CrowdStrike to Acquire Humio and Deliver the Industry's Most Advanced Data Platform for Next-Generation, Index-Free XDR

CrowdStrike adds best-in-class data ingestion to extend its leadership with a true multi-tenant, cloud-native platform that delivers superior contextual insights and powers decision-making at enterprise scale

SUNNYVALE, Calif.--(BUSINESS WIRE)--Feb. 18, 2021-- CrowdStrike Holdings, Inc. (Nasdaq: CRWD), a leader in cloud-delivered endpoint and cloud workload protection, today announced it has agreed to acquire Humio, a leading provider of high-performance cloud log management and observability technology. Under the terms of the agreement, CrowdStrike will pay approximately $400 million to acquire Humio, subject to adjustments. The acquisition is expected to close during CrowdStrike's fiscal first quarter, subject to customary closing conditions.

Today, CrowdStrike delivers the industry's most comprehensive security solution for protecting endpoints and workloads, processing 5 trillion security-related events per week with its pioneering Threat Graph™ technology. With this acquisition, CrowdStrike will further expand its eXtended Detection and Response (XDR) capabilities by ingesting and correlating data from any log, application or feed to deliver actionable insights and real-time protection.

Setting a New Standard for XDR

Existing security providers are unable to deliver the concise, contextual insights their customers need to realize the true promise of XDR. Without key technological advances -- such as CrowdStrike's cloud-scale AI running on a purpose-built graph database, and patented smart-filtering technology that reduces ingestion of unneeded, irrelevant data -- customers are left with large, complex data sets that lack context and hide the important insights security teams require.

Joining forces with Humio's best-in-class data ingestion and analytics platform will enable CrowdStrike to provide deep, contextual index-free XDR at a speed and scale that no other vendor can match. As a pioneer in the cybersecurity industry, CrowdStrike's decade-long leadership in EDR and XDR is rooted in combining endpoint events with network visibility, account and identity insights, and massive telemetry from all workloads, regardless of where they are -- on premise, in the cloud or even deployed in a container. Humio's native ability to ingest and analyze both unstructured and semi-structured data will enhance how the CrowdStrike platform addresses enterprise IT challenges, including those within the increasingly sophisticated DevOps and DevSecOps environments.

Together, Humio and CrowdStrike deliver an enterprise-grade solution that finally addresses the challenge of operationalizing massive and ever-growing volumes of event and log data, empowering organizations to collect, observe, analyze and act on all structured and unstructured data in their environment.

"We conducted a thorough market review of existing solutions and were amazed by Humio's mature technology architecture and proven ability to deliver at scale," said George Kurtz, co-founder and chief executive officer of CrowdStrike. "The combination of real-time analytics and smart filtering built into CrowdStrike's proprietary Threat Graph and Humio's blazing-fast log management and index-free data ingestion dramatically accelerates our XDR capabilities beyond anything the market has seen to date."

"We are thrilled to join CrowdStrike, the company that is leading the security industry with its cloud-native data platform, designed to support customers in establishing more mature and reliable security programs. CrowdStrike's Security Cloud is the ideal platform to extend Humio's technology and reach, while continuing our mission to empower customers to make data-rich decisions," said Geeta Schmidt, chief executive officer and co-founder at Humio.

Humio's Proven Technology Raises the Bar for Customers that Demand Speed and Accuracy at Scale

Humio's market-leading, innovative technology delivers the proven efficacy, powerful features, usability and speed required by the most demanding customer environments. Its high customer satisfaction among leading organizations worldwide is a testament to its superior technology leadership and performance.

New York City Cyber Command (NYC3), one of the world's largest and most complex cybersecurity organizations, works across more than 100 agencies to prevent, detect, and respond to cyber threats, and ensure compliance with security policies. NYC3 processes extraordinarily large data sets with scale and velocity by relying on world-class technologies that can deliver actionable intelligence and insights. This function is critical for defending the City of New York and its complex infrastructure—assets which underpin the health and safety of more than 8.5 million New Yorkers.

"The success of our entire security strategy rests on having reliable, high-performance ingestion technology that enables us to combine disparate security data resources, including from more than 20 third-party tools, and extract actionable insights in a frictionless and efficient manner," said Geoffrey Brown, chief information security officer of New York City and head of NYC Cyber Command. "In evaluating world-class technologies, we chose Humio because of their market-leading technology and ability to execute at massive scale and analyze and action data with speed, accuracy, and context."

CrowdStrike and Humio: A Shared Vision for Innovation that Solves Real Customer Problems

CrowdStrike and Humio share the vision that contextual data can help solve critical enterprise problems across cybersecurity and beyond. Through a platform that spans endpoints, identities, the network edge, and the cloud, CrowdStrike is building a unified data layer that powers the next generation of enterprise security and IT operations. With the ability to ingest and analyze both first- and third-party data, and to answer complex questions at the speed of the cloud, CrowdStrike will continue to innovate and advance its powerful data platform to solve real-world customer problems. As the only security vendor with a true enterprise marketplace and click-to-connect integrations, CrowdStrike will be able to enrich the native applications in

the CrowdStrike Store to leverage intelligence and insights for full XDR and automated workflow, enabling partners to take autonomous actions.

Founded in 2016, Humio's log management platform is a leading performance cloud log management platform that enables customers to log everything and answer anything in real time. Humio's modern, index-free architecture makes exploring and investigating all data blazingly fast, even at scale.

Under the terms of the agreement, CrowdStrike expects to pay approximately $400 million, subject to adjustments. The purchase price will be paid predominantly in cash, with a portion delivered in the form of rollover equity awards in exchange for unvested Humio equity. The proposed acquisition is expected to close in CrowdStrike's fiscal first quarter 2022, subject to customary closing conditions. CrowdStrike expects to fund the cash portion of the payment with cash on hand and for its $750 million revolving credit facility to remain undrawn as a result of this acquisition. CrowdStrike also expects interest expense and fees for the issuance of $750 million in senior unsecured notes offered on January 20, 2021, and the $750 million undrawn credit facility combined to be approximately $25 million annually beginning in fiscal year 2022.

Read a blog from Michael Sentonas, CrowdStrike's chief technology officer.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. Words such as "anticipate," "believe," "continue," "could," "estimate", "expect", "hope", "intend", "may", "might", "should", "would", "will", "understand" and similar words are intended to identify forward looking statements. These forward-looking statements include but are not limited to, statements regarding the closing of the acquisition, the final amount of consideration that CrowdStrike will pay in the acquisition and the source of such funds, the benefits of Humio's technology to CrowdStrike and its customers, the impact of the acquisition on CrowdStrike's competitive position, and CrowdStrike's expected interest expense for fiscal year 2022. There are a significant number of factors that could cause actual results to differ materially from statements made in this press release, including the satisfaction of the conditions to the closing of the acquisition and the risk that problems may arise in integrating Humio's business and technology.

Additional risks and uncertainties that could affect the forward-looking statements in this press release are included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth from time to time in our filings and reports with the Securities and Exchange Commission ("SEC"), including our Quarterly Report on Form 10-Q for the quarter ended October 31, 2020.

You should not rely on these forward-looking statements, as actual outcomes and results may differ materially from those contemplated by these forward-looking statements as a result of such risks and uncertainties. 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.

About CrowdStrike Holdings

CrowdStrike® provides cloud-delivered endpoint and workload protection. Leveraging artificial intelligence (AI), the CrowdStrike Falcon® platform protects customers against cyberattacks on endpoints and workloads on or off the network by offering visibility and protection across the enterprise.

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