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Aspect Software Announces Agreement to Deleverage Its Balance Sheet, Reducing Long-Term Debt by 40%

Date: 3/9/2016, Phoenix, AZ

- **Aspect enters into a pre-arranged restructuring of its debt and attracts investment for a new equity arrangement, resulting in refreshed capital structure for the company**
- **Transaction is led by certain affiliates and funds of GSO Capital Partners LP, Guggenheim Partners Investment Management, LLC, and MidOcean Credit Partners**
- **Transaction will facilitate growth, product innovations and ongoing pivot towards becoming industry's leading provider of cloud-based contact center, self-service and workforce optimization solutions**

Aspect Software, a leading cloud provider of fully-integrated consumer engagement, workforce optimization, and back-office solutions, today announced that it is taking strategic action to facilitate its long-term growth, product innovations and ongoing pivot towards becoming the industry's leading cloud-based provider. The company has entered into a pre-arranged agreement with certain unaffiliated holders of Aspect's debt obligations, which provides for a financial restructuring and replacement of its existing credit facilities. Under the pre-arranged agreement, which is subject to court approval, Aspect has negotiated an agreement with its existing lenders that will result in the reduction of more than \$320 million of indebtedness, new secured financing and an infusion of fresh convertible debt capital to facilitate growth.

"This transaction marks a major milestone in the multi-year transformation of Aspect's business, through which we have evolved from a legacy technology company that sold a limited set of on-premises contact center software, to a contemporary and comprehensive provider of contact center and workforce optimization solutions in the cloud," said Stew Bloom, Aspect's Chairman and CEO. "By resetting our capital structure and dramatically improving our balance sheet, we will be well-positioned to compete over the long-term while continuing to accelerate investments in our product and service capabilities."

The transaction eliminates approximately \$320 million of indebtedness and provides the company with a new runway to continue the major business transformation it started three years ago. Over this period, Aspect has invested \$160M in acquisitions, technology agreements and partnerships that have resulted in the industry's most comprehensive product portfolio. Aspect has a strong Income Statement with over \$400M in revenue, \$300M of which is recurring, and approximately \$100M of EBITDA. Moreover, the company maintains \$100M in Cloud revenue backlog, driven in part by new year-over-year bookings growth of over 20% in 2015.

Bloom added, "Importantly, it is business as usual for Aspect's customers, partners and employees. Aspect will continue to operate with strong levels of liquidity during the reorganization process."

To consummate the pre-arranged agreement, Aspect and certain of its affiliates have commenced voluntary cases under chapter 11 of the United States Bankruptcy Code in the District of Delaware. The arrangement is principally led by certain affiliates and funds of GSO Capital, a unit of The Blackstone Group, Guggenheim Partners Investment Management, LLC, LLC and MidOcean Credit Partners. GSO Capital Partners LP is the global credit investment platform of Blackstone, one of the world's leading investment firms with \$330B in assets under management. Guggenheim Partners Investment Management, LLC is an affiliate of Guggenheim Partners, a global investment and advisory firm. MidOcean Credit Partners is a multi-billion alternative credit manager and is affiliated with MidOcean Partners, a New York based private equity firm.

Aspect's advisors with respect to the restructuring are Kirkland & Ellis (as restructuring counsel), Jefferies LLC (as investment banker), and Alix Partners LLP (as restructuring advisor).

About Aspect

Aspect's fully-integrated solution unifies the three most important facets of modern consumer engagement strategy: [customer interaction management](#), [workforce optimization](#), and [back-office](#). Through a full suite of cloud, [hosted and hybrid deployment](#) options, we help the world's most demanding contact centers and back offices seamlessly align their people, processes and touch points to deliver remarkable customer experiences. For more information, visit www.aspect.com.

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