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## **Progress Software Announces Agreement to Sell Four Non-Core Product Lines to Investment Arm of Trilogy Enterprises**

Upon completion, 80% of total non-Core revenue will be divested

BEDFORD, Mass.--(BUSINESS WIRE)-- [Progress Software Corporation](#) (NASDAQ: PRGS) today announced that it has signed a definitive agreement to sell its Sonic, Savvion, Actional and DataXtend (DXSI) product lines to the investment arm of Trilogy Enterprises, one of the largest privately held enterprise software companies in the world. The terms of the transaction were not disclosed.

"We are pleased to announce these divestitures, which represent the continued execution of our strategic plan," said Progress' Executive Chairman, Phil Pead. "With a goal to increase growth, profitability and shareholder value, we will continue to concentrate on providing the most productive, cost-effective, on-premise, cloud- and mobile-enabled platforms for developing, deploying, and maintaining the world's best business applications. The divestitures announced to date represent 80% of Progress' non-Core revenue stream and have served to further enhance our management team's focus on our current Core business. That said, we remain committed to the expeditious divestiture of the remaining non-core product lines."

The transaction is subject to customary closing conditions and is expected to be completed in November 2012. Upon completion, ObjectStore and Orbix, which includes the Artix and Orbacus products, will be the only product lines remaining to be divested. To date, Progress has completed its previously announced sale of FuseSource to Red Hat and expects the sale of its Shadow product line to Rocket Software to be completed shortly.

Taken together, the total sales price for all divested products and products under agreement to be divested to date is approximately \$114 million. The combined fiscal 2012 year-to-date revenue of these products is \$83 million, which represents approximately 80% of the total non-Core revenue stream.

Pacific Crest Securities LLC is serving as Progress' financial advisor with respect to the transaction and Wilmer Cutler Pickering Hale and Dorr LLP is serving as Progress' legal counsel.

### **About Trilogy Enterprises**

Trilogy Enterprises is one of the largest privately-held enterprise software companies in the world. With over 10,000 customers across 45 countries, Trilogy is focused on providing software and technology solutions that drive measurable business value for the world's largest global companies. Trilogy combines a maniacal focus on customer success with world-class enterprise software development capability. For more information, visit <http://www.trilogy.com>.

### **About Progress Software Corporation**

Progress Software Corporation (NASDAQ: PRGS) is a global software company that simplifies the development, deployment and management of business applications on-premise or on any Cloud, on any platform and on any device with minimal IT complexity and low total cost of ownership. Progress Software can be reached at [www.progress.com](http://www.progress.com) or 1-781-280-4000.

Actional, DataXtend, Fuse, Progress, Savvion, Shadow and Sonic are trademarks or registered trademarks of Progress Software Corporation or one of its subsidiaries or affiliates in the U.S. and other countries. Any other trademarks contained herein are the property of their respective owners.

### **Forward-Looking Statements**

This press release contains statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Progress has identified some of these forward-looking statements with words like "believe," "may," "could," "would," "might," "should," "expect," "intend," "plan," "target," "anticipate" and "continue," the negative of these words, other terms of similar meaning or the use of future dates. Forward-looking statements in this press release include, but are not limited to, statements regarding Progress's strategic plan and the expected timing for completion; and the components of that plan including product divestitures; and other statements regarding the future operation, direction and success of Progress's business.

There are a number of factors that could cause actual results or future events to differ materially from those anticipated by the forward-looking statements, including, without limitation: (1) Progress's ability to realize the expected benefits and cost savings from its strategic plan; (2) market acceptance of Progress's strategic plan and product development initiatives; (3) disruption caused by implementation of the strategic plan and related restructuring and divestitures on relationships with employees, customers, ISVs, other channel partners, vendors and other business partners; (4) pricing pressures and the competitive environment in the software industry and Platform-as-a-Service market; (5) Progress's ability to complete the proposed product divestitures in a timely manner, at favorable prices or at all, including the divestitures described in this release; (6) Progress's ability to make technology acquisitions and to realize the expected benefits and anticipated synergies from such acquisitions; (7) the continuing weakness in the U.S. and international economies, which could result in fewer sales of Progress's products and/or delays in the implementation of Progress's strategic plan and may otherwise harm Progress's business; (8) business and consumer use of the Internet and the continuing adoption of Cloud technologies; (9) the receipt and shipment of new orders; (10) Progress's ability to expand its relationships with channel partners and to manage the interaction of channel partners with its direct sales force; (11) the timely release of enhancements to Progress's products and customer acceptance of new products; (12) the positioning of Progress's products in its existing and new markets; (13) variations in the demand for professional services and technical support; (14) Progress's ability to penetrate international markets and manage its international operations; and (15) changes in exchange rates. For further information regarding risks and uncertainties associated with Progress's business, please refer to Progress's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended November 30, 2011, as amended, and Quarterly Reports on Form 10-Q for the fiscal quarters ended February 29, 2012, May 31, 2012 and August 31, 2012. Progress undertakes no obligation to update any forward-looking statements, which speak only as of the date of this press release.

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