



Palo Alto Networks Announces Intent to Acquire Evident.io

March 14, 2018

New capabilities will extend Palo Alto Networks leadership in cloud security

SANTA CLARA, Calif., March 14, 2018 /PRNewswire/ -- Palo Alto Networks® (NYSE: PANW), the next-generation security company, today announced that it has entered into a definitive agreement to acquire U.S.-based Evident.io, a pioneer and leader in cloud services infrastructure protection. Under the terms of the agreement, Palo Alto Networks will acquire Evident.io for a total purchase price of \$300 million to be paid in cash. The acquisition is expected to close during Palo Alto Networks fiscal third quarter, subject to satisfaction of customary closing conditions. Evident.io's co-founders, Tim Prendergast and Justin Lundy, will join Palo Alto Networks.

Palo Alto Networks logo (PRNewsFoto/Palo Alto Networks, Inc.) (PRNewsfoto/Palo Alto Networks, Inc.)

IT teams are rapidly adopting public cloud to keep pace with business demands for new and enhanced services. The change can be overwhelming, and risk is a top concern. Adding to the challenge is that legacy security tools, designed for the traditional data center, do not work well in the public cloud. Organizations tend to lean heavily on manual inspection and audits to validate security and compliance, which is time-consuming, error-prone and outpaced by the dynamic nature of the cloud. To remedy this, security, DevOps and compliance teams need an automated and frictionless approach to securing public cloud workloads.

Palo Alto Networks has established itself as the leader in cloud security through the unique combination of its VM-Series virtualized next-generation firewalls for inline cloud security, API-based security for public cloud services infrastructure, and Traps for host-based protections. Evident.io extends the Palo Alto Networks API-based security capabilities, and helps cloud practitioners ensure their deployments are secure and achieve a continuous state of compliance, by analyzing the configurations of all the services and account settings against strict security and compliance controls. Once integrated with the Palo Alto Networks cloud security offering, customers will be able to use a single approach to continuous monitoring, storage security, and compliance validation and reporting. This will give security, DevOps and compliance teams unique capabilities to:

- Confidently develop and deploy new applications in the cloud faster
- Simplify developer and security operations to speed deployments without sacrificing security
- Continuously validate compliance of cloud deployments

QUOTES:

- "We believe enterprises will become even more cloud-centric in the future and require prevention methods that have been designed for the cloud. With Evident as part of our platform, Palo Alto Networks will be the only vendor that can deliver a holistic cloud offering to address the critical security needs of today's enterprise customers as they journey to the cloud."
- Mark McLaughlin, chairman and CEO of Palo Alto Networks
- "Justin and I are delighted to join the Palo Alto Networks team. We founded Evident.io to secure our customers' public cloud infrastructure and services without slowing down innovation. The combined capabilities of Evident.io and Palo Alto Networks will provide customers the confidence they need to run better, faster, and more securely in the cloud."
- Tim Prendergast, co-founder and CEO of Evident.io

About Evident.io

Evident.io is a pioneer and leader in security and compliance automation for public clouds. The Evident Security Platform (ESP) enables organizations of all sizes to proactively manage cloud security risk — minimizing attack surface and improving overall security posture, all from a single dashboard. ESP continuously monitors AWS and Microsoft Azure deployments, identifying and assessing security risks, providing security staff with expert remediation guidance, and enabling painless security auditing and compliance reporting. Evident.io is a privately held company based in Pleasanton, Calif. and backed by Bain Capital Ventures, True Ventures, Venrock, and Google Ventures. For more information, please visit: evident.io

About Palo Alto Networks

Palo Alto Networks is the next-generation security company, leading a new era in cybersecurity by safely enabling applications and preventing cyber breaches for tens of thousands of organizations worldwide. Built with an innovative approach and highly differentiated cyberthreat prevention capabilities, our game-changing security platform delivers security far superior to legacy or point products, safely enables daily business operations, and protects an organization's most valuable assets. Find out more at www.paloaltonetworks.com.

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Forward-Looking Statements

This press release contains "forward-looking" statements that are based on our management's beliefs and assumptions and on information currently available to management. Such forward-looking statements include statements regarding our intention to acquire Evident.io, Inc., expectations regarding the timing of when the acquisition will be completed, the expected benefits of the acquisition of Evident.io, Inc. to us and our customers, and the impact of the acquisition on our offerings, our belief that enterprise will become even more cloud-centric, and our expectations regarding our existing and acquired offerings performing as intended. These forward-looking statements are subject to the safe harbor provisions created by the Private Securities Litigation Reform Act of 1995. There are a significant number of factors that could cause actual results to differ materially from statements made in this press release, including risks associated with new product and subscription releases, including our limited operating history; risks associated with managing our rapid growth; our ability as an organization to acquire and integrate other companies, product or technologies in a successful manner; the risks associated with new products and subscription and support offerings, including the discovery of software bugs; our ability to attract and retain new customers; delays in the development or release of new subscription offerings, or the failure to timely develop and achieve market acceptance of new products and subscriptions as well as existing products and subscription and support offerings; rapidly evolving technological developments in the market for network security products and subscription and support offerings; length of sales cycles; and general market, political, economic and business conditions. Additional risks and uncertainties are included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our quarterly report on Form 10-Q filed with the Securities and Exchange Commission ("SEC") on February 27, 2018, which is available on our website at investors.paloaltonetworks.com and on the SEC's website at www.sec.gov. Additional information will also be set forth in other filings that we make with the SEC from time to time. All forward-looking statements in this press release are based on information available to us as of the date hereof, and we do not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made or to update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

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