

# BDO CAPITAL ADVISORS ANNOUNCES THE RECAPITALIZATION OF SOLARWINDS.NET TO BAIN CAPITAL VENTURES AND INSIGHT VENTURE PARTNERS

**BDO Capital Advisors, LLC** (“BDO Capital”) is pleased to announce the closing of the recapitalization of SolarWinds.net. (“SolarWinds”) by Bain Capital Ventures (“Bain Capital”) and Insight Venture Partners (“Insight”). As the exclusive financial advisor to SolarWinds, BDO Capital prepared a confidential offering memorandum, identified a highly targeted list of potential buyers, and assisted management in structuring and negotiating the transaction.

SolarWinds, a privately owned Company, headquartered in Tulsa, Oklahoma is a leading developer of network management and systems software solutions. The Company’s award winning product suite includes Microsoft Windows-based networking tools and enterprise, serverbased networking solutions. SolarWinds has attracted a broad base of over 24,500 customers including Microsoft, Citigroup and the U.S. Armed Forces. The SolarWinds product suite consists of three primary applications and a networking toolset. At the core of the Company’s success is the Orion Network Performance Monitor, a comprehensive, web-enabled enterprise performance and fault management application. SolarWinds’ Broadband Performance Monitor is a web-enabled application that monitors broadband cable networks. Most recently the Company released Cirrus, a configuration management application that monitors the configuration of network devices. SolarWinds also offers a collection of Networking Applications that uniquely combine network management, discovery, and monitoring into a comprehensive package. The Company’s products offer customers the most affordable solution for small and medium sized networks available in the marketplace, while offering the scalability to manage large, complex, Fortune 500 networks. Equally impressive, SolarWinds has seen consistent sales growth of approximately 100 percent compounded annually over the past four years contributing to its above market gross margins and profits.

Bain Capital and Insight’s investment was in the form of equity. Post closing, Bain Capital and Insight owned a majority share of SolarWinds on a fully diluted basis with the transaction being structured to include equity investments and grants to key management and personnel.

Bain Capital Ventures is the Boston-based venture capital arm of Bain Capital, a global private equity firm with over \$17 billion of assets under management. Bain Capital is one of the most active and successful private equity firms in the industry. Since 1984, the firm has invested in over 200 companies. Bain Capital Ventures manages a \$250 million fund targeted to invest in technology related companies.

Insight Venture Partners is a New York-based private equity and venture capital firm focused on the global software and Internet industries. Since the firm’s founding in 1995, Insight has been the fastest-growing firm in software and Internet investing. Insight has built a team composed of experienced investors and operating executives with more than 150 years of collective experience in these industries, and a capital base of over \$1.5 billion to support the companies in which the firm invests.

## ABOUT BDO CAPITAL ADVISORS, LLC

BDO Capital Advisors, LLC, a wholly-owned affiliate of BDO USA, is a leading middle market investment bank that focuses on sell-side advisory, acquisition advisory, capital raising and board advisory services with offices located throughout the United States. The firm has deep industry knowledge, extensive cross-border transaction experience and superior execution capabilities. The firm has broad industry expertise and contacts having closed transactions within the Manufacturing & Distribution, Consumer, Food & Retail, Healthcare & Life Sciences, Business Services, Energy & Natural Resources and Technology, Media & Telecom sectors. Our seasoned investment bankers have collectively advised on hundreds of transactions for a variety of clients including family-owned businesses, entrepreneur-led companies, public corporations and leading private equity firms. Our professionals also draw upon the full depth and breadth of BDO USA’s national resources which include 60+ offices and over 5,000 professionals located through the United States.

The firm has worldwide access to buyers, sellers and offshore investors via the Corporate Finance practices of BDO International’s network of independent member firms which have been ranked collectively as a Top 5 global M&A mid-market advisor based on total deal volume announced in 2016, according to Thomson Reuters SDC. BDO International Corporate Finance firms operate in approximately 60 countries with over 2,000 professionals who are able to meet the investment banking needs of clients across the globe.

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## ABOUT BDO

BDO is the brand name for BDO USA, LLP, a U.S. professional services firm providing assurance, tax, advisory and consulting services to a wide range of publicly traded and privately held companies. For more than 100 years, BDO has provided quality service through the active involvement of experienced and committed professionals. The firm serves clients through more than 60 offices and over 500 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multi-national clients through a global network of 67,700 people working out of 1,400 offices across 158 countries. BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. For more information please visit: [www.bdo.com](http://www.bdo.com).



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