Francisco Partners to Acquire IBM's Healthcare Data and Analytics Assets

Upon close, acquisition to position new standalone company for next phase of growth

Armonk, NY and San Francisco, CA – January 21, 2022 –IBM (NYSE: IBM) and Francisco Partners, a leading global investment firm that specializes in partnering with technology businesses, today announced that the companies have signed a definitive agreement under which Francisco Partners will acquire healthcare data and analytics assets from IBM that are currently part of the Watson Health business. The assets acquired by Francisco Partners include extensive and diverse data sets and products, including Health Insights, MarketScan, Clinical Development, Social Program Management, Micromedex, and imaging software offerings.

The transaction is expected to close in the second quarter of this year and is subject to customary regulatory clearances. Financial terms of the transaction were not disclosed.

"Today's agreement with Francisco Partners is a clear next step as IBM becomes even more focused on our platform-based hybrid cloud and AI strategy," said Tom Rosamilia, Senior Vice President, IBM Software. "IBM remains committed to Watson, our broader AI business, and to the clients and partners we support in healthcare IT. Through this transaction, Francisco Partners acquires data and analytics assets that will benefit from the enhanced investment and expertise of a healthcare industry focused portfolio."

Since its launch over 20 years ago, Francisco Partners has invested in over 400 technology companies, making it one of the most active and longstanding investors in the technology industry. Francisco Partners has extensive experience in healthcare technology and its healthcare investments have focused on companies that are leveraging technology to provide innovative products and solutions to the healthcare ecosystem including patients, providers, payers, pharma, life sciences and governments. Select current and past investments in the sector include Availity, eSolutions, Capsule, GoodRx, Landmark, QGenda, Trellis, and Zocdoc.

"We have followed IBM's journey in healthcare data and analytics for a number of years and have a deep appreciation for its portfolio of innovative healthcare products," said Ezra Perlman, Co-President at Francisco Partners. "IBM built a market leading team and provides its customers with mission critical products and outstanding service."

Justin Chen, Principal at Francisco Partners, added, "Partnering with corporations to execute divisional carve-outs has been a core focus of Francisco Partners. We look forward to supporting the talented employees and management team, helping the standalone company focus on growth opportunities to realize its full potential, and delivering enhanced value to customers and partners."

Under the terms of the agreement, the current management team will continue in similar roles in the new standalone company, serving existing clients in life sciences, provider, imaging, payer and employer, and government health and human services sectors.

About Francisco Partners

Francisco Partners is a leading global investment firm that specializes in partnering with technology and technology-enabled

businesses. Since its launch over 20 years ago, Francisco Partners has invested in over 400 technology companies, making it one of the most active and longstanding investors in the technology industry. With more than $30 billion in assets under management, the firm invests in opportunities where its deep sectoral knowledge and operational expertise can help companies realize their full potential. For more information on Francisco Partners, please visit www.Franciscopartners.com.

About IBM

For more information about IBM visit, www.ibm.com.

Media Contacts:

IBM
Tim Davidson
tfdavids@us.ibm.com
914-844-7847

Francisco Partners
Whit Clay
wclay@sloanepr.com

Kate Sylvester
ksylvester@sloanepr.com

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