



December 24, 2012

Progress Software To Complete Non-Core Divestments Ahead of Plan; Micro Focus to Buy Orbix, Artix, Orbacus Lines

BEDFORD, Mass.--(BUSINESS WIRE)-- [Progress Software Corporation](#) (NASDAQ: PRGS) today announced that it has signed a definitive agreement to sell its Orbix, Artix and Orbacus product lines to Micro Focus International plc. The total consideration to be received by Progress is \$15 million plus the assumption by Micro Focus of the liabilities associated with these product lines.

Once finalized, the divestiture of these product lines will enable the company to complete the divestiture of its 10 non-Core product lines ahead of schedule, leaving the company to focus its innovation on a core portfolio of software products that address IT challenges in the rapidly growing cloud, big data, mobility and analytics markets. Taken together, the total sales price for all divested products and products under agreement to be divested is approximately \$130 million.

The transaction is subject to customary closing conditions and is expected to be completed in January 2013. Terms were not disclosed. Upon completion, Progress will have divested all 10 of the 10 non-Core product lines that it announced in April 2012.

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 Micro Focus

Micro Focus, a member of the FTSE 250, provides innovative software that allows companies to dramatically improve the business value of their enterprise applications. Micro Focus Enterprise Application Modernization, Testing and Management software enables customers' business applications to respond rapidly to market changes and embrace modern architectures with reduced cost and risk. For additional information please visit www.microfocus.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 or 1-781-280-4000.

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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; (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 quarter 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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