

Micro Focus soars on news of \$375m Digital Safe sell-off

Micro Focus saw [shares](#) surge by as much as 6% this morning on [news](#) the software giant plans to sell its archiving and risk management arm to [US](#) tech firm Smarsh for \$375 million (£275 million).

The UK-listed [company](#), which has 14,000 [employees](#) and offers software to the [world](#)'s biggest pharma and [aerospace](#) firms, said it has agreed definitive [terms](#) to sell its Digital Safe [business](#) – one it acquired as part of an ill-fated \$8.8 billion deal with Hewlett Packard's HPE in 2017.

Micro Focus CEO Stephen Murdoch, who has labelled that deal “problematic”, today said Digital Safe customers would be “better served for the long term” with Smarsh, which is innovating in the archiving and risk management space.

He said: “Micro Focus acquired the Digital Safe business in September 2017 as part of the HPE transaction.

“Since this date, we are proud of the progress made, with our focus on customer-centric innovation delivering significant improvements to the portfolio and enabling us to begin the transition to a cloud-first business model.”

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The sale is set to complete in early 2022.