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**Subject:** KKR Agrees to Take Majority Stake in Financial Software Maker OneStream: Deal values the business at north of \$1 billion

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NICE WORK TOM AND ERNIE!!!

[CFO JOURNAL](#)

# KKR Agrees to Take Majority Stake in Financial Software Maker OneStream

Deal values the business at north of \$1 billion

 Private-equity firm KKR & Co. is making a major investment in financial software maker OneStream Software LLC.

Private-equity firm KKR & Co. is making a major investment in financial software maker OneStream Software LLC. PHOTO: ONESTREAM SOFTWARE LLC

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By

*Tatyana Shumsky*

Feb. 7, 2019 5:30 a.m. ET

Private-equity firm KKR agreed to take a majority stake in OneStream Software LLC in a deal that values the corporate performance management software maker at more than \$1 billion.

KKR declined to disclose the amount it invested in the Rochester, Mich., company, but a person familiar with the matter said it was more than \$500 million.

The firm said the investment was made through its private-equity and growth-equity funds, adding that KKR is OneStream's first external investor.

OneStream's software unifies and simplifies financial consolidation, planning, reporting, analytics and financial data quality and can be deployed on premises or through cloud computing. The company competes with [Oracle](#) Corp. and SAP SE, as well as more specialized software makers such as such as financial planning software [Anaplan](#) Inc. and financial reporting software [Workiva](#) Inc.

OneStream software is used by more than 300 customers, including [United Parcel Service](#) Inc. and Sagent Pharmaceuticals Inc. The company grew its revenue by 137% and expanded its customer base by 66% in 2018, OneStream said.

Chief financial officers often buy separate software to tackle specific needs, such as lease accounting or planning. Over time, the cost of operating and maintaining individual systems can become unwieldy, said OneStream Chief Executive Tom Shea.

"We're changing that," he said, adding that OneStream enables finance professionals to complete reporting and planning tasks from a single platform.

A wave of new players has disrupted and reshaped segments of the enterprise software marketplace in recent years, dethroning legacy systems. Among them are [Salesforce.com](#) Inc. within the customer relationship management space, and [Workday](#) Inc. in human resources, said David Welsh, who heads KKR's technology, media and telecommunications growth-equity group.

OneStream is following a similar trajectory in the corporate performance software segment, he said.

Mr. Welsh is expected to join OneStream's board once the transaction closes. Former Central Intelligence Agency Director David Petraeus, who is now chairman of the KKR Global Institute, and KKR Principal Jim Miele also are expected to join the board.

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