



Palo Alto Networks Announces Intent to Acquire Bridgecrew

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Proposed acquisition will enable "shift left" security, with Prisma Cloud further embracing the DevOps community

SANTA CLARA, Calif., Feb. 16, 2021 /PRNewswire/ -- Palo Alto Networks (NYSE: PANW), the global cybersecurity leader, announced that it has entered into a definitive agreement to acquire Bridgecrew, a developer-first cloud security company. The proposed acquisition will enable "shift left" security, with Prisma[®] Cloud becoming the first cloud security platform to deliver security across the full application lifecycle.

Palo Alto Networks has made key bets around the shift to cloud and the need for integrated best-in-class security. This unique approach has enabled Prisma Cloud to service more than 1,800 customers, including 70% of the Fortune 100. Today Palo Alto Networks is making a further bet that cloud security must "shift left," with security increasingly performed during the DevOps process.

Bridgecrew is a pioneer in shift left, focusing on infrastructure as code (IaC), where infrastructure configuration is codified during development. The company's developer-first IaC security platform offers developers and DevOps teams a systematic way to enforce infrastructure security standards throughout the development lifecycle. The proposed acquisition will enable Prisma Cloud to provide developers with security assessment and enforcement capabilities throughout the DevOps process.

With the addition of Bridgecrew, Palo Alto Networks will be the first to deliver security across the full application lifecycle. Once integrated, Prisma Cloud customers will benefit from a single platform that will deliver cloud security from build time to runtime, seamlessly connecting security and DevOps teams. This again highlights the need for a comprehensive approach to cloud security that simply can't be achieved with point products.

Bridgecrew's open-source IaC scanner, Checkov, has gained significant early traction with developers, surpassing 1 million downloads in 2020 — its first full year of availability. Also, Bridgecrew's full security platform is seeing good early traction across many cloud-first organizations and several industries. Palo Alto Networks will continue to invest in Bridgecrew's open-source initiatives as part of its ongoing commitment to DevOps security. For further details, see Palo Alto Networks' blog post: [Prisma Cloud shifts left with proposed acquisition of Bridgecrew](#).

Bridgecrew co-founders, Idan Tendler, Barak Schoster and Guy Eisenkot, and their teams will join Palo Alto Networks.

Under the terms of the agreement, Palo Alto Networks will acquire Bridgecrew for approximately \$156 million in cash, excluding the value of replacement equity awards, subject to adjustments. The proposed acquisition is expected to close during Palo Alto Networks fiscal third quarter, subject to the satisfaction of customary closing conditions. The acquisition is not expected to have a material impact on the company's financials.

QUOTES:

"Shift left security is a must-have in any cloud security platform. Developers don't want to wait until runtime to find out their security is not working, and the CISO charged with protecting the entire organization certainly values higher security from fixing issues earlier in the development lifecycle. We are thrilled to welcome Bridgecrew, and their widely adopted and trusted developer security platform, to Palo Alto Networks. When combined, Prisma Cloud customers will benefit from having security embedded in the very foundation of their cloud infrastructure."

- Nikesh Arora, chairman and CEO of Palo Alto Networks

"We have dedicated ourselves to building developer-first tools that bridge the gap between developers and cloud security. By joining Palo Alto Networks, we will be able to bring codified cloud security to the developer community on a wider scale. We look forward to working together to continue shifting cloud security left."

- Idan Tendler, co-founder and CEO of Bridgecrew

About Palo Alto Networks

Palo Alto Networks, the global cybersecurity leader, is shaping the cloud-centric future with technology that is transforming the way people and organizations operate. Our mission is to be the cybersecurity partner of choice, protecting our digital way of life. We help address the world's greatest security challenges with continuous innovation that seizes the latest breakthroughs in artificial intelligence, analytics, automation, and orchestration. By delivering an integrated platform and empowering a growing ecosystem of partners, we are at the forefront of protecting tens of thousands of organizations across clouds, networks, and mobile devices. Our vision is a world where each day is safer and more secure than the one before. For more information, visit 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 Bridgecrew, expectations regarding the timing of when the acquisition may be completed, the expected benefits of the acquisition of Bridgecrew to us and our customers, the expected impact of the acquisition on our offerings or proposed offerings, our intention to continue to offer Bridgecrew's open-source initiatives, our integration plans, including with Prisma[®] Cloud and the expected benefits to our customers, our expectations regarding our existing and acquired offerings performing as intended, and that the Bridgecrew co-founders and employees are expected to join us. 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 or

offerings, including risks associated with managing our growth; our ability as an organization to successfully integrate Bridgecrew and acquire and integrate other companies, products 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 or customer adoption of new products and subscriptions as well as maintaining existing products, subscription and support offerings; rapidly evolving technological developments in the market for network security products and subscription and support offerings; length of sales cycles; the coronavirus' effect on our supply chain, our ability to complete the proposed acquisition in a timely manner, or execute on integration plans; 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 November 19, 2020, 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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