



## **ACCEL-KKR CLOSES ACQUISITION OF KANA ASSETS AND LIABILITIES**

**Menlo Park, Calif.- December 23, 2009** - [KANA Software, Inc.](#) (OTC.BB: KANA), a world leader in innovative customer service solutions, today announced the closing of a transaction with an affiliate of Accel-KKR, a technology-focused private equity firm, in which the Accel-KKR affiliate has bought substantially all of KANA's assets and liabilities (other than certain specified assets and liabilities) for a cash purchase price to KANA of approximately \$40.82 million following adjustments based on closing net working capital, net indebtedness, transaction expenses and other adjustments described below. Of this amount, \$1.96 million will be held back in escrow for up to 14 months pending resolution of certain specified contingencies. KANA obtained stockholder approval of the transaction today at its stockholder meeting.

KANA's current operating business, which includes software, services and licensing, will operate as a privately held company under its current KANA brand. KANA's OTC Bulletin Board-listed entity will be renamed SWK Holdings Corporation and will continue to be publicly traded. SWK Holdings Corporation will hold the net cash proceeds from the transaction and more than \$400 million of net operating loss (NOLs) carry-forwards.

SWK Holdings Corporation's strategic plan will be to enhance stockholder value by pursuing opportunities to acquire one or more profitable businesses. The publicly traded company will not compete with the privately held KANA.

In the event that SWK Holdings Corporation has not invested at least half of the proceeds of the asset sale within six months of closing the transaction, the company anticipates soliciting the vote of stockholders on a proposal to continue seeking acquisition candidates; and if this proposal is not approved by stockholders, the company intends to return at least half of its cash to stockholders at that time, through a dividend, issuer tender offer or other distribution. The company's stockholder rights plan, which is triggered if a stockholder acquires more than 4.9 percent of the company's outstanding stock, will remain in effect to protect the company's ability to utilize its NOLs.

The members of KANA's Board of Directors immediately prior to the closing currently serve as SWK Holdings Corporation's Board of Directors, with the addition of Michael D. Weinberg, a consultant to Carlson Capital, L.P., a stockholder of SWK. Mr. Weinberg and Stephanie Vinella, a continuing director, were elected to their positions at today's stockholder meeting.

**About KANA**

KANA is a world leader in multi-channel customer service. KANA's integrated solutions allow companies to deliver consistent, managed service across all channels, including email, chat, call centers and Web self-service, so customers have the freedom to choose the service they want, how and when they want it. KANA's clients report double-digit increases in customer satisfaction, while reducing call volumes by an average of 20 percent. KANA's award-winning solutions have been proven in more than 600 companies worldwide, including approximately half of the world's largest 100 companies. For more information, visit [www.KANA.com](http://www.KANA.com).

**About Accel-KKR**

Accel-KKR is a technology-focused private equity firm with over \$1 billion in assets under management. The firm invests primarily in software and IT-enabled businesses 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 significant resources available through the Accel-KKR network. Accel-KKR has a particular focus on going-private transactions, divisional buyouts of larger companies and buyouts and recapitalizations of family-owned or closely-held private companies. For more information, please visit [www.accel-kr.com](http://www.accel-kr.com).

**Cautionary Note Regarding Forward-looking Statements Under the Private Securities Litigation Reform Act of 1995:** Information in this release regarding KANA's forecasts, projections, expectations, beliefs, and intentions are forward-looking statements that involve risks and uncertainties. All forward-looking statements included in this release are based upon information available to KANA as of the date of this release, which will likely change and we assume no obligation to update any such forward-looking statement. These statements include statements about SWK Holdings' strategy to enhance stockholder value by pursuing opportunities to acquire one or more profitable businesses. Factors that could cause or contribute to such differences include, but are not limited to, the ability of SWK Holdings to identify and acquire suitable acquisition candidates on acceptable terms. These and other factors are risks associated with our business that may affect our operating results and are discussed in KANA's filings with the Securities and Exchange Commission, including our most recent annual report on Form 10-K and our quarterly reports on Form 10-Q.

**NOTE:** KANA is a registered trademark of KANA Software, Inc. All other company and product names may be trademarks of their respective owners.

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