

IBM to Acquire Cognitus to Accelerate SAP Transformations Globally

Cognitus to further strengthen IBM's SAP capabilities in complex and regulated industries, including Aerospace and Defense, Energy and Utilities and Manufacturing



ARMONK, N.Y., Oct. 15, 2025 /PRNewswire/ -- IBM (NYSE:IBM) today announced that it has signed a definitive agreement to acquire Cognitus, a leading SAP S/4HANA services provider, with industry-specific, AI-powered solutions. Cognitus will bring mission-critical SAP skills, including in RISE and GROW with SAP, as well as an extensive portfolio of software assets. This combination of services, software and industry expertise, aligns with IBM's asset-based approach to digital transformation, driving increased productivity and operational efficiency for clients around the world.

Founded in 2002 and headquartered in Dallas, Texas, Cognitus brings more than 20 years of SAP expertise, helping enterprise clients with end-to-end SAP S/4HANA implementations and application maintenance services. As an SAP Gold & Co-innovation partner, Cognitus has been recognized for pioneering industry-tailored SAP services and solutions that empower the data-driven enterprise and fuel sustainable growth.

Cognitus' services capabilities are boosted by its suite of proprietary, SAP-endorsed and AI-enabled software assets. These assets include Cognitus CIS-GovCon which supports end-to-end government contracting requirements; Cognitus CLM, an AI-powered contract lifecycle management solution built specifically for government contractors; Cognitus Data Migration, a low-code, AI solution that simplifies the migration of data from legacy systems to SAP S/4HANA; and Cognitus Real-Time Billing, which accelerates high-volume, project-based billing by processing transactions in real time.

Cognitus' services and software capabilities throughout the entire project lifecycle of SAP transformation projects enable faster decision-making, reduce risk, and support compliance. This helps organizations in complex and regulated industries simplify operations and achieve greater consistency with a single provider.

"SAP is the foundation for so many digital transformations around the world. Clients are turning to trusted partners that know their industries inside and out and can deploy AI-powered solutions to their enterprise operations," said **Neil Dhar, Managing Partner, IBM Consulting Americas**. "Cognitus brings deep industry expertise and proprietary AI technology that improves the efficiency of SAP implementations and will extend the functionality of tools across our SAP portfolio."

IBM has extensive skills in SAP technology and transformations, complemented by its AI-led delivery platform, IBM Consulting Advantage. The acquisition of Cognitus strengthens IBM's industry expertise, portfolio of AI solutions, and capabilities in RISE and GROW with SAP, bolstering its ability to deliver modern SAP solutions faster and more effectively for global clients.

"Becoming part of IBM enables Cognitus to amplify what we do best – accelerating SAP transformation through innovation," said **Pat Sathi, CEO of Cognitus**. "It creates new opportunities for our people while strengthening how we serve our customers. Our clients will continue to benefit from our proven SAP-Endorsed solutions and accelerators, backed by Cognitus' deep industry expertise in regulated industries and now supported by IBM's global scale and advanced technology capabilities."

Nitin Khanna, Managing Director, and Amit Baid, President, at Cognitus added, "Our software-first approach has always been central to how we deliver value. With IBM, we'll be able to accelerate software innovation, enhance our portfolio, and expand these capabilities to serve an even broader global customer base."

The acquisition of Cognitus strengthens IBM's SAP portfolio and represents IBM's continued investment in skills for strategic partners like AWS, Microsoft, Oracle, Palo Alto Networks, SAP, and more.

Financial details of the transaction were not disclosed, and IBM's acquisition of Cognitus is subject to customary closing conditions and regulatory approvals.

About Cognitus

Cognitus, an SAP Gold and Co-Innovation Partner, is a recognized leader in delivering GROW with SAP and RISE with SAP programs for complex and regulated industries. The company combines deep industry expertise with a portfolio of SAP-Endorsed Apps and industry accelerators that extend SAP Cloud ERP to meet compliance and operational requirements. With proven experience across Aerospace and Defense, Utilities, Manufacturing, Consumer Products, Professional Services, Wholesale Distribution, and more, Cognitus enables rapid, fit-to-standard SAP implementations that help customers modernize with confidence and achieve measurable value.

About IBM

IBM is a leading provider of global hybrid cloud and AI, and consulting expertise. We help clients in more than 175 countries capitalize on insights from their data, streamline business processes, reduce costs and gain the competitive edge in their industries. Thousands of government and corporate entities in critical infrastructure areas such as financial services, telecommunications and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to affect their digital transformations quickly, efficiently and securely. IBM's breakthrough innovations in AI, quantum computing, industry-specific cloud solutions and consulting deliver open and flexible options to our clients. All of this is backed by IBM's legendary commitment to trust, transparency, responsibility, inclusivity and service. Visit www.ibm.com for more information.

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