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## Progress Acquires DataRPM, The Best-of-Breed Machine Learning Company Focused on Cognitive Predictive Maintenance

*DataRPM's Unique Meta Learning Technologies to Form the Foundation of Progress' Cognitive-First Strategy*

BEDFORD, Mass.--(BUSINESS WIRE)-- [Progress](#) (NASDAQ: PRGS), the leading provider of application development and deployment technologies, today announced it has completed the acquisition of [DataRPM](#), a privately-held company and leader in cognitive predictive maintenance for the industrial IoT (IIoT) market. This acquisition is a key part of the Progress strategy to provide the best platform to build and deliver cognitive-first applications.

As data continues to explode, driven by machine-generated and human-generated data, and devices and digital touchpoints proliferate rapidly, organizations must leverage cognitive-first applications for business benefit to compete and win.

"Progress has always provided the platform for building and deploying mission-critical business applications. The future of applications is cognitive-first, and Progress is committed to providing the best platform to build and deploy them," said Yogesh Gupta, CEO, Progress. "Our customers and partners already use many of the key product capabilities from Progress necessary for this approach- front-end application development tooling, mobility, back end application services, and data connectivity. With the acquisition of DataRPM, we now have leading predictive analytics capabilities to round out our cognitive apps platform."

DataRPM offers an award-winning cognitive predictive maintenance solution for industrial IoT. The patented platform automates predictive modeling, leveraging proprietary Meta Learning capabilities to increase quality, accuracy and timeliness of equipment failure predictions, leading to hundreds of millions of dollars in savings. The technology enables customers such as Jaguar, Samsung and Mitsubishi Heavy Industries to predict and prevent asset failures, and increase yield and efficiencies to generate outcomes for industrial IoT.

"Predictive analytics is very important to QAD's vision of the Effective Enterprise, where we partner with our customers on a continued journey of efficiency and agility," said Tony Winter, chief technology officer, QAD. "We see the acquisition of DataRPM by Progress, and its machine learning capabilities, to align well with our vision and are excited about the opportunities this could have for our customers going forward."

DataRPM technologies bring unique differentiators to the market:

- 1 DataRPM technology detects random and unknown failures using a combination of unsupervised and semi-supervised learning techniques, saving businesses hundreds of millions of dollars by preventing failures of critical assets and maximizing quality and efficiency.
- 1 DataRPM solves the huge data science talent crunch by teaching machines to automate data science using a technique called Meta Learning, that learns from experience and feedback, saving industrial companies from having to invest in large armies of data scientists.
- 1 The DataRPM platform has been proven to horizontally scale to monitor and track any number of industrial machines, addressing the needs of even the most demanding use cases.

"We had anticipated that Progress would need to acquire machine learning and predictive analytics functionality to deliver its Cognitive Apps strategy, and DataRPM is a logical choice," said Matt Aslett, research director, Data Platforms and Analytics, 451 Research. "The combination of application development, data connectivity, and business rules management software with machine learning and predictive analytics makes sense in terms of providing a platform that will enable ISVs and enterprises to develop operational applications that take advantage of the intelligence being generated by big data and IoT projects."

With the acquisition of DataRPM, Progress enables customers to harness previously untapped volumes of data to build cognitive apps quickly and easily - democratizing machine learning and making it accessible to any organization. DataRPM will continue to offer its leading solution for cognitive predictive maintenance for IIoT under the Progress umbrella, supported by an increase in investment and resources. Integration of DataRPM technologies and Progress products is already underway and the updated offerings are expected to be available to early-adopter partners and customers later this

year.

"Progress' strategy around cognitive applications is in perfect alignment with our vision, which is why the acquisition was the right move for us," said Sundeep Sanghavi, co-founder and CEO, DataRPM. "It will enable us to increase investment in our current cognitive predictive maintenance offering while also becoming an essential part of a ground-breaking platform for building cognitive applications across multiple markets."

Progress CEO Yogesh Gupta will host the company's quarterly earnings call at 5:00pm ET Wednesday, March 29, during which additional details of the acquisition will be disclosed. Access to the call will be available on the investor relations section of the company's website at [www.progress.com](http://www.progress.com). Additionally, attendees can listen in via telephone by dialing 877-857-6173, passcode 9231513. The conference call will include brief comments followed by questions and answers. An archived version of the conference call and supporting materials will be available Progress investor relations page, after the call.

Progress acquired DataRPM for a purchase price of \$30 million, with \$28.3 million paid in cash, and \$1.7 million payable to DataRPM's founders in the form of restricted Progress stock.

### **Additional Resources**

- | Follow Progress on [Twitter](#), [Facebook](#), [LinkedIn](#) and [Google+](#)
- | Read the Progress [blog](#)
- | Follow DataRPM on [Twitter](#), [Facebook](#) and [LinkedIn](#)
- | Read the DataRPM [blog](#)

### **About Progress**

Progress (NASDAQ: PRGS) is a global leader in application development, empowering enterprises to build and deploy mission-critical business applications to succeed in an evolving business environment. With offerings spanning web, mobile and data for on-premise and cloud. Progress powers businesses worldwide, promoting success one application at a time. Learn about Progress at [www.progress.com](http://www.progress.com) or 1-781-280-4000.

### **Safe Harbor Language**

Statements contained in this press release about Progress, DataRPM and the acquisition may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements concerning the expected benefits of the acquisition. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially, including but not limited to the following: an unexpected increase in costs related to the acquisition, the risk that DataRPM's business and technology will not be integrated successfully, the risk that key employees of DataRPM will not remain with Progress, the risks of delay, technological obstacles or unanticipated expenses in developing a joint product offering, the risk that customers will delay, withhold or cancel new or pending orders for the combined company, potential delays in the release of enhancements to the combined company's products, uncertainty regarding growth rates in DataRPM's current and potential market segments, the potential for unfavorable positioning of the combined company's products in those market segments, the need for market acceptance of the cognitive application development platform, variations in the demand for customer service and technical support from the combined company and pricing pressures and the competitive environment in the software industry. Progress undertakes no obligation to update information contained in this communication unless required by law. For further information regarding risks and uncertainties associated with Progress and information concerning the acquisition, please refer to Progress' filings with the Securities and Exchange Commission, including Progress' annual report on Form 10-K for the fiscal year ending November 30, 2016 and subsequently filed reports.

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