



## Frequently Asked Questions for October 9, 2024

### Announcing The Creation of Two New Companies: BMC and BMC Helix

These frequently asked questions and answers provide more background and information around the creation of two stand-alone, independent companies.

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**More Information**

Reach out to [QUESTIONS@bmc.com](mailto:QUESTIONS@bmc.com) with questions



## Frequently Asked Questions

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### 1. What is being announced?

On October 9, 2024, BMC Software Inc. announced the creation of two stand-alone, independent companies called BMC and BMC Helix. This will allow laser focus on the individual businesses within the market dynamics to accelerate value creation for customers, partners, and investors.

### 2. Why is BMC creating two stand-alone companies? And why now?

The creation of two stand-alone companies provides the ability to put greater focus on customer success. As a strategic partner for continued innovation across your mainframe, distributed, cloud, and edge infrastructure, the creation of two companies puts customer needs even more at the core of each company's mission.

### 3. What will the two companies be called?

**BMC**, the company that includes the IZOT and DBA business units, will build on our history of innovation in connecting and amplifying hybrid IT with the most innovative portfolio of AI-driven infrastructure software, partners, and expertise to grow faster than market.

**BMC Helix**, the company encompassing the DSOM business, will be focused on driving innovation, ensuring customer success, and the applying AI in our digital service and operations management business to accelerate growth.

### 4. What prompted the decision to create two stand-alone companies? Can you elaborate on the strategic rationale behind this move?

The creation of two stand-alone companies provides greater focus on both businesses with their respective market dynamics and opportunities. Each business has its own profile and characteristics in growth, profile, margins, and competitive landscape. We have the opportunity to accelerate growth by servicing our customers with industry-leading, world-class solutions.

Our success to date has allowed our current business to reach critical mass in size as we continue to grow. We have been leading the market with innovation and we are ready for the next stage of our evolution with two companies that are better positioned to accelerate growth and increase market share, continue driving innovation, and execution with a laser focus on customer success.

### 5. Does the creation of two companies mean there will be job cuts?

Today, we are looking at augmenting our existing talent to provide growth and career development opportunities across the two companies. Our focus is the success of both companies and we will make the decisions that ensure ongoing growth.

### 6. Who will be in the leadership roles of the two companies?

We will share the leadership team of each company as we progress further in the creation of two stand-alone, independent companies.

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**7. When will the two companies begin operating independently? What is the timeline?**

The transition will be done in phases. Our goal is to start the transition in early 2025. We will move as quickly as possible with minimal disruption to our employees, customers, and partners.

**8. What does this mean for the company’s long-term growth strategy?**

We have seen accelerated growth across the current business and with 18 straight quarters of growth – exceeding expectations - we see this continuing. Both companies have immense opportunities identified for ongoing growth and we will use our current financial strength and growth trajectory to invest and innovate for both BMC and BMC Helix.

**9. How will this impact your competitors or the broader industry?**

With two companies we’ll build on the specialization we have today with increased industry and verticals focus to address more markets, grow our ecosystem, and expand our global footprint.

**10. Does this change KKR’s ownership of either company?**

No.

**11. What’s KKR’s long-term exit strategy for BMC and BMC Helix?**

We cannot comment on KKR’s long-term strategy. Our focus is on maintaining industry leadership and accelerating the trajectory of BMC and BMC Helix to help our customers and partners realize value faster.

**12. What message would you like to send to your stakeholders (customers, employees, shareholders) during this transition?**

We’ve achieved 18 straight quarters of growth with industry-leading retention rates and customers look to us for continued software innovation across their mainframe, distributed, cloud, and edge infrastructure. Both companies are projected for ongoing growth and will accelerate this momentum with an increased customer focus on specific audience segments, through deeper specialization, and stronger verticals focus.

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