



Cherwell Software Secures \$50 Million Investment from KKR to Further Advance Service Management Leadership

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COLORADO SPRINGS, Colo., Feb. 27, 2017 (GLOBE NEWSWIRE) -- [Cherwell Software](#), LLC, a leading provider of IT service management (ITSM) solutions, announced today that it has secured \$50 million in funding from [KKR](#), a global investment firm. KKR is making the investment through its [Next Generation Technology Fund](#), which focuses on investments in software, security, Internet, digital media, and information services.

KKR joins existing Cherwell investor, [Insight Venture Partners](#), which has made a series of investments beginning in 2012. With the support of KKR's funding, Cherwell will accelerate research and development and make strategic investments aimed at broadening and deepening its portfolio of IT and enterprise service management offerings.

[Vini Letteri](#), a member of KKR's Technology, Media & Telecommunications industry team, will be joining Cherwell's board of managers.

"The IT service management market is a large and rapidly growing sector undergoing a period of disruption as new, emerging technologies replace older legacy systems. With IT teams' increasing importance within organizations, ensuring there is no interruption to IT services and that customer satisfaction is high are paramount to any business," said Vini Letteri, Director, KKR. "Since its founding, Cherwell has been entirely customer-centric in its focus and is led by a seasoned, passionate, and industry-leading management team. Its platform provides unparalleled value and the ultimate flexibility to its customers to operate in any industry and in any environment—on premises, cloud, or hybrid. We are really pleased to partner with them to help accelerate Cherwell's future growth and leadership in this dynamic industry."

Named by IDC as the fastest growing vendor in its [2015 Worldwide Problem Management Software Market Shares report](#), Cherwell has become a force multiplier for IT organizations that need to become more innovative and agile, while reducing the total cost of ownership (TCO) of their service management initiatives. The ITSM market is widely known for expensive, inflexible tools supplied by vendors whose business practices are characterized by confusing licensing models and punitive pricing.

Cherwell has driven strong growth in the ITSM market by delivering:

- A codeless platform that enables rapid solution customization and hassle-free upgrades
- A transparent and straightforward concurrent licensing model, along with predictable, all-inclusive pricing
- A "customers first" philosophy which has resulted in 98%+ customer satisfaction rate

"IT teams are increasingly abandoning their legacy service management tools in favor of powerful, modern, and agile solutions that empower them to confidently tackle business challenges and opportunities," said Craig Harper, Chief Executive Officer of Cherwell. "KKR's investment in Cherwell is validation that our core principles and areas of focus will continue to drive phenomenal growth and fulfill our goal of being the best service management solution on the planet."

The KKR investment follows a particularly strong 2016 for Cherwell. 2016 highlights included:

- Record bookings and a record number of new customers, including marquis brands across transportation, financial services, healthcare, retail, government, manufacturing, and higher education
- Acquisition of Advanced Marketplace, an IT consulting firm specializing in development of business solutions for the Cherwell® Service Management platform, signaling Cherwell's commitment to accelerate its delivery of enterprise service management solutions
- Appointment of Craig Harper as Cherwell's Chief Executive Officer; and Patrick Malaperiman, Vice President, EMEA
- Establishment of strategic partnerships with Microsoft® Azure® and Amazon Web Services (AWS), demonstrating Cherwell's continued commitment to customer choice through flexible deployment options including on-premises, SaaS hosted by Cherwell, or hosted on the public cloud—and the ability to switch any time at no cost

"Cherwell's continued double digit market share growth can be attributed to the flexible and competitive licensing, deployment, and pricing options of its platform," said Robert Young, Research Director, ITSM and Client Virtualization Software, IDC. "Likewise, with the company's recent product enhancements in the performance and scalability of its platform, as well as public cloud hosting options and integrations, IDC believes that Cherwell is well positioned to increase its enterprise adoption and maintain an aggressive growth trajectory."

About Cherwell Software

A global leader in IT and enterprise service management, Cherwell Software empowers IT to lead through the use of powerful and intuitive technology that enables better, faster, and more affordable innovation. The Cherwell® Service Management platform is built from the ground up with a unique codeless architecture that enables rapid time to value, infinite flexibility, and frictionless upgrades every time—at a fraction of the cost and complexity of legacy solutions. Because of Cherwell's focus on delivering solutions that are easy to configure, customize, and use, IT organizations extend the Cherwell platform to solve a wide range of IT and business problems. With an unwavering commitment to putting

customers first and being easy to do business with, Cherwell enjoys 98%+ customer satisfaction. Cherwell has a global network of expert partners serving customers in more than 40 countries. Corporate headquarters are in Colorado, USA, with global offices in the United Kingdom, Germany and Australia.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE:KKR), please visit KKR's website at www.kkr.com and follow us on Twitter @KKR_Co or #KKRTMTGrowth for related news on KKR's TMT platform.

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