



Permira Announces Sale of Magento Commerce to Adobe for US\$1.68 billion

Menlo Park, California, MAY 21, 2018 – Permira, the global private equity firm, today announced that a company backed by the Permira funds has signed a definitive agreement to sell Magento Commerce, the worldwide leader in cloud digital commerce innovation, to Adobe (Nasdaq:ADBE) in an all-cash transaction for US\$1.68bn. Hillhouse Capital, the Asia-focused investment firm, will also sell its stake in Magento to Adobe in this transaction.

Magento Commerce was acquired by the Permira funds from eBay Inc. in 2015 and received an investment from Hillhouse Capital in 2017. Over the past three years, Magento has undergone a period of rapid growth and transformation, which included:

- Creating a cloud-first platform for businesses of all sizes, enabling digital transformation from on-premise to cloud commerce systems, including advanced omni-channel, order management and business intelligence capabilities;
- Accelerating Magento’s global growth by enhancing operational execution and improving integration of Solution and Technology Partners, which included open source ecosystem monetization, market stratification into B2B and B2C verticals, and strategic deployment of capital to acquire core functionality and adjacent businesses; and
- Empowering Magento to create world-class leadership with key hires in product, sales, marketing and business development.

“We are delighted to have partnered with the Magento management team during this period of impressive performance,” said Phil Guinand, Partner at Permira. “Magento has grown its customer-base and enterprise cloud business as a result of key investments in technology, marketing, client success, sales management and the open-source community ecosystem. Working closely with management to accelerate strategic potential is the DNA of Permira’s approach to technology investing. We were pleased to support Magento’s ambitions through our global platform and sector expertise, and we are confident that Magento has found a terrific home with one of the Company’s major existing partners, Adobe.”

“Permira was a phenomenal partner over the last three years, helping us successfully execute our global growth plan,” said Mark Lavelle, CEO of Magento Commerce. “We leveraged Permira’s deep industry knowledge, operational expertise and international relationships to become one of the most popular commerce platforms in the world. We will continue our positive momentum as part of Adobe by combining the flexibility of the Magento Commerce Cloud with Adobe’s powerful content and personalization capabilities to serve clients across every industry and every geography.”

“Mark and the Magento management team have done a terrific job in transforming the business to a cloud-first, highly customizable and scalable modern commerce platform. We wish Magento continued success in joining Adobe,” said Lei Zhang, Founder and Chairman at Hillhouse Capital.

“We appreciated Hillhouse’s strategic insight in eCommerce and extensive network in Asia over the course of our partnership,” added Mark Lavelle.

The transaction is expected to close in the third quarter of Adobe's 2018 fiscal year, subject to customary closing conditions, including regulatory review.

Qatalyst Partners acted as exclusive financial advisor to the Permira funds; Fried, Frank, Harris, Shriver & Jacobson acted as legal advisor to the Permira Funds.

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About Magento Commerce

Magento Commerce is the leading provider of cloud commerce innovation to merchants and brands across B2C and B2B industries, with more than US\$155 billion in gross merchandise volume transacted on the platform annually. In addition to its flagship digital commerce platform, Magento Commerce boasts a strong portfolio of cloud-based omnichannel solutions that empower merchants to successfully integrate digital and physical shopping experiences. Magento Commerce is the #1 provider to the Internet Retailer Top 1000, the B2B 300 and the Top 500 Guides for Europe and Latin America. Magento Commerce is supported by a vast global network of solution and technology partners, a highly active global developer community and the largest eCommerce marketplace for extensions available for download on the Magento Marketplace. More information can be found at www.magento.com.

About Permira

Permira is a global investment firm. Founded in 1985, the firm advises funds with a total committed capital of approximately US\$37bn (€32bn) and makes long-term investments in companies with the objective of transforming their performance and driving sustainable growth. The Permira funds have made over 200 private equity investments in five key sectors: Technology, Consumer, Financial Services, Industrials, and Healthcare. The Permira funds have a long track record of successfully investing in technology companies around the world and have deployed over US\$10bn (€8.8bn) in the sector since 1997. In addition to Magento, portfolio companies have included Allegro, Ancestry.com, Genesys, Informatica, LegalZoom.com, NDS, TeamViewer and Teraco. Permira employs over 250 people in 14 offices across Europe, North America and Asia.

About Hillhouse Capital

Founded in 2005, Hillhouse Capital is a firm of investment professionals and operating executives who are focused on building and investing in high quality business franchises that achieve sustained growth. Independent proprietary research and industry expertise, in conjunction with operating capabilities, are key to Hillhouse's investment approach. Hillhouse focuses on the consumer, TMT, healthcare and business services sectors and invests in companies across all equity stages. Based in Asia, Hillhouse manages over \$40 billion in assets on behalf of institutional clients such as university endowments, foundations, sovereign wealth funds, and family offices.