



## **Accel-KKR Announces Investment In Applied Predictive Technologies**

**Menlo Park, CA and Arlington, VA – September 7, 2006** – Accel-KKR, a technology-focused private equity investment firm, and Applied Predictive Technologies (APT), a privately-held provider of Test & Learn software and solutions for the retail, consumer goods, and financial services sectors, today announced that Accel-KKR has invested approximately \$54 million of fresh capital in APT. Under the terms of the investment agreement, Jim Manzi, the company's Chief Executive Officer, will remain in his current role and, together with the APT senior management team, will continue to operate the company.

Founded in 1999, APT is based in Arlington, Virginia, with an additional office in San Francisco, CA. Through its APT 5 Suite, Applied Predictive Technologies offers a software platform that provides Test & Learn analytic solutions that help companies make faster and better marketing, operational, and capital allocation decisions. APT's software and services are used by major multinational specialty retailers, top U.S. banks, and leading consumer goods manufacturers, including by such enterprises as Wells Fargo, Starbucks, Staples, Lowe's, Wachovia, Circuit City, Office Depot, Food Lion, American Greetings, Owens Corning, OfficeMax, RadioShack, Famous Footwear and Sprint.

Jim Manzi, Chief Executive Officer of APT, said, "The Test & Learn approach allows large consumer-focused organizations to rapidly and effectively evaluate, optimize and target business programs. Our position as the only provider of Test & Learn software with such comprehensive functionality, high levels of efficacy, and ease of use translates into enormous growth potential for our company, which we look forward to capitalizing on with our new partners at Accel-KKR."

Ben Bisconti, Managing Director of Accel-KKR, said, "Our investment in APT is consistent with our successful track record of backing high quality teams as they build leadership positions in the software industry. APT represents an outstanding fit with a broad range of our investing criteria. The company's software as a service offering is highly differentiated and serves large end-markets, and the company has demonstrated an impressive track record of growth and profitability. Importantly, APT has proven its value proposition across a range of vertical markets by successfully serving a highly impressive customer base."

Rob Palumbo, Managing Director of Accel-KKR, said, "We are proud of our history of partnering with founder-run technology companies, and we look forward to working closely with APT's entire senior management team. The company's senior management has a unique combination of strategic business experience and strong technical backgrounds in mathematics and computer science. We believe that, under its senior management, APT is well-positioned for strong growth and continued market leadership for years to come."

**About Accel-KKR**

Accel-KKR is a technology-focused private equity firm that invests primarily in technology businesses with \$15 million to \$150 million in revenue that are well positioned for top-line and bottom-line growth. At the core of Accel-KKR's investment strategy is a commitment to developing strong partnerships with the management teams of its portfolio companies and a focus on building value through the contribution of unique financial, strategic, technical, and operational resources. Accel-KKR has a particular focus on the following transactions: Recapitalizations of family-owned or closely-held private companies, divisional buyouts of larger companies, and going-private transactions. For more information, please visit [www.accel-kr.com](http://www.accel-kr.com).

**About Applied Predictive Technologies**

APT is the industry leader in helping large-scale consumer-focused companies institutionalize a world-class Test & Learn capability. Through the combination of APT's proprietary software and capability-building consulting support, APT has helped some of the world's largest and most successful companies achieve significant bottom-line improvement. For more information about Test & Learn call APT at 703-875-7748 or visit [www.predictivetechologies.com](http://www.predictivetechologies.com).

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