



Clayton, Dubilier & Rice to Acquire Epicor Software Corporation from KKR

August 31, 2020

NEW YORK and AUSTIN, Texas, Aug. 31, 2020 /PRNewswire/ -- Clayton, Dubilier & Rice, KKR, and Epicor Software Corporation today announced a definitive agreement whereby CD&R funds will acquire Epicor, a global provider of industry-specific enterprise software to industrial-focused sectors, from leading global investment firm KKR

The transaction represents an important milestone for Epicor, a leading enterprise software vendor delivering cloud-enabled services to more than 20,000 customers globally. Epicor's flagship products are curated to support complex, vertical-specific workflows and provide mission-critical support to customers seeking to drive growth and profitability in their own businesses. Epicor is an acknowledged leader in the industrial end markets it serves, including manufacturing, distribution, retail, and services categories.

Over the past four years under KKR's ownership, Epicor's executive team, led by CEO Steve Murphy, has driven growth through a combination of organic investments and strategic acquisitions. A series of new product releases has led to a revenue mix comprising 73 percent recurring revenue, which includes an industry-leading SaaS business growth rate of 60 percent year-to-date. Epicor is well positioned for its exciting next chapter under CD&R ownership.

"This is an exciting day for the entire Epicor family—employees, customers, and partners alike – and validates the company's leadership position across markets we serve," said Epicor CEO Steve Murphy. "We welcome this new partnership with CD&R, which shares our vision for growing the company, and I thank KKR for a highly successful partnership these past few years. We are excited to work with CD&R to increase investment in our market-leading product portfolio and to enhance our ability to support an ever-increasing range of customer needs."

"Epicor's reputation for quality and performance, and its impressive portfolio of next-generation cloud products, position the company well to accelerate growth in the coming years," said Jeff Hawn, CD&R Operating Partner. "We look forward to partnering with the Epicor management team to further expand Epicor's product portfolio as well as make strategic acquisitions to meet customers' evolving digital transformation needs."

"We are excited to partner with Epicor and its talented management team to drive the business into a new phase of growth and profitability," said Rick Schnall, CD&R Co-President. "Our long-standing industrial end-market experience and growing enterprise software expertise aligns well with Epicor's value creation plan."

"Four years ago, we embarked on an ambitious product modernization journey together with Epicor and are incredibly proud of the successes that the company has achieved to date, particularly with its recent cloud releases," remarked John Park, Chairman of the Epicor Board and Head of Americas Technology Private Equity at KKR. "We are confident that CD&R will provide valuable support as the company continues these product- and customer- centric investments to accelerate growth in the cloud."

CD&R Operating Partner Jeff Hawn will serve as Chairman of the Epicor Board upon close of the transaction, expected later this year. Mr. Hawn has more than 20 years' experience across a range of senior executive roles in software and technology-related businesses, including serving as Chairman and Chief Executive Officer of Quest Software, Vertafore, and Attachmate.

UBS Investment Bank is acting as financial advisor and Debevoise & Plimpton LLP as legal advisor to CD&R. Barclays is acting as lead financial advisor, BofA Securities and Jefferies LLC as financial advisors, and Simpson Thacher & Bartlett LLP as legal advisor to KKR and Epicor.

About Epicor Software Corporation

For almost 50 years, Epicor Software Corporation has specialized in helping their customers grow their businesses, expand their capabilities, increase their productivity, and improve efficiencies. A leader in Enterprise Resource Planning for medium-sized businesses, Epicor serves as a trusted partner for thousands of companies worldwide across key industries such as manufacturing, distribution, and retail. Through its innovative services and unparalleled vertical knowledge, Epicor is creating a world of better business for their customers, building in their unique business processes and operational requirements into every one of their solutions?in the cloud or on premises. For more information, [connect with Epicor](#) or visit www.epicor.com.

About Clayton, Dubilier & Rice

Founded in 1978, Clayton, Dubilier & Rice is a private investment firm with a strategy predicated on enhancing the value of the businesses it acquires by supporting long-term growth, productivity, capital efficiency, and related strategic measures. Since inception, CD&R has managed the investment of more than \$30 billion in 93 companies with an aggregate transaction value of more than \$140 billion. The Firm has offices in New York and London. For more information, visit www.cdr-inc.com.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, credit and real assets, with strategic partners that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. Inc. (NYSE: [KKR](#)), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

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