



Kyndryl Announces Portfolio Optimization Actions

May 13, 2024

Acquires privately held Skytap to accelerate hybrid cloud adoption and help customers modernize mission-critical infrastructure platforms

Announces definitive agreement to sell its Securities Industry Services business in Canada to Broadridge to enhance Kyndryl's focus on core growth areas

NEW YORK, May 13, 2024 /PRNewswire/ -- [Kyndryl](#) (NYSE: KD), the world's largest IT infrastructure services provider, today announced that it has acquired privately held Skytap, a leading specialized workload services provider.



"The acquisition of Skytap reflects the proactive steps we're taking to invest in our mission-critical capabilities where our global alliance partnerships and innovation enable us to help our customers transform and grow," said Dave Simpson, Global Practice Leader for Cloud at Kyndryl.

Kyndryl's acquisition of privately held Skytap will expand the Company's hybrid cloud services portfolio. Skytap's innovative technologies will be combined with Kyndryl's expertise in helping customers utilize cloud native services to accelerate the adoption of advanced analytics, artificial intelligence and development, security and operations (DevSecOps). Skytap is recognized as having particularly strong capabilities for transitioning complex workloads to support hyperscaler environments. Skytap's technologies enable customers to move and run their mission-critical systems in the public cloud with minimum change.

Additional Portfolio Optimization

Kyndryl also announced that it has entered into a definitive agreement to divest its transaction processing platform for the securities brokerage industry in Canada, known as Securities Industry Services (SIS), to Broadridge Financial Solutions, Inc. Kyndryl intends to provide managed services and capabilities to Broadridge related to SIS following the divestiture.

Revenues generated by both Skytap and SIS over the last twelve months were less than 1% of Kyndryl's annual revenue. While Kyndryl expects to record a transaction-related gain (excluded from its adjusted results) in conjunction with the SIS divestiture, the transactions have no impact on Kyndryl's fiscal year 2025 outlook, which was provided on May 7, 2024. The Company intends to use the net proceeds from the two transactions for general corporate purposes.

Terms of the transactions were not disclosed. Closing of the SIS transaction is subject to customary closing conditions, including required regulatory approvals.

About Kyndryl

Kyndryl (NYSE: KD) is the world's largest IT infrastructure services provider, serving thousands of enterprise customers in more than 60 countries. The Company designs, builds, manages and modernizes the complex, mission-critical information systems that the world depends on every day. For more information, visit www.kyndryl.com.

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Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements often contain words such as "will," "anticipate," "predict," "project," "plan," "forecast," "estimate," "expect," "intend," "target," "may,"

*"should," "would," "could," "outlook," "goal" and other similar words or expressions or the negative thereof or other variations thereon. All statements, other than statements of historical fact, including without limitation statements representing the Company's plans and beliefs about future events, transactions, strategies, operations and financial results, may be forward-looking statements. These statements do not guarantee future performance and speak only as of the date of this press release. Except as required by law, the Company assumes no obligations to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual outcomes or results may differ materially from those suggested by forward-looking statements as a result of risks and uncertainties including those described in the "Risk Factors" section of the Company's **most recent** Annual Report on Form 10-K filed with the Securities and Exchange Commission.*

SOURCE Kyndryl