

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN MATEO**

In re APIGEE CORPORATION SHAREHOLDER)
LITIGATION) Lead Case No. CIV537817
_____)

NOTICE OF PENDENCY OF CLASS ACTION

A court authorized this notice. This is not a solicitation from a lawyer. You are not being sued.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by a class action lawsuit pending in this Court if you purchased or otherwise acquired shares of the common stock of Apigee Corporation (“Apigee” or the “Company”) between April 24, 2015 and March 16, 2016. This Notice explains important rights you may have. Please read it carefully.

- A class action lawsuit is pending in the Superior Court of the State of California, San Mateo County (the “Court”) against (1) Apigee; and (2) certain of Apigee’s officers and directors (the “Individual Defendants”) (collectively, “Defendants”) who signed the Registration Statement (the “Offering Materials”) for Apigee’s April 23, 2015 Offering.¹
- The Court decided that this lawsuit should proceed as a class action on behalf of a “Class” that could include you. The Class, subject to certain exclusions discussed below, consists of “All persons and entities who purchased or otherwise acquired common stock before March 17, 2016 pursuant to or traceable to the Registration Statement issued in connection with Apigee Corporation’s April 2015 Initial Public Offering. Excluded from the Class are defendants and members of their immediate families, any present or former officers and directors of Apigee Corporation and members of their immediate families, and their legal representatives, heirs, successors or assigns, and any entity in which defendants have a controlling interest.”

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
Do Nothing	<i>Stay in the lawsuit. Await the outcome. Share in possible benefits. Give up certain rights.</i> By doing nothing, you are choosing to stay in the Class. You will be permitted to share in any recovery that may result from this class action, but you will give up your rights to sue Defendants in a separate lawsuit for any claims made in this action. In addition, you will be bound by past and any future court rulings on, or the settlement of, the claims against Defendants.
Ask to Be Excluded from the Class	<i>Get out of this lawsuit. Get no benefits. Keep your rights.</i> If you opt out of the Class (meaning you say in writing that you do not want to be included in this lawsuit), you will <u>not</u> be entitled to any recovery that may result from this class action, but you will <u>not</u> be bound by any past or future rulings for or against Defendants. You will be free to pursue your own claims against Defendants on your own or as part of a different lawsuit.

These rights and options, and the deadlines to exercise them, are further explained in this Notice.

BASIC INFORMATION ABOUT THE LAWSUIT

1. Why did I get this Notice?

Records indicate that you may have purchased or otherwise acquired Apigee common stock between April 24, 2015 and March 16, 2016. This Notice explains that the Court has allowed, or “certified,” a class in a lawsuit that may affect you. You have legal rights and options that you may exercise. Judge Marie S. Weiner of the Superior Court of California for San Mateo County is overseeing this class action. The case is known as *In re Apigee Corporation Shareholder Litigation*, Lead Case No. CIV537817 (the “Action”).

2. What is this lawsuit about?

The Action alleges that all Defendants violated §11 of the federal Securities Act of 1933 (the “Securities Act”) because the Offering Materials, pursuant to which Apigee shares were sold in the Offering, allegedly contained materially false or misleading statements and/or omitted to disclose material information required to be disclosed in the Offering Materials. Defendants deny any wrongdoing or violations of the Securities Act.

3. What is a class action and who is involved?

In a class action, one or more people or entities called “class representatives” (in this case, Seafarers Officers & Employees Pension Plan) sue on behalf of themselves and other persons or entities who have the same or similar claims. These people and entities together are called a “class” or “class members.” The person or entity that filed the suit are called

¹ The Individual Defendants are Chet Kapoor, Tim Wan, Bob L. Corey, Neal Dempsey, Promod Haque, William “BJ” Jenkins, Jr., Edmond Mesrobian and Robert Schwartz.

“plaintiffs” and the persons or entities being sued are called “defendants.” One court resolves the issues for all class members, except for those who exclude themselves, or “opt out,” from the Class (as discussed below).

4. What has happened so far?

Apigee creates and provides a software platform designed to permit businesses to design, deploy, and scale “APIs” (short for “Application Programming Interface”). An API is a set of programming instructions and standards for accessing a Web-based software app or Web tool which enables consumers and businesses connect programs and data to each other. On April 24, 2015, the Company conducted an IPO, raising \$87 million by selling 5,115,000 shares to the public at \$17.00 per share.

After the IPO, Apigee’s stock price drifted downward. Less than a year after the IPO, the first putative investor class action lawsuit was filed against Defendants on March 17, 2016. While several more such lawsuits were filed, these separate actions were all consolidated into one class action. The class action alleges claims under the federal securities laws that Apigee’s IPO Registration Statement and Prospectus contained false and/or misleading statements or omissions. In particular, the lawsuit alleges that, at the time of the IPO, Defendants knew and failed to disclose that Amazon Inc. was going to offer an API service of its own and compete directly with Apigee, which the lawsuit alleges was bad news for Apigee, as even Apigee was running its own cloud-based offering on Amazon’s distributed computing infrastructure platform. The lawsuit also alleges that Defendants failed to disclose information about “Gross Billings” and “Non-GAAP Gross Profit and Gross Margin.” The lawsuit alleges that Defendants failed to disclose that the “gross billings” metric had declined in the months leading up to the IPO and that the market’s perception of growth was artificially inflated by one “unusually large transaction” that made up more than 15% of six months’ worth of the results and comprised approximately 26% of the 2015 second quarter billings. The lawsuit also alleges that Apigee’s reported “Non-GAAP Gross Profit and Gross Margin” was similarly misleading because any increase in revenue was due to non-recurring, one-time deals recognized prior to the IPO.

Defendants deny the allegations, maintain they did not make any misleading statements or omissions, and state that they disclosed all information required to be disclosed by the federal securities laws. Defendants also contend that Apigee’s stock price declined for reasons other than disclosures related to the alleged false or misleading statements and that the Registration Statement and Prospectus contained substantial risk disclosures concerning the allegations in the lawsuit, including details about the risk of competition and potentially fluctuating and unpredictable revenue. Defendants also believe the Seafarers Officers & Employees Pension Plan’s class claims should be dismissed and that this action may not be maintained as a class action, pursuant to the Securities Act’s statute of limitations and the United States Supreme Court decision in *China Agritech, Inc. v. Resh*, issued on June 11, 2018. At a hearing on July 26, 2018, the Court set a briefing and hearing schedule for Defendants’ motion on this issue, which will be heard by the Court on December 7, 2018.

Google LLC announced that it was acquiring Apigee on September 8, 2016 and completed the acquisition in November 2016. After Google’s announcement, the price of Apigee’s stock rose above the IPO offering price of \$17.00, where it stayed until completion of the acquisition. Defendants filed an answer to the consolidated complaint on February 10, 2017, denying the allegations and asserting multiple defenses. Litigation is ongoing, and the Court certified the action as a class action on April 13, 2018.

5. What type of recovery are the Class Representatives asking for?

The Class Representatives are asking for money to compensate Class members for the losses they allegedly suffered as a result of Defendants’ conduct, as well as pre-judgment and post-judgment interest.

6. Is there any money available now?

No money or benefits are available now because the Court has not yet decided whether Defendants did anything wrong, and the two sides have not settled the case. There is no guarantee that any money or benefits ever will be obtained. If they are, you will receive a notice describing how to receive a share of any recovery in which you may be eligible to participate.

DETERMINING IF YOU ARE A MEMBER OF THE CLASS

7. How do I know if I am a member of the Class?

You are a member of the Class if you purchased or otherwise acquired shares of Apigee common stock pursuant to and/or traceable to the Registration Statement and Prospectus on or between April 24, 2015 and March 16, 2016, inclusive.

If one of your mutual funds purchased or otherwise acquired Apigee shares, that does not make you a Class member; instead, you are a Class member only if you (or your broker on your behalf) purchased Apigee shares for your own account. If you are the legal representative or fiduciary of a person or legal entity that purchased Apigee shares (e.g., if you are the trustee of a trust that purchased Apigee shares), then the person or entity that you represent will be the Class member, but that person or entity may be legally bound by your decisions.

8. Are there exceptions to being included in the Class?

Yes. There are also some people and entities that are excluded from the Class by definition. The excluded Persons are: Defendants and members of their immediate families, the officers and directors of Apigee, and members of their

immediate families, and their legal representatives, heirs, successors or assigns, and any entity in which Defendants have a controlling interest. Also excluded from the Class will be any Person who timely and validly seeks exclusion from the Class in accordance with the requirements of this Notice.

9. Are you still not sure if you're included?

If you are still not sure whether you are included in the Class, you can get free help at www.ApigeeSecuritiesLitigation.com, or by calling or writing to Class Counsel for the Class in this case at the phone number or address provided in response to question 15 below.

YOUR OPTIONS AS A CLASS MEMBER

10. What are my options as a Class member?

You must decide whether to stay in the Class or opt out of it.

11. What happens if I choose to stay in the Class?

If you stay in the Class, you will be permitted to share in a recovery, if any, that may occur in this Action if you suffered compensable losses, subject to the terms of any plan of allocation that may be approved by the Court. But you give up any rights to sue Defendants separately about the same legal claims in this lawsuit. You will also be legally bound by all of the Orders the Court issues and Judgments that the Court has made or will make in this class action, even if there is no recovery.

12. How do I stay in the Class?

You do not have to do anything at this time to stay in the Class.

13. What happens if I "opt out" (exclude myself) from the Class?

If you opt out of the Class (by stating in writing that you do not want to be included in the Class in this Action), you will give up the right to participate in any recovery that may occur. But you will keep any rights you may currently have to sue Defendants regarding the legal claims at issue in this lawsuit. You will also **not** be bound by the Orders the Court issues and the Judgments the Court makes in this class action. If you are requesting exclusion because you want to bring your own lawsuit based upon matters alleged in the litigation, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue is time-barred by the applicable statutes of limitation and/or repose.

14. How do I "opt out" (exclude myself) from the Class?

If you do not want to be a Class member, **you must send** a signed, written "Request to Opt Out" to the Notice Administrator so it is **received** no later than October 23, 2018. Your written request must include:

- Your name, address, and telephone number;
- A statement that you request exclusion from the Class in *In re Apigee Corp. Shareholder Litigation*, Lead Case No. CIV537817; and
- Your signature.

You must mail your Request to Opt Out by First-Class Mail to the following address:

In re Apigee Corp. Shareholder Litigation - Exclusions
c/o Gilardi & Co. LLC
3301 Kerner Blvd.
San Rafael, CA 94901

THE LAWYERS REPRESENTING YOU

15. As a Class member, do I have a lawyer representing my interests in this case?

Yes. The Court has appointed the law firm of Robbins Geller Rudman & Dowd LLP to represent you and others as members of the Class. These lawyers are called "Class Counsel."

If you have any questions concerning the matter raised in this Notice, you may address them in writing to the address below or by telephone:

Thomas E. Egler
Robbins Geller Rudman & Dowd LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
1-800-449-4900
tome@rgrdlaw.com

You will not be separately charged for these lawyers, or for the services of any other counsel representing the Class.

16. How will the lawyers for the Class be compensated?

If a recovery is obtained for the Class, Class Counsel will submit an application to the Court for an award of attorneys' fees and for reimbursement of litigation expenses that they have incurred in pursuing the Action. Class Counsel may also ask the Court to approve a reasonable service award for the Class Representative. If approved, any such attorneys' fees, expenses or awards will either be paid from the recovery obtained for the Class or separately by Defendants. Class members will **not** be liable for any such fees, expenses or awards.

17. Should I get my own lawyer?

You do not need to hire your own lawyer. However, you are free to hire your own lawyer at your own expense. If you hire a lawyer to speak for you or to appear in Court, your lawyer must file a Notice of Appearance.

GETTING MORE INFORMATION

18. Where do I get more information?

This Notice contains only a summary of the Action and proceedings to date. Complete copies of public pleadings, Court rulings and other filings are available for review and copying at the Clerk's office. The address is 400 County Center, Redwood City, CA 94063.

Additional information is also available at www.ApigeeSecuritiesLitigation.com, or by contacting the Notice Administrator at:

In re Apigee Corp. Shareholder Litigation
Notice Administrator
c/o Gilardi & Co. LLC
PO Box 404084
Louisville, KY 40233-4084
1-866-766-1848

Please do not contact the Court, the Clerk of the Court, or Defendants for additional information. They cannot answer any questions or discuss the Action.

SPECIAL NOTICE TO BANKS, SECURITIES BROKERS, AND OTHER NOMINEES

If you purchased Apigee shares (ticker: APIC) between April 24, 2015 and March 16, 2016 for the beneficial interest of a person or entity other than yourself, the Court has directed that, **WITHIN FOURTEEN (14) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE**, you must either: (A) provide to the Notice Administrator the name and last known address of each person or entity for whom or which you purchased such shares (preferably in electronic format (MS Excel or CSV file)); or (B) request from the Notice Administrator additional copies of this Notice (which will be provided to you free of charge) and send them, within fourteen (14) calendar days of receipt, by First-Class mail directly to the beneficial owners/purchasers of those Apigee shares. All communications concerning the foregoing should be addressed to the Notice Administrator at: *In re Apigee Corp. Shareholder Litigation*, c/o Gilardi & Co. LLC, PO Box 404084, Louisville, KY 40233-4084, tel. 1-866-766-1848, or by email to Classact@gilardi.com.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding this Notice and which would not have been incurred but for the obligation to forward this Notice, upon submission of appropriate documentation to the Notice Administrator.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.

DATED: AUGUST 3, 2018

BY ORDER OF THE COURT
OF CALIFORNIA FOR
SAN MATEO COUNTY
HON. MARIE S. WEINER