

Santa Clara, Calif., April 18, 2019

Cambridge Industries USA, Inc., the US entity of CIG Shanghai Co., Ltd. (CIG), completed the closing of its acquisition of the datacom and telecom client-side optical transceiver product lines and business from Lumentum Holdings Inc. and its subsidiary Oclaro Japan, Inc. (“Lumentum”). The acquisition was previously announced on March 4, 2019. In this transaction, the optical transceiver product lines, including the underlying optical module design and optical transmit/receive subassembly technologies, have been developed and manufactured by Oclaro Japan, which has a long history of innovation and quality that originated in OpNext, Inc., a joint venture of Hitachi formed in 2000.

As part of the transaction, CIG also entered into a long-term strategic supply agreement with Lumentum for its photonic chips from Oclaro Japan. The resulting new CIG optical transceiver company is called “CIG Photonics Japan Limited” and is co-located in a shared facility with Oclaro Japan in Sagami-hara City. CIG and Lumentum created a business transfer agreement to ensure a smooth transfer of all aspects of the business, including designs, technology, equipment and personnel. The co-location is expected to enhance the speed and robustness of the transition. CIG Photonics Japan Limited further expands CIG’s investment in Japan for photonics capabilities and increases CIG’s global presence. The addition is synergistic with CIG’s acquisition in 2018 of part of MACOM’s photonic component product line and business located in Hachioji City (CIGTech Japan Limited).

The acquisition of the Oclaro Japan optical transceiver business extends CIG’s proven high quality JDM and ODM capabilities to include industry-leading products for 100G and 400G data center applications, as well as for 5G wireless front haul applications that operate at 25G. These applications are in market segments predicted for high growth. As the ever increasing demand for bandwidth forces optical transceiver speeds to transition to 400G and soon 800G, transceiver manufacturers are faced with new challenges that exceed those of prior transitions that took place at lower rates. By adding high performance telecom and datacom optical transceiver and sub-assembly expertise to CIG’s existing cost-effective, high quality volume manufacturing know-how, CIG is uniquely positioned to serve the needs of customers whose success depends on having a stable supply of reliable, cost competitive optical transceivers operating at leading-edge data rates.