Agito Networks

Leading edge technology enables ShoreTel to redefine the meaning of the "mobile worker," changing the rules in the communications industry

SUNNYVALE, Calif., October 21, 2010 – ShoreTel® (NASDAQ: SHOR), the leading provider of brilliantly simple IP phone systems with fully integrated unified communications (UC), today announced it has acquired Agito Networks ("Agito"), a leader in platform-agnostic enterprise mobility, for approximately \$11.4 million.

The Agito solution expands ShoreTel's vision of setting the user free to communicate on any device (desk phone, mobile phone, computer), at any location (office, home, remote) by allowing individuals to use any network (cellular or Wi-Fi), simply and cost effectively. With this acquisition, ShoreTel redefines the meaning of the "mobile worker" and changes the rules in giving mobile device users the freedom to work anywhere, even beyond the wireless network. The Agito technology puts the full power of the desk phone in the user's pocket, arming them with some of the most sophisticated voice and UC features available today, including enterprise call-control capabilities, voice over WLAN with superior voice quality, as well as presence and location. The solution provides productivity gains for the end user and the IT staff with its heterogeneous PBX and UC support for other vendors, including Cisco, Avaya and Microsoft, as well as legacy TDM PBXs.

The transaction further strengthens ShoreTel's cost-saving proposition by reducing mobile and long distance costs and allowing business to use smartphones as PBX extensions. Enterprises of all sizes are seeing a growing segment of their workforce elect smartphones as their primary communications device of choice. With the Agito solution, ShoreTel will offer native support for leading smartphones and tablets including BlackBerry, iPhone, iPad, Nokia, and Windows-Mobile smartphones, reducing integration complexities for enterprise IT — a first in the area of enterprise mobility.

"This is a key strategic investment that creates a significant differentiator for ShoreTel in enterprise mobility," said Don Girskis, interim CEO of ShoreTel. "Dependence on smartphones continues to skyrocket, but many workers still struggle with poor coverage areas, inferior call quality, expensive international roaming fees and limited feature sets. By integrating the Agito technology with ShoreTel's brilliantly simple UC system, we free users to use any network (Wi-Fi or cellular), leveraging the power of the desk phone, and taking advantage of industry-leading call quality and call controls from their smartphone. This not only has a positive impact on productivity, but it also positively affects the bottom line with significant savings on mobile and international usage fees."



BENEFITS OF TRANSACTION

• Freedom of Choice: Workers are on the move and their communications need to keep up with them. Mobile devices and smartphones are quickly becoming the device of choice. Together, ShoreTel and Agito technology give businesses and their employees a powerful solution to boost productivity inside and outside of the office.

• Cost Savings & Productivity Gains: The Agito solution delivers value to businesses of all sizes, including significant cost savings of up to 80 percent on mobile and international usage. Desk phone and UC capabilities, such as presence and location are extended to the smartphone for productivity gains for the mobile worker.

• Heterogeneous PBX Support: The acquisition of Agito expands upon ShoreTel's 360 Legacy Migration Program to include mobility. By leveraging Agito's broad smartphone interoperability and demonstrated support of Avaya, Cisco, ShoreTel and other enterprise IP PBX systems, ShoreTel can provide mobility solutions ideally suited to heterogeneous environments.

• Secure and Seamless: Agito Networks' patent pending solution is designed to securely deliver industry-leading capabilities on any cellular network and Wi-Fi networks—transparently to the user, with seamless handoff between networks during active calls.

• Brilliant Simplicity: The innovative Agito technology complements the awardwinning ShoreTel Communicator Mobile dashboard, and meets ShoreTel's stringent requirements for ease of deployment by IT and ease of use by non-technical business users.

• Transaction Details: ShoreTel has acquired all of Agito's intellectual property, customer base, distribution network and has hired certain employees in the all-cash deal.

• Expanded Enterprise Customer Base: The Agito technology and distribution channel allows ShoreTel better access to Fortune 1000 customers.

CUSTOMER QUOTES

Hertford Regional College

"Hertford Regional College has more than 900 employees in multiple campus buildings over half a city block. Mobility isn't an option, for us, it's essential. Agito gives us the flexibility to select any mobile device and carrier service in one fully integrated PBX and wireless network. The result is a campus-wide mobility solution that is easy to use, offers outstanding sound quality and works at any location, even where cell service is not available. Employees are reachable on their business phone number all times from their mobile device, while we've been able to cut our costly cellular services expenses in half." - Daniel Hidlebaugh, Network Services Manager, Hertford Regional College.

Anthony Marano Company

"Here at the Anthony Marano Company, our business is done over the phone with a very mobile workforce. Agito Networks turns the wide variety of smartphones we use into mobile desk phones. From our drivers to our sales staff, everyone is reachable and responsive whether in the warehouse, in the office, or on the road."

- Christopher Nowak, CTO, Anthony Marano Company.



INDUSTRY ANALYST QUOTES

Frost and Sullivan

Agito Networks enterprise mobility applications align nicely with ShoreTel's mission to offer communications solutions with sophisticated functionality yet that are easy to implement, administer and use, resulting in lower communication costs for customers. Agito's unique location aware dual mode telephony and mobile UC applications strengthen and bring differentiation to ShoreTel's mobility portfolio, as well as expand the range of solutions ShoreTel can deliver to third-party and multi-vendor enterprise communications networks. With rapidly increasing demand for advanced enterprise mobility applications, the addition of Agito positions ShoreTel well to capture this emerging opportunity.

- Rob Arnold, Senior Industry Analyst, Unified Communications and Collaboration, Information & Communication Technologies, Frost & Sullivan

About ShoreTel, Inc.

ShoreTel, Inc. (NASDAQ: SHOR) is the provider of brilliantly simple Unified Communication (UC) solutions based on its award-winning IP business phone system. We offer organizations of all sizes integrated, voice, video, data, and mobile communications on an open, distributed IP architecture that helps significantly reduce the complexity and costs typically associated with other solutions. The feature-rich ShoreTel UC system offers the lowest total cost of ownership (TCO) and the highest customer satisfaction in the industry, in part because it is easy to deploy, manage, scale and use. Increasingly, companies around the world are finding a competitive edge by replacing business-as-usual with new thinking, and choosing ShoreTel to handle their integrated business communication. ShoreTel is based in Sunnyvale, California, and has regional offices in Austin, Texas, United Kingdom, Sydney, Australia and Munich, Germany. For more information, visit <u>www.shoretel.com</u>.

About Agito Networks

Agito Networks is an award-winning technology leader in enterprise mobility. Its product, the RoamAnywhere Mobility Router, is an innovative mobile Unified Communications (UC) product enabling enterprises to extend voice and UC to cell phones. RoamAnywhere is the first and only network appliance that fuses enterprise wireless LANs, carrier cellular networks, IP telephony and location technology to mobilize voice and data applications, while remaining agnostic to customers' choices of carrier and equipment vendors. Agito enables low-cost in-building voice coverage, reduced cellular costs, improved enterprise visibility and control over cellular usage, and better accessibility and responsiveness for mobile workers. With Corporate Headquarters in Santa Clara, Calif., the company is venture backed by Battery Ventures, Castile Ventures and ITX International. Follow Agito Networks on Twitter at http://twitter.com/agitonetworks, and on Facebook at http://twitter.com/agitonetworks.