

Contrast Security Closes \$65 Million Series D Funding Round

Round led by new investor Warburg Pincus validates the visionary approach of Contrast's innovative software security platform

Los Altos, Calif., Feb. 28, 2019 - [Contrast Security](#), the pioneer in embedding vulnerability analysis and exploit prevention directly into modern software, today announced it has completed a \$65 million Series D funding round led by new investor, Warburg Pincus. Existing investors, including Battery Ventures, General Catalyst, M12 (Microsoft's Venture Fund), AXA Venture Partners and Acero Capital all participated in the oversubscribed round. This brings the company's total funding raised to \$122 million. This investment will strengthen Contrast Security's position as the leading platform to enable secure DevOps. The funding will accelerate the company's technology innovation, field operations, international expansion along with significant growth in its customer-success team. These investments are all in order to meet the rapidly increasing demand for the company's modern approach to software security.

Businesses today are developing software at breakneck speeds fueled by modern approaches such as Agile, DevOps, microservices, APIs, cloud-native apps and PaaS environments. This creates a major gap between the demands for faster software development and the challenges brought about by legacy software security tools. Contrast Security is a pioneer in creating a new approach, leveraging patented binary instrumentation to protect applications at every point in their lifecycle. Modern software requires an equally modern security model that can protect the integrity of the business with innovative security safeguards built directly into the software as they are developed and deployed.

"Everything about software today is different, from the increased dependence on third-party and open source components, to microservices and API-centric architectures, and complex cloud deployments. However, many companies still are trying to rely on 15-year-old legacy security tools for their modern software stacks. This approach leaves them with restricted software development capabilities or living with substantial enterprise risk of a data breach," said Alan Naumann, CEO at Contrast Security.

Modern software requires businesses to embrace innovative and modern software models, changing the rules of engagement. For example, companies such as Slack created a revolution in workforce collaboration built for modern software. AppDynamics and Atlassian have changed the way performance management and issue tracking can be done seamlessly across business functions. Modern software is built with innovative tools that are collaborative, cross-functional and highly integrated. Contrast Security is breaking decades-old constraints as the first and only software security platform that is built for the modern software era.

"With strong support from enterprise customers, key industry analysts validating our visionary approach and extraordinary backing from top tier investors, we anticipate becoming the essential foundation for modern software security with accurate and continuous software protection. We are thrilled to have Warburg Pincus join us as a partner in this journey," said Naumann.

Contrast Security has experienced strong corporate growth and fast-yielding financial performance in FY'2018 including:

- Overall ARR growth of >120%+ year-over-year
- Net upsell & expansion rates of >135%

- Significantly increased customer base with the addition of 520 new companies using Contrast solutions
- 500 percent year-over-year growth in the number of \$1 million or greater transactions

“Alan and the team at Contrast Security have built a formidable platform with a next-generation approach to application security. Our market research shows that companies around the globe are investing in Digital Transformation and software development initiatives. High speed DevOps software and rapid cloud adoption create an enormous security risk if legacy tools are used. These mega-trends create a uniquely large opportunity for Contrast Security,” said Brian Chang, Managing Director at Warburg Pincus. “We are excited to back Contrast Security and to further validate their position as a new, modern and truly scalable approach to application security.”

Contrast Security’s unified platform includes its flagship products, Contrast Assess and Contrast Protect, that work continuously across popular development approaches (DevOps, Agile, Waterfall, etc.) and technologies (Cloud, Containers, Open Source Software, etc.) to enable protection throughout the software lifecycle. Contrast Security’s platform allows IT executives to finally close the chasm between the number of applications needed to run the business and the resources needed to secure them. In 2018 alone, Contrast Security discovered over 1,900,000 vulnerabilities and protected against over 52,000,000 confirmed applications attacks across billions of transactions.

“A major business goal at Comcast is to speed up the development process and shorten time to market. This objective challenged us to identify next generation application security technology that could provide us constant and accurate feedback for our application portfolio. Many tools that claim to target this accelerating pace are nothing more than DevOps marketing lipstick on a traditional tooling pig,” said Larry Maccherone, DevSecOps Transformation Lead at Comcast. “However, Contrast fundamentally transforms the equation around vulnerability detection and runtime protection. It fits the emergent DevOps mental model perfectly which is more than can be said of any tool developed with the security specialist as its primary user.”

In addition, Contrast Security recently announced [Community Edition](#), a free, full-strength, DevSecOps solution that allows development, security and operations teams to deliver secure software on time to meet growing business requirements. This free solution is designed to help small teams building Java applications and APIs protect against the most common security flaws, including the Open Web Application Security Project (OWASP) top 10 vulnerabilities.

About Contrast Security

Contrast Security is the world’s leading provider of technology that embeds highly effective vulnerability analysis and exploit prevention directly into modern software. Contrast’s patented deep security instrumentation is the breakthrough technology that enables highly accurate assessment and always-on protection of an entire application portfolio, without disruptive scanning or expensive security experts. Only Contrast has sensors that work actively inside applications to uncover vulnerabilities, prevent data breaches, and secure the entire enterprise from development, to operations, to production. More information can be found at www.contrastsecurity.com or by following Contrast on Twitter at [@ContrastSec](https://twitter.com/ContrastSec).

About Warburg Pincus

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$43 billion in private equity assets under management. The firm's active portfolio of more than 180 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. The firm is a leading investor in security companies, with current investments including CrowdStrike, BitSight, eSentire, Cyren and Zimperium, among others. Founded in 1966, Warburg Pincus has raised 17 private equity funds, which have invested more than \$73 billion in over 855 companies in more than 40 countries. The firm is headquartered in New York with offices in Amsterdam, Beijing, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai and Singapore. For more information, please visit www.warburgpincus.com.