

# Palo Alto Networks Announces Intent to Acquire Zingbox

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SANTA CLARA, Calif., Sept. 4, 2019 /PRNewswire/ -- Palo Alto Networks (NYSE: PANW), the global cybersecurity leader, today announced that it has entered into a definitive agreement to acquire Zingbox, an IoT security company, for a total purchase price of \$75 million, subject to adjustment, to be paid in cash. The proposed acquisition is expected to close during Palo Alto Networks fiscal first quarter of 2020, subject to the satisfaction of customary closing conditions.

The number of connected devices in enterprises is growing exponentially, yet most of these devices are unmanaged and pose a security risk. Current IoT point products mostly focus on device profiling and inventory, not on detecting or stopping sophisticated attacks. Organizations are forced to integrate multiple IoT security products across different vendors, introducing complexity, higher cost, and manual effort.

Zingbox's cloud-based service and advanced AI and machine learning technology for device and threat identification capabilities will accelerate Palo Alto Networks delivery of IoT security through its Next-Generation Firewall and Cortex™ platforms. Organizations will gain the ability to quickly improve the visibility and security of their IoT landscape. Once combined, Palo Alto Networks will offer IoT security with best-in-class visibility and automated in-line prevention, all integrated with the Next-Generation Firewall and Cortex platforms.

## QUOTES:

"The proliferation of IoT devices in enterprises has left customers facing an enormous gap in protection against cybersecurity attacks. With the proposed acquisition of Zingbox, we will provide a first-of-its-kind subscription for our Next-Generation Firewall and Cortex platforms that gives customers the ability to gain control, visibility, and security of their connected devices at scale." – Nikesh Arora, chairman and CEO of Palo Alto Networks

"Our vision has always been to ensure that organizations realize the full benefits of IoT devices without sacrificing security. By joining forces with Palo Alto Networks, we will be able to secure connected devices at scale to help organizations embrace digital transformation." – Xu Zou, CEO of Zingbox

Zingbox's products will continue to be available to customers after the transaction closes. The company's co-founders, Xu Zou, May Wang, and Jianlin Zeng, will join Palo Alto Networks.

## About Zingbox

Zingbox is an Internet of Things (IoT) lifecycle management solution provider. Zingbox provides a cloud based service to discover, identify, secure and optimize devices, using advanced AI and machine learning technologies. Recently named a "Cool Vendor in IoT Security" by Gartner and recipient of the Gold Stevie Award for Most Innovative Company, Zingbox helps organizations realize the full potential of their IoT devices. The company's device-specific AI-powered machine learning platform uses the first real-time deep behavioral learning technology for IoT devices, delivering a new standard for uninterrupted service across the entire IOT environment of its customers. For more information, please visit <https://www.zingbox.com>.

## 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](http://www.paloaltonetworks.com).

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their respective owners.

## 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 Zingbox, Inc., expectations regarding the timing of when the acquisition will be completed, the expected benefits of the acquisition of Zingbox to us, our market position, and our customers, the expected impact of the acquisition on our offerings, our expectations regarding our existing and acquired offerings performing as intended, our integration plans, the Zingbox members of management expected to join us, and our expectations about the availability of Zingbox's products to customers post-closing. 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 successfully integrate Zingbox 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 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 May 30, 2019, which is available on our website at [investors.paloaltonetworks.com](http://investors.paloaltonetworks.com) and on the SEC's website at [www.sec.gov](http://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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