



**2012 Global Mobile Backhaul Test Equipment
Product Differentiation Excellence Award**



FROST & SULLIVAN



50 Years of Growth, Innovation & Leadership

Product Differentiation Excellence Award Mobile Backhaul Test Equipment Global, 2012

Frost & Sullivan's Global Research Platform

Frost & Sullivan is in its 50th year in business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. The company's research philosophy originates with the CEO's 360 Degree Perspective™, which serves as the foundation of its TEAM Research™ methodology. This unique approach enables us to determine how best-in-class companies worldwide manage growth, innovation and leadership. Based on the findings of this Best Practices research, Frost & Sullivan is proud to present the 2012 Global Product Differentiation Excellence Award in Mobile Backhaul Test Equipment to VeEX Inc. (VeEX).

Significance of the Product Differentiation Excellence Award

Key Industry Challenges Addressed by Product Differentiation Excellence

Due to the deployment of LTE and 4G networks, the entire backhaul is moving to new architectures, such as IP and Ethernet, thereby creating growth opportunities for testing. However, there are a number of key challenges if this migration is to be supported. One is the need to provide new architectures with the capability of offering the same level of quality required in the time-domain multiplexing (TDM) networks. The industry is expected to see a combination of both E1/T1 (for voice) and carrier Ethernet/IP (for data services) technologies in the mobile backhaul. This hybrid-network approach involves dealing with supporting legacy networks and new architectures, representing another of the key industry challenges, as it obliges carriers to sustain and maintain two separate networks.

Moreover, as the backhaul migrates into IP and Ethernet, timing synchronization will remain a challenge to ensure the QoS provided by operators. There are new service providers requirements, and the industry is not seeing a homogeneous network. Instead, there are different typologies emerging across multiple vendors. Finding a consistent implementation across a diverse set of parameters is a key challenge. Furthermore, customers are looking for a "one stop-shop" investment and in obtaining everything from a single source.

Developing solutions that will help manage various applications to facilitate the interoperability of Mobile Backhaul testing is likely to generate high growth and success for mobile backhaul test equipment vendors.

Impact of Product Differentiation Excellence Award on Key Stakeholders

The Product Differentiation Excellence Award is a prestigious recognition of VeEX's accomplishments in network application performance. An unbiased, third-party recognition can provide a profound impact in enhancing the brand value and accelerating VeEX's growth. As captured in Chart 1 below, by researching, ranking, and recognizing those who deliver excellence and best practices in their respective endeavors, Frost & Sullivan hopes to inspire, influence, and impact three specific constituencies:

- **Investors**

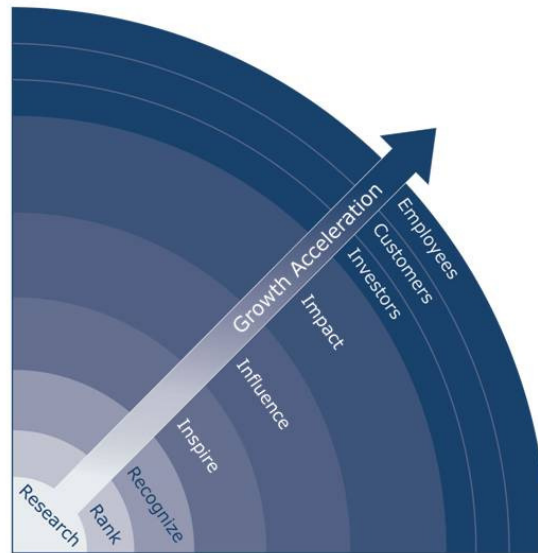
Investors and shareholders always welcome unbiased and impartial third-party recognition. Similarly, prospective investors and shareholders are drawn to companies with a well-established reputation for excellence. Unbiased validation is the best and most credible way to showcase an organization worthy of investment.

- **Customers**

Third-party industry recognition has been proven to be the most effective way to assure customers that they are partnering with an organization that is leading in its field.

- **Employees**

This Award represents the creativity and dedication of VeEX's executive team and employees. Such public recognition can boost morale and inspire your team to continue its best-in-class pursuit of a strong competitive position for VeEX.

Chart 1: Best Practices Leverage for Growth Acceleration**Key Benchmarking Criteria for Product Differentiation Excellence Award**

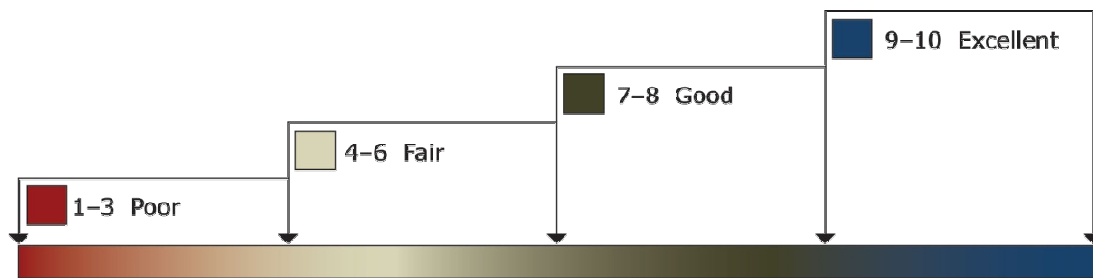
For the Product Differentiation Excellence Award, the following criteria were used to benchmark VeEX's performance against key competitors:

- Unique Features/Functionality
- Quality/Complexity
- Customization
- Matched to Target Markets Needs
- Brand Perception of the Uniqueness of the Product

Decision Support Matrix and Measurement Criteria

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Matrix (DSM). The DSM is an analytical tool that compares companies' performance relative to each other with an integration of quantitative and qualitative metrics. The DSM features criteria unique to each Award category and ranks importance by assigning weights to each criterion. The relative weighting reflects current market conditions and illustrates the associated importance of each criterion according to Frost & Sullivan. Fundamentally, each DSM is distinct for each market and Award category. The DSM allows our research and consulting teams to objectively analyze each company's performance on each criterion relative to its top competitors and assign performance ratings on that basis. The DSM follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are shown in Chart 2.

Chart2: Performance-Based Ratings for Decision Support Matrix



This exercise encompasses all criteria, leading to a weighted average ranking of each company. Researchers can then easily identify the company with the highest ranking. As a final step, the research team confirms the veracity of the model by ensuring that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

Chart3: Frost & Sullivan's 10-Step Process for Identifying Award Recipients



Best Practice Award Analysis for VeEX

The Decision Support Matrix, shown in Chart 4, illustrates the relative importance of each criterion for the Product Differentiation Excellence Award and the ratings for each company under evaluation. To remain unbiased while also protecting the interests of the other organizations reviewed, we have chosen to refer to the other key players as Competitor 1 and Competitor 2.

Chart4: Decision Support Matrix for Product Differentiation Excellence Award

<i>Measurement of 1-10 (1 = lowest; 10 = highest)</i>	Award Criteria					
	Unique Features/Functionality	Quality/Complexity	Customization	Matched to Target Markets Needs	Unique Name/Brand Recognition	Weighted Rating
Relative Weight (%)	20%	20%	20%	20%	20%	100%
VeEX	9	8	9	9	7	8.4
Competitor 1	8	9	8	7	8	8.0
Competitor 2	7	8	7	7	8	7.4

Criterion 1: Unique Features/Functionality

Compared to other competitors, one of the key factors differentiating VeEX's VePAL TX130M+ product is its capability to bring into the industry unique and complete mobile backhaul test equipment that allows for all the tools required to cover all test deployments and to maximize the use of existing infrastructure. VeEX's VePAL TX130M+ product provides world class, all-in-one solutions. VePAL TX130M+ supports the migration from legacy TDM to IP and carrier Ethernet to stay ahead of higher bandwidth and quality-intensive service demands over the network. This solution enables easy and complete test features specific to Ethernet interfaces, PDH/DSn, and synchronized packet networks. This solution provides tremendous cost savings in terms of supporting next generation 4G/LTE networks.

Moreover, according to VeEX, the TX130M+ is the first small portable solution in the industry to provide proactive support for matching Master and Slave clocks based on IEEE 1588v2 and ITU-T G.8261 SyncE standards. According to the deployment setup, VePAL TX130M+ has the capability of being applied in either the network or cell spot.

Criterion 2: Quality/Complexity

VeEX's VePAL TX130M+ product incorporates a distinct architecture that enables it to support all the complexity of new synchronization technologies in mobile backhaul and Carrier Ethernet networks. With the VePAL TX130M+, only one piece of handheld equipment is required to certify communication and support of both copper and optical fiber networks.

The TX130M+ is a solution enabling the support of next generation LTE networks. In order to provide proactive support to achieve synchronization based on the IEEE1588v2 standard, the TX130M+ processes packet deferral deviation. Moreover, the TX130M+ sets a higher number of control solutions, which enables a detailed level of analysis to provide enhanced support to decode the PTP messages. The TX130M+ is an ideal solution to support the migration towards packet-based Ethernet networks, assisting the accurate transmission of frequency and time to match clocks.

Criterion 3: Customization

A number of the TX130M+ features can be customized to suit specific customer requirements. For example, TX130M+ test reports and views can be customized using ReVeal™ PC software. The modularity approach in TX130M+ allows for the most effective way of selecting information, managing test arrangements, processing measurement outcomes, and providing customized test information. These reports can be tailored to test outlines allowing fast and effective services. TX130M+ provides flexible features to provide customizable information and to respond to challenging test settings.

Moreover, TX130M+ allows users to execute distant testing and monitoring via the remote control option through the Ethernet interface. This reflects a broad understanding of evolving customer requirements and adds tremendous value to TX130M+'s offerings.

Criterion 4: Matched to Target Markets' Needs

With the rising number of mobile backhaul test solutions in the industry, TX130M+ is making significant inroads to provide improved interoperability with several vendors in the market and to provide a full-featured test solution for Ethernet test traffic measurement. According to VeEX, on January 2012, VePAL TX130M+ demonstrated Y.1731 Ethernet OAM Performance Monitoring and 1588v2 synchronization interoperability with other 13 test equipment vendors at the MPLS & Ethernet World Congress in Paris. The VeEX TX130M is an effective solution for testing the 1588v2 boundary clock and transparent clock measurement settings with several vendors.

Criterion 5: Brand Perception of the Uniqueness of the Product

VeEX's VePAL TX130M+ has begun to earn a significant brand reputation for providing support for all test deployments from legacy TDM to packet synchronization technologies applied in Mobile Backhaul and Ethernet.

According to VeEX, VePAL TX130M has earned significant recognition for a test solution with a high level of interoperability offered with several vendors' environments across the global mobile backhaul test solution.

Conclusion

VeEX's VePAL TX130M+ product provides an all-in-one solution to support all test deployments from legacy TDM to complete test features specific to Ethernet interfaces, PDH/DSn and synchronized packet networks. This solution provides tremendous cost savings in terms of supporting next generation 4G/LTE networks.

Based on the aforementioned criteria, Frost & Sullivan is proud to present the 2012 Frost & Sullivan Global Product Differentiation Excellence Award in Mobile Backhaul Test Equipment to VeEX.

The CEO 360 Degree Perspective™ - Visionary Platform for Growth Strategies

The CEO 360 Degree Perspective™ model provides a clear illustration of the complex business universe in which CEOs and their management teams live today. It represents the foundation of Frost & Sullivan's global research organization and provides the basis on which companies can gain a visionary and strategic understanding of the market. The CEO 360 Degree Perspective™ is also a "must-have" requirement for the identification and analysis of best-practice performance by industry leaders.

The CEO 360 Degree Perspective™ model enables our clients to gain a comprehensive, action-oriented understanding of market evolution and its implications for their companies' growth strategies. As illustrated in Chart 5 below, the following six-step process outlines how our researchers and consultants embed the CEO 360 Degree Perspective™ into their analyses and recommendations.

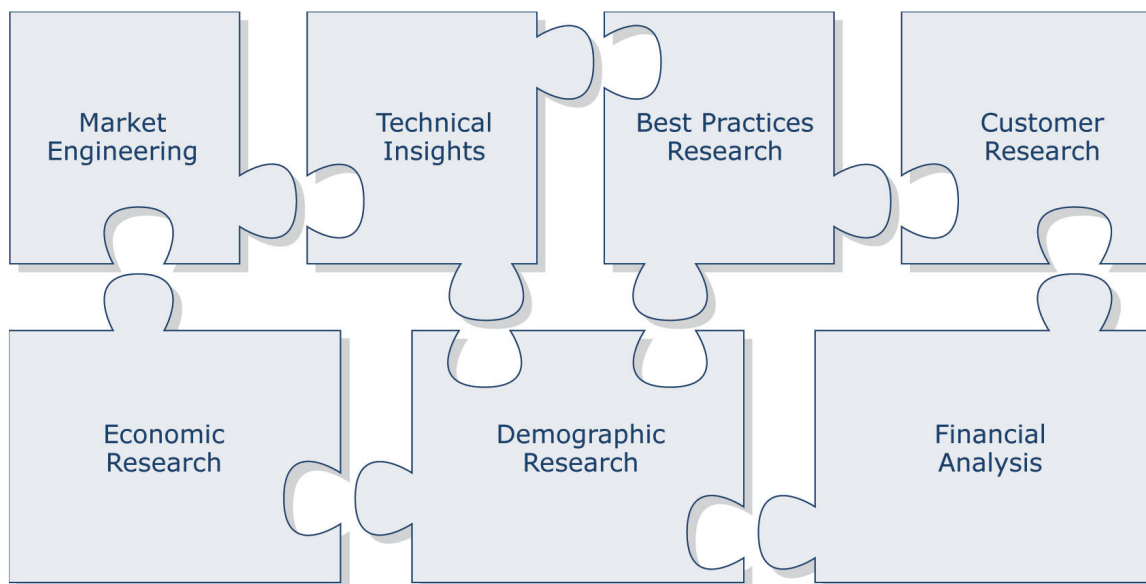
Chart5: CEO's 360 Degree Perspective™ Model



Critical Importance of TEAM Research

Frost & Sullivan's TEAM Research methodology represents the analytical rigor of our research process. It offers a 360 degree view of industry challenges, trends, and issues by integrating all seven of Frost & Sullivan's research methodologies. Our experience has shown over the years that companies too often make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Frost & Sullivan contends that successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. In that vein, the letters T, E, A and M reflect our core technical, economic, applied (financial and best practices) and market analyses. The integration of these research disciplines into the TEAM Research methodology provides an evaluation platform for benchmarking industry players and for creating high-potential growth strategies for our clients.

Chart 6: Benchmarking Performance with TEAM Research



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best-practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 40 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.