



Full Year 2015 Results

Jean-Marc Lazzari
Chief Executive Officer
25 February 2016



Forward Looking Statements

This presentation contains forecasts in respect of which there are risks and uncertainties concerning the company's future growth and profitability. The group highlights the fact that the signature of license contracts, which often represent investments for clients, are more significant in the second half of the year and may therefore induce to a more or less favorable full-year performance.

Furthermore the current outcome of the events or actual results may differ from those described in this document as a result of a number of risks and uncertainties set out in the Registration Document 2014 submitted to the Autorité des Marchés Financiers (AMF) on 23 April 2015, number D. 15-0391.

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Agenda



Jean-Marc Lazzari
Chief Executive Officer



Patrick Donovan
Chief Financial Officer

- Full Year 2015 Analysis
- Accounting & Financial Results
- Positioning & Strategy
- Q&A



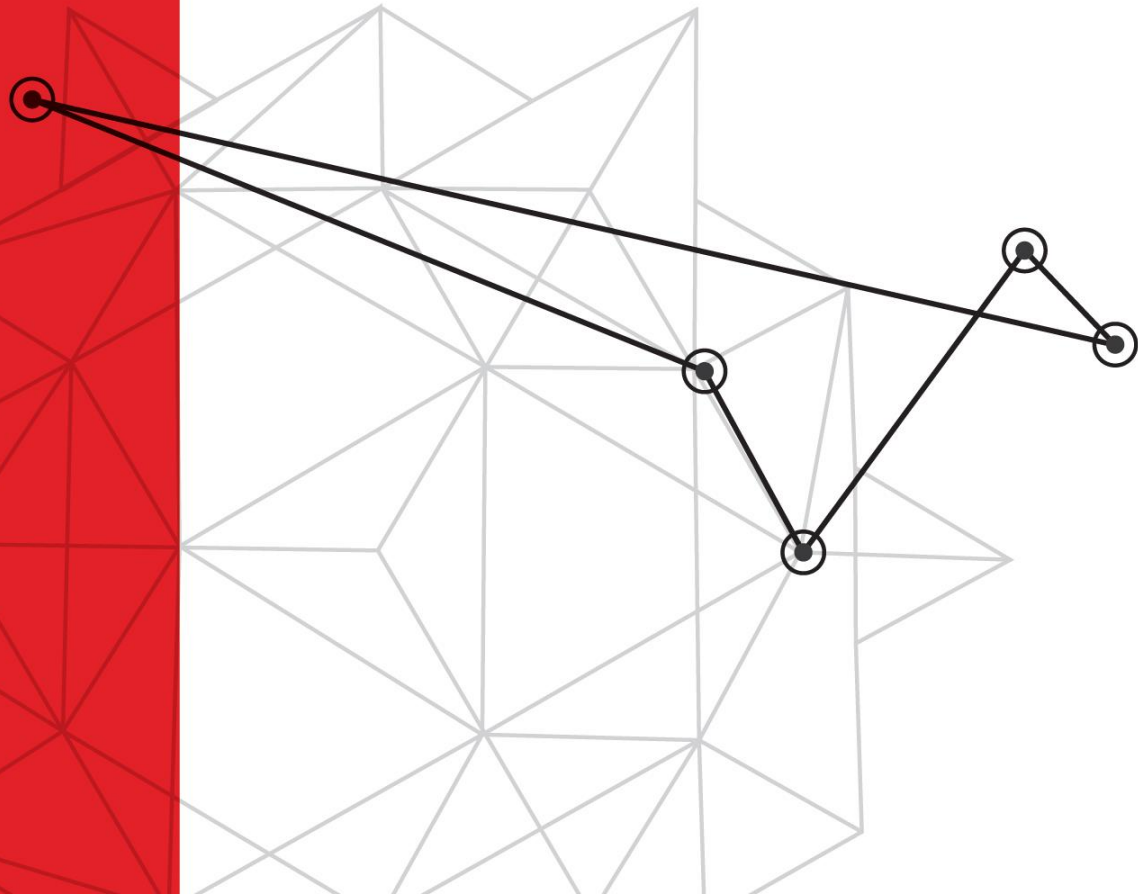
Patrick Gouffran
Investor Relations





Jean-Marc Lazzari
Chief Executive Officer

2015 Analysis



Axway 2015 in Key Facts

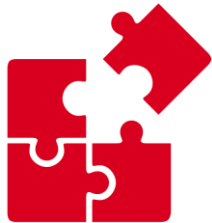


- New CEO and Organization adaptation
- (Re)positioning and strategy review
- Major transformation program started
- Ecosystem engagement initialisation
- Appcelerator acquisition early 2016

FY2015 in a Nutshell

USA

First signal of business rebound still underpenetrated



API & OI

Main growth driver



Cloud

Strong booking and Revenue Growth Deployment with our partners:

- Amazon
- Local operators



France

Low Q4



Axway delivers a solid and profitable year



FY2015: Key Figures (€m)

Total growth:
+8.8%

2015

2014

Revenue

284.6

261.6

Profit from business activity

44.5

39.7

(%revenue)

(15.6 %)

(15.2%)

Net Profit

27.8

26.7

(%revenue)

(9.8 %)

(10.2%)

FY2015: Revenue by Activity

[€M]	2015	2014 Published	2014 Pro forma	Total Growth	Organic Growth ¹
Licenses	80.5	79.6	86.2	1.1%	-6.7%
Maintenance	137.7	120.5	132.1	14.3%	4.3%
<i>Product Revenue</i>	<i>218.2</i>	<i>200.1</i>	<i>218.3</i>	<i>9,0%</i>	<i>0,0%</i>
Services	66.4	61.5	66.3.	8.0%	0.1%
Axway	284.6	261.6	284.7	8.8%	0.0%

(1) At constant exchange rates and on a like-for-like basis

FY2015: Revenue by Region

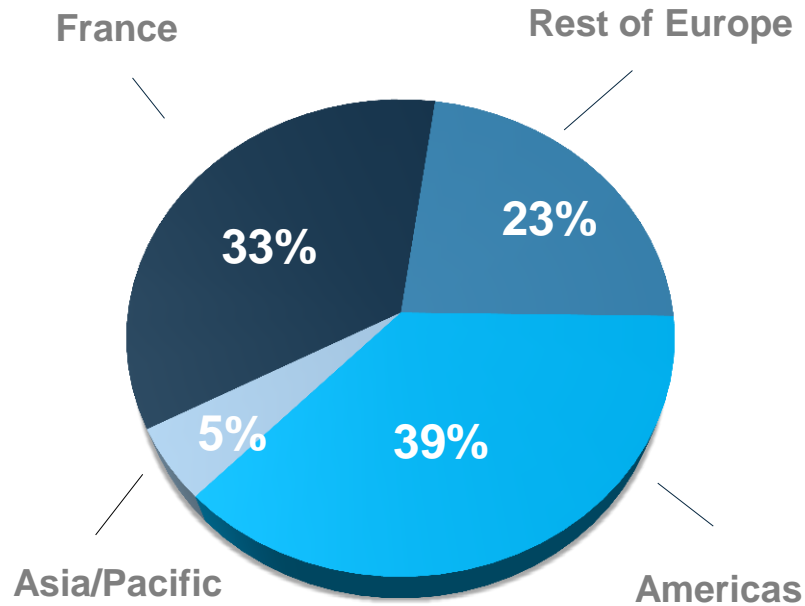
[€M]	2015	2014 Published	2014 Pro forma	Total Growth	Organic Growth ¹
France	95.2	103.4	102.4	-7.9%	-7.0%
Rest of Europe	65.8	59.5	65.0	10.5%	1.2%
Americas	109.7	89.1	106.5	23.2%	3.0%
Asia/Pacific	13.9	9.6	10.8	45.3%	29.1%
Axway	284.6	261.6	284.7	8.8%	0.0%

(1) At constant exchange rates and on a like-for-like basis

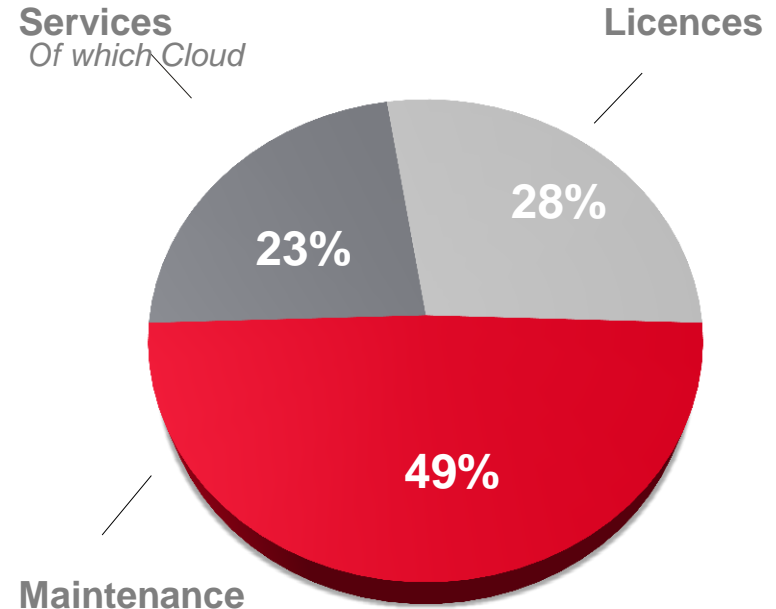


Balanced and resilient Business Model

BY REGION



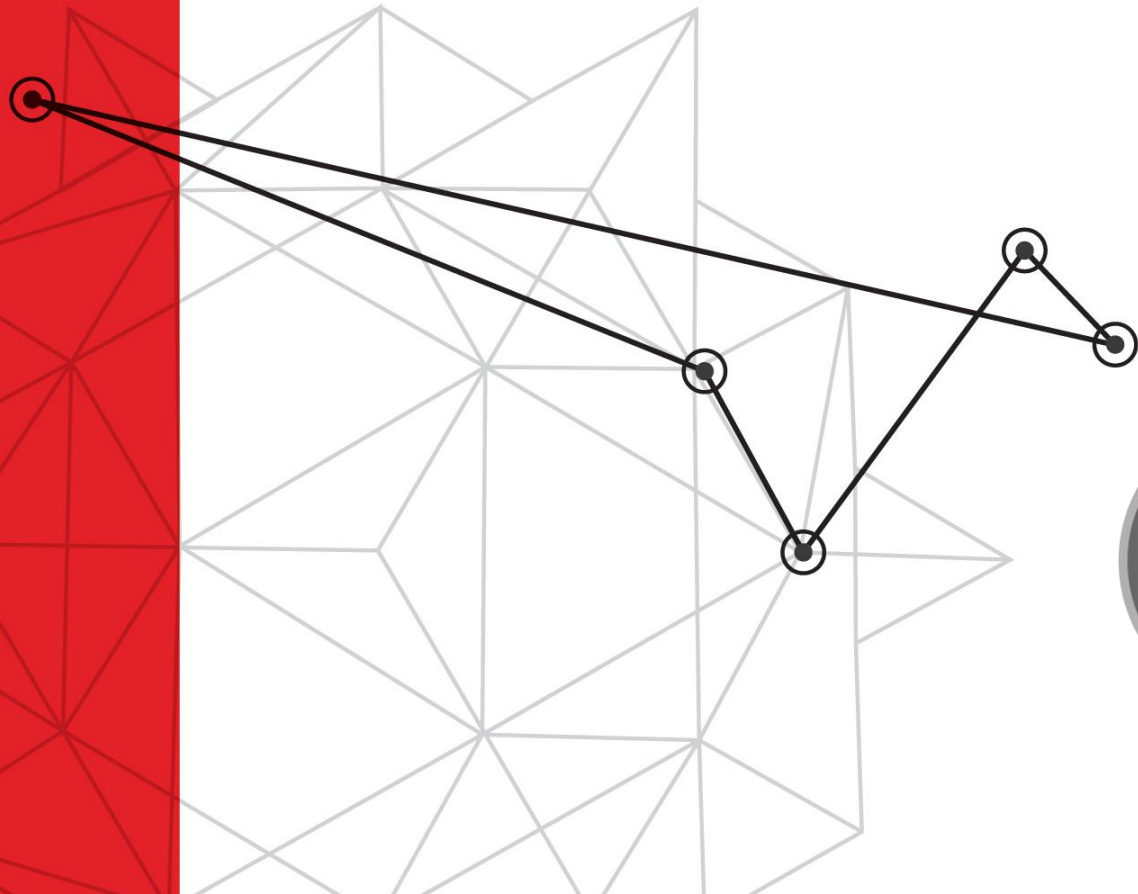
BY ACTIVITY





Patrick Donovan
Chief Financial Officer

Accounting & Financial Results



Income Statement (1/2)

- Total Revenue grew 8.8 % with one additional quarter of Systar and a stronger Dollar
- Gross Profit as a% of Revenue stable in all periods, with an underlying shift towards the Cloud
- Sales, Marketing and R&D continued to grow to support a larger product and target customer base

<i>In millions of euros</i>	FY 2015	FY 2014	FY 2013
Revenue :			
License	80.5	79.6	75.6
Maintenance	137.7	120.5	106.3
Total Product Revenue	218.2	200.1	181.9
Services	66.4	61.5	55.6
Total Revenue :	284.6	261.6	237.5
Costs of sales:			
Product Revenue	23.2	21.9	20.7
Services	63.2	57.0	51.4
Total Costs of sales :	86.4	78.9	72.1
Gross profit:	198.3	182.6	165.4
<i>as a % of Revenue</i>	<i>69.7%</i>	<i>69.8%</i>	<i>69.6%</i>
Operating expenses :			
Sales and marketing	81.9	77.5	70.8
Research and development	46.0	41.0	33.6
General and administrative	25.9	24.5	23.5
Total operating expenses :	153.8	143.0	127.9
Profit on operating activities	44.5	39.7	37.5



Income Statement (2/2)

- Profit on Operating Activities finished at 15.6%, stable and comparable to prior years
- Restructuring charge to rationalize our activities after years of acquisitions, primarily in our R&D and Sales areas
- Income tax benefit in 2015 due to the release of certain tax asset valuation reserves as well as a favorable profit levels across our different tax jurisdictions

<i>In millions of euros</i>	FY 2015	FY 2014	FY 2013
Profit on operating activities	44.5	39.7	37.5
<i>as a % of Revenue</i>	15.6%	15.2%	15.8%
Stock option related expenses	0.6)	(0.8)	(1.4)
Amortization of intangible assets	(6.0)	(5.3)	(3.7)
Profit from recurring operations	37.9	33.6	32.4
<i>as a % of Revenue</i>	13.3%	12.8%	13.7%
Other income and expenses	(10.5)	(2.3)	(5.3)
Operating profit	27.4	31.3	27.2
Cost of net financial debt	(0.4)	(1.4)	(0.3)
Other financial revenues and expenses	(1.3)	0.4	(1.0)
Income taxes	2.1	(3.6)	9.8
Net Profit	27.9	26.7	35.6
<i>as a % of Revenue</i>	9.8%	10.2%	15.0%
Basic net earnings per share (in Euro)	1.35	1.29	1.75



Simplified Balance Sheet (1/2)

- Goodwill increased from the currency impact on conversion of US Dollar balance sheet
- Strong cash balance to end 2015 at 44,7 M€
- DSO finished at 85, versus 105 at the end of 2014

In millions of euros

31/12/2015

31/12/2014

31/12/2013

ASSETS

Goodwill	251.8	236.5	189.3
Intangible assets	40.9	45.6	28.8
Property, plant and equipment	7.8	6.9	6.3
Other non-current assets	47.0	42.1	45.7
Non-current assets	347.5	331.1	270.1
Trade receivables	73.9	84.9	64.4
Other current assets	22.5	18.2	8.3
Cash and cash equivalents	44.7	44.6	49.2
Current assets	141.0	147.6	121.9
TOTAL ASSETS	488.6	478.7	392.0

Simplified Balance Sheet (2/2)

- No borrowings under 125 M€ RCF at 31 Dec 2015, Financial debt from other one off sources
- Other current liabilities includes 66.6 M€ of deferred income in 2015 versus 61.6 M€ in 2014

<i>In millions of euros</i>	31/12/2015	31/12/2014	31/12/2013
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	41.5	41.1	40.9
Capital reserves and results	299.1	257.4	217.4
Total shareholders' equity	340.6	298.5	258.4
Financial debt - long-term portion	7.5	46.3	28.5
Other non-current liabilities	15.7	18.9	15.5
Non-current liabilities	23.2	65.2	44.0
Financial debt - short-term portion	1.5	1.3	9.5
Other current liabilities	123.3	113.7	80.1
Current liabilities	124.8	115.0	89.6
TOTAL LIABILITIES	148.0	180.2	133.6
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	488.6	478.7	392.0



Change in Equity

- Due to the USD/Euro conversion rate movement a significant translation adjustment was recorded in 2014 and 2015 on the conversion of the foreign balance sheets to Euros

<i>In millions of euros</i>	31/12/2015	31/12/2014	31/12/2013
Equity at Opening of Period	298.5	258.4	233.9
Profit for the period	27.9	26.7	35.6
Other comp. income statement items	0.4	0.0	0.0
Share-based payments	0.5	0.8	1.3
Treasury Shares	-2.4	-0.1	0.0
Dividends	-8.2	-8.2	-7.1
Capital increase	3.1	1.3	2.2
Actuarial gains and losses	1.2	-0.5	0.3
Other changes	0.3	-0.2	0.1
Translation differential	19.5	20.3	-7.9
Equity at End of Period	340.6	298.5	258.4

Cash Flow Statement

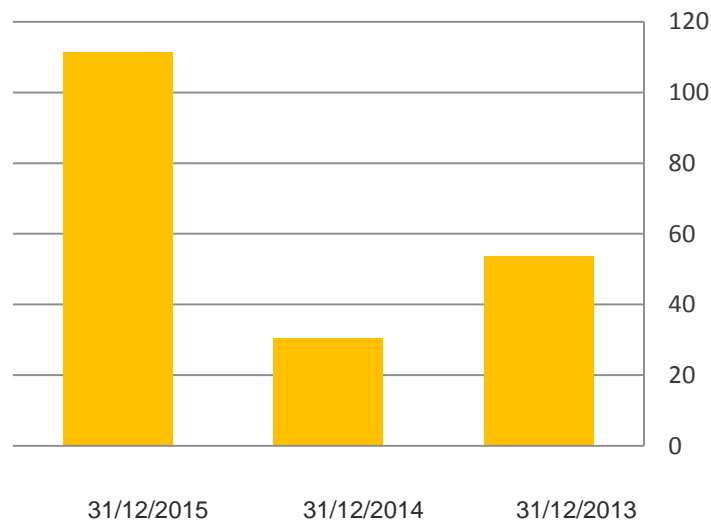
- Working Capital Requirements — positive improvement 2015 with the conversion of receivables from customers and due from tax agencies
- Free cash for 2015 is 44.5 M€
- Systar borrowing against RCF was paid off in 2015

<i>In millions of euros</i>	FY 2015	FY 2014	FY 2013
Net profit for the period	27.9	26.7	35.6
Net charges to amortizations, depreciations and provisions	13.8	8.3	8.0
Other income and expense items	(1.1)	0.2	1.7
Cash from operations after cost of net debt and tax	40.6	35.2	45.3
Changes to operating working capital requirements	13.3	11.0	(3.6)
Costs of net financial debt	0.4	1.4	0.7
Income tax paid net of accrual	(4.6)	(0.2)	(14.1)
Net cash from operating activities	49.6	47.3	28.3
Net cash used in investing activities	(5.2)	(54.4)	(3.6)
Proceeds on shares issued	3.1	1.3	2.2
Dividends paid	(8.2)	(8.2)	(7.1)
Change in loan	(41.0)	7.7	-
Net interest paid	(0.4)	(1.4)	(4.4)
Other changes	0.3	(0.7)	(0.7)
Net cash from (used in) financing activities	(46.1)	(1.2)	0.3
Effect of foreign exchange rate changes	1.1	3.7	(9.7)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(0.7)	(4.6)	(1.2)
Opening cash position	44.6	49.2	35.4
CLOSING CASH POSITION	43.9	44.6	49.2

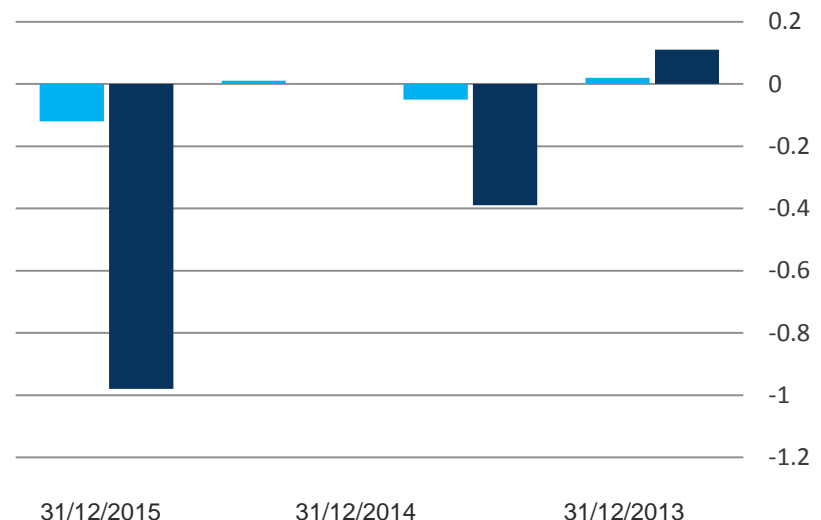


Financial Structure — Covenants 2015

- Financial covenants met in all periods. Net treasury for 2015 is 35,7 M€
- Our main covenant is the leverage ratio: Net debt/EBE ≤ 3 (-0,98 at Dec 31, 2015)
- The 125 M€ credit line is extended to mid-2020 and is fully available



■ EBE/Costs of Debt
(covenant >5)



■ Net Debt/EBE
(Covenant <3)

■ Net Debt/Retained Earnings
(Covenant <1)



Axway Shareholder Structure

31/12/2015

20,773,916 SHARES OUTSTANDING
35,538,163 VOTING RIGHTS

Sopra Steria	Pasquier Family	Odin Family	Managers	Sopra GMT	Geninfo (SG Group)	Caravelle	Public	Treasury Shares
Shares outstanding								
24.9%	0.1%	1.4%	1.7%	21.6%	8.6%	12.3%	28.9%	0.2%
Voting Rights								
29.0%	0.1%	1.5%	1.6%	25.0%	10.0%	14.4%	18.0%	

Concerted action

- 58.57% of the shares
- 67.44% of the voting rights

Financial Summary



Total revenue growth of 8.8% to 284 M€



Growth in results from operating activities to 15.6% of total revenues in 2015



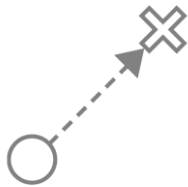
Solid ending cash of 45 M€, well above guidance due to conversion of customer and tax receivables with some small opportunistic bank borrowings



Positioning & strategy



- **Digital positioning Confirmed**



- Mid-term perspectives



- Appcelerator update



Digital is everywhere

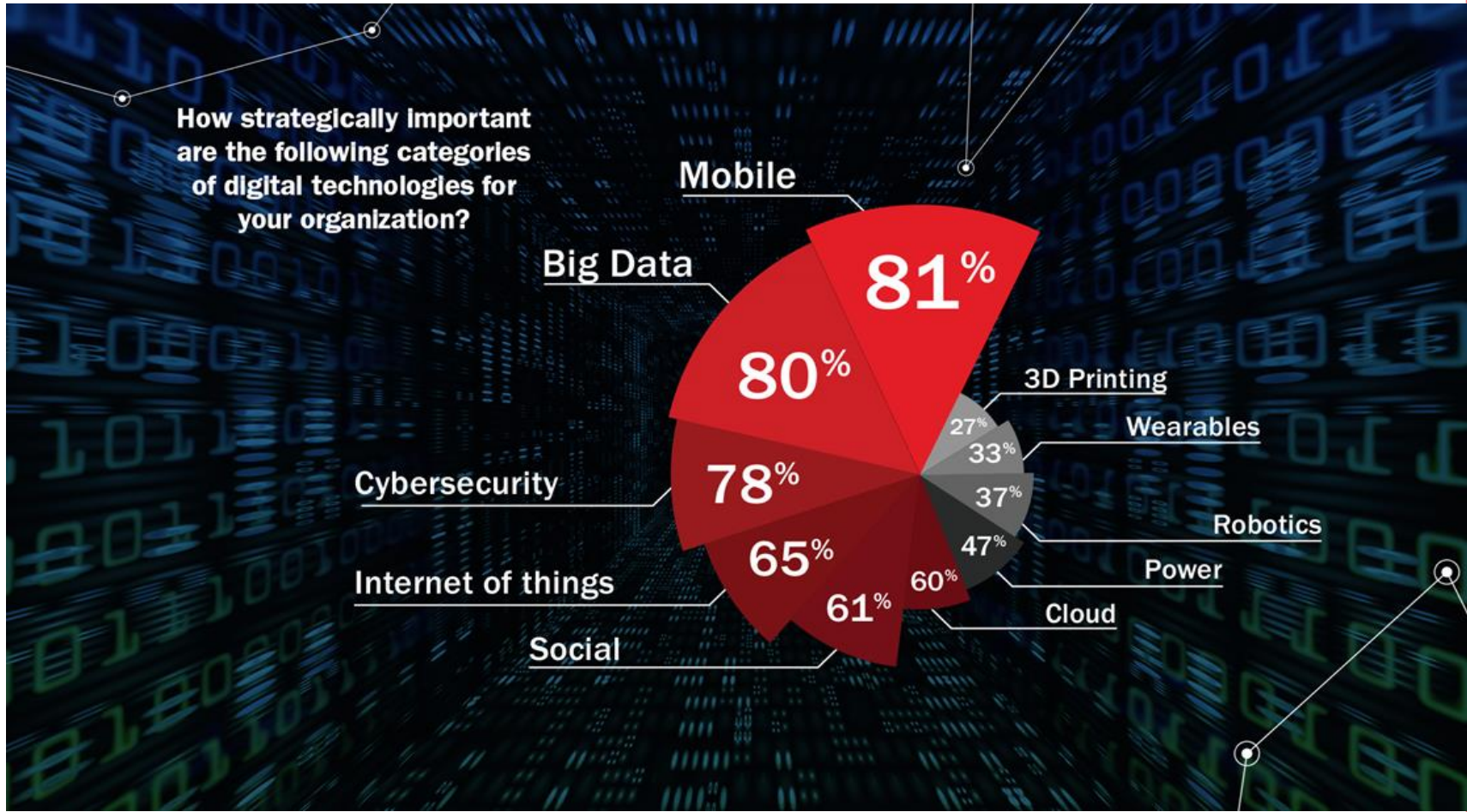


LARGE ENTERPRISES EXPECT
AT LEAST 28%
OF REVENUES
WILL COME FROM
DIGITAL BUSINESS
THE NEXT THREE YEARS

Source: Accenture – “Harnessing the Power of Entrepreneurs to Open Innovation,” 2015; n=2,000



Enterprise Threatened with Disruption



PWC – 18th Annual Global CEO Survey, 2015; n=1,322



Axway Positioning

The image features the Axway logo at the top center, consisting of a stylized white sphere with a curved line and the word "axway" in lowercase white letters. Below the logo, the text "Enabling your digital business by connecting" is written in red. Underneath this, the words "PEOPLE, PROCESSES & THINGS" are displayed in large, bold, white capital letters, framed by two horizontal white lines. At the bottom, the phrase "while governing data flows throughout your ecosystem." is written in red. The background is a dark blue and black digital space filled with binary code (0s and 1s) and faint network lines connecting nodes.

axway

Enabling your digital business by connecting

PEOPLE, PROCESSES & THINGS

while governing data flows throughout your ecosystem.

Portfolio Segmentation...and a Bi-modal Approach

DIGITAL BUSINESS ENABLEMENT



INTEGRATION FOUNDATION

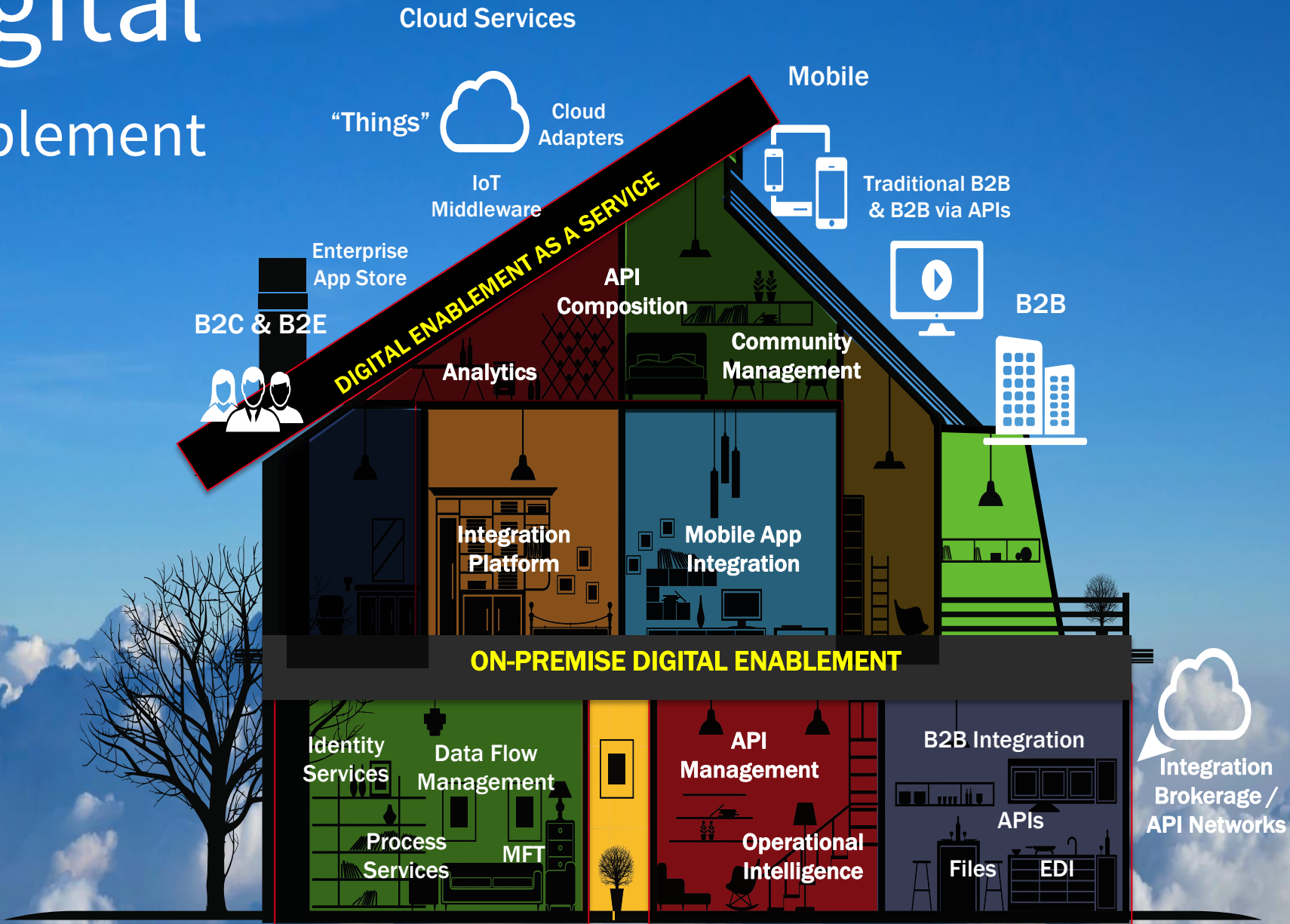
Managed File Transfer
B2B/EDI Integration
Cloud Service
Integration
XML & SOA Services
API Integration



ECOSYSTEM ENGAGEMENT

Analytics
API Management
Community Management
Identity Federation
Identity Validation
Mobile App
Development

Digital Enablement



Positioning & strategy



- Digital positioning Confirmed



- **Mid-term perspectives**



- Appcelerator update



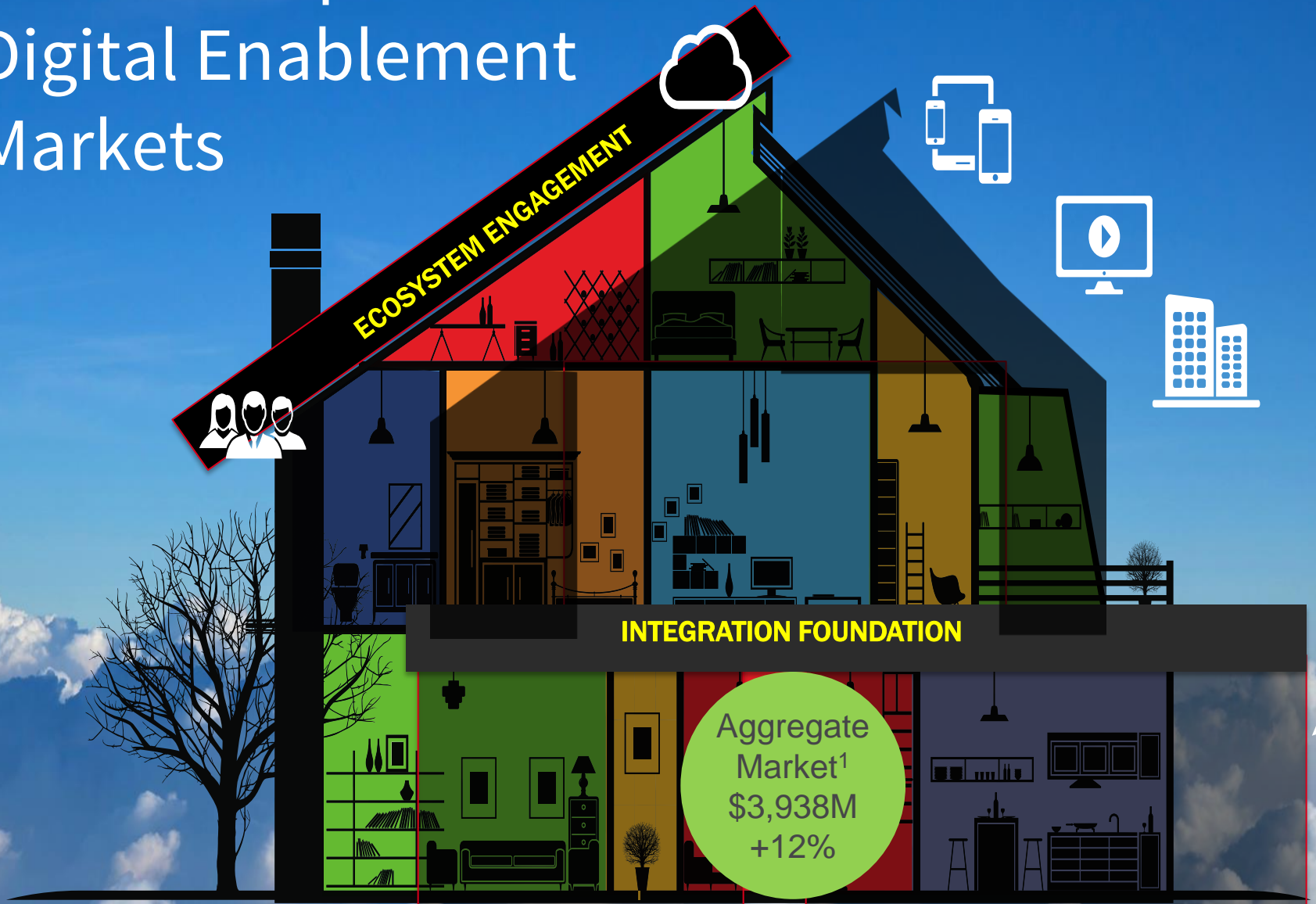
Axway Business plan ambition by 2018

- Double Axway size
- Preserve margins before acquisition
- Target 20% growth annually in license/cloud revenue in the United States Market
- Achieve average annual growth of 30% in Ecosystem Engagement revenue
- Keep our historic leadership in France
- Active M&A plan both on engagement and foundation domains

All the hypothesis mentioned above are not objective and final results to group has decided to achieve by 2018. Furthermore they depend on a lot of criteria that may change drastically in the future and conduct to deem these hypothesis as inaccurate and inadequate with the group situation

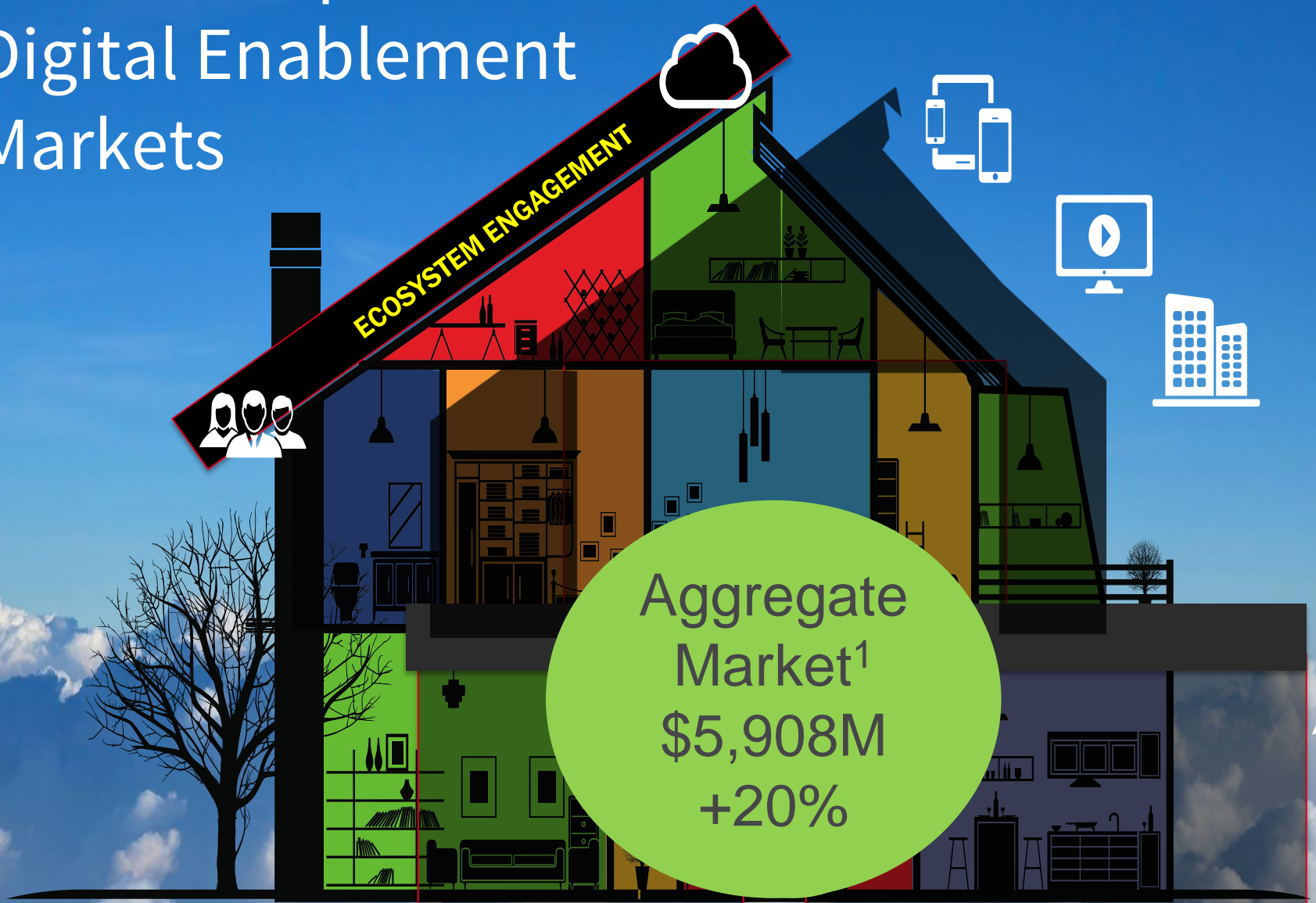


Additional potential Digital Enablement Markets



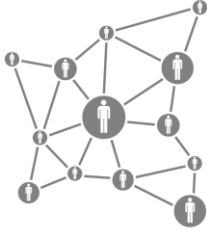
(1) Axway estimates based on a combination of Market Analyst Projections and assumptions

Additional potential Digital Enablement Markets

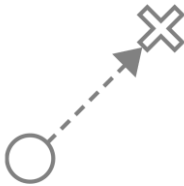


(1) Axway estimates based on a combination of Market Analyst Projections and assumptions

Positioning & strategy



- Digital positioning Confirmed



- Mid-term perspectives



- **Appcelerator update**





THE FORRESTER WAVE™: MOBILE INFRASTRUCTURE SERVICES, Q3 2015



Appcelerator is one of six vendors who is “...strong across the major mobile infrastructure disciplines ... [and] ...well suited to act as the centerpiece of nearly all enterprise mobility solutions.”¹

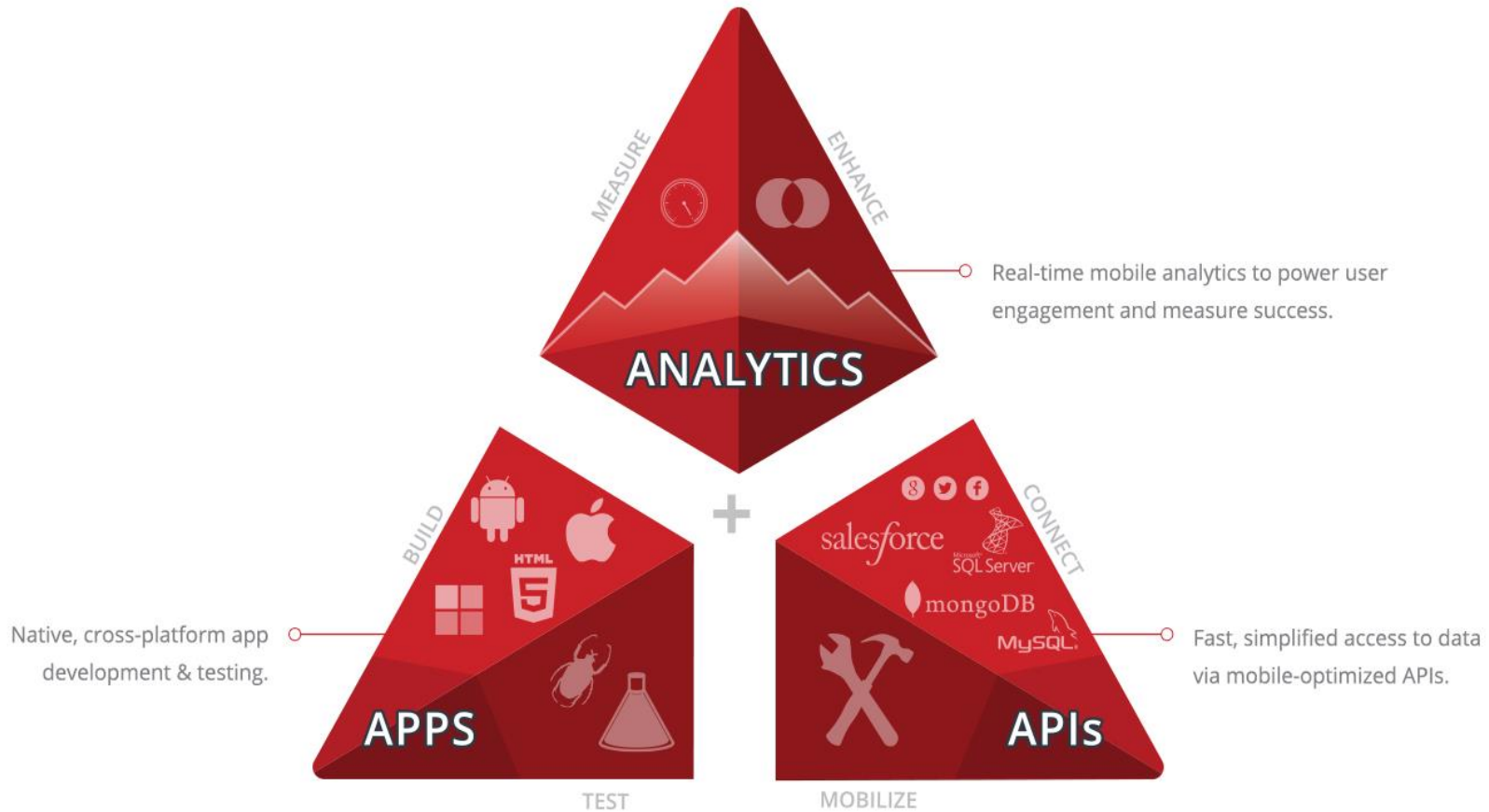
¹The Forrester Wave™: Mobile Infrastructure Services, Q3 2015, Forrester Research, Inc., September 15, 2015

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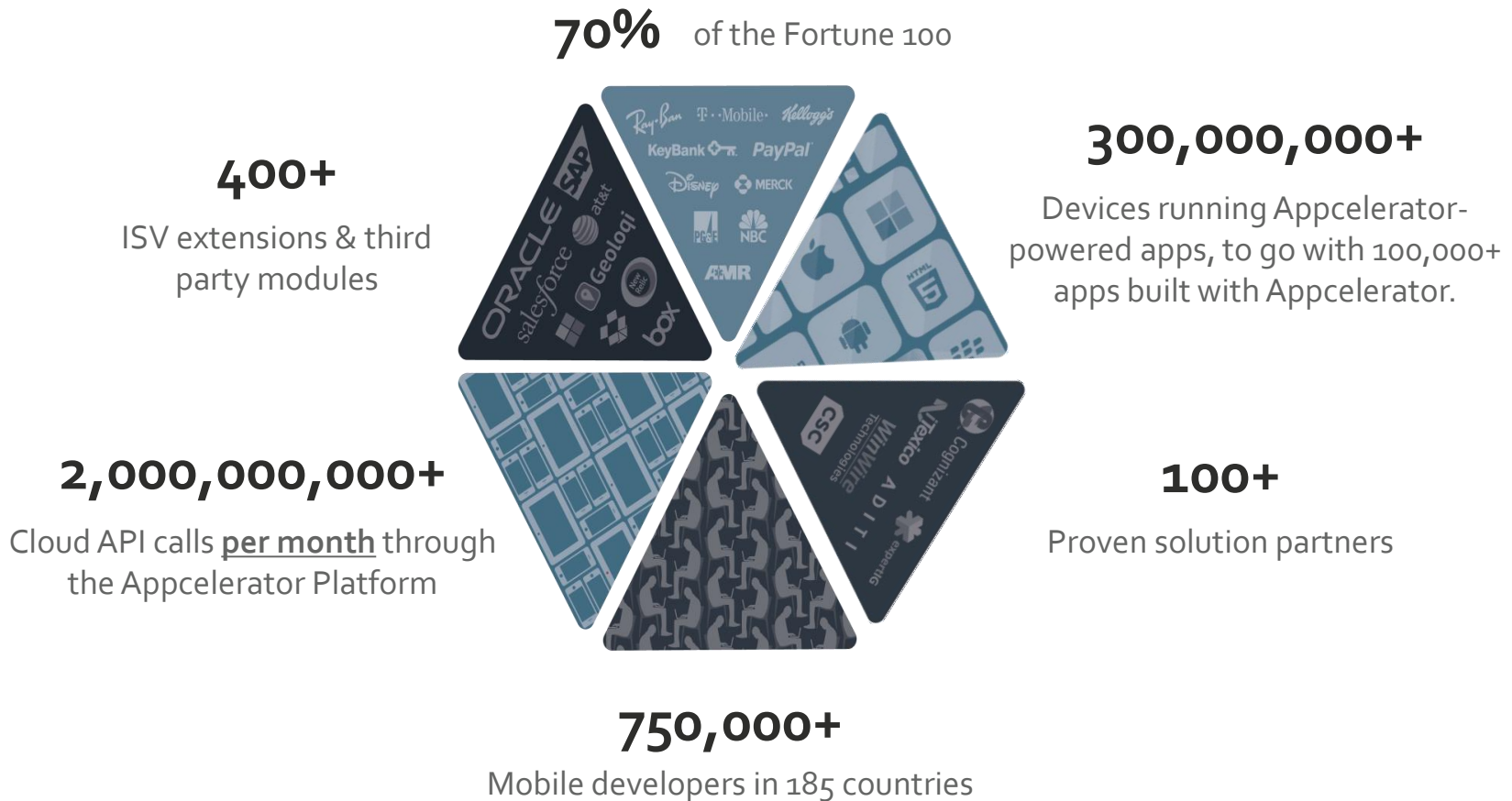


Appcelerator Platform

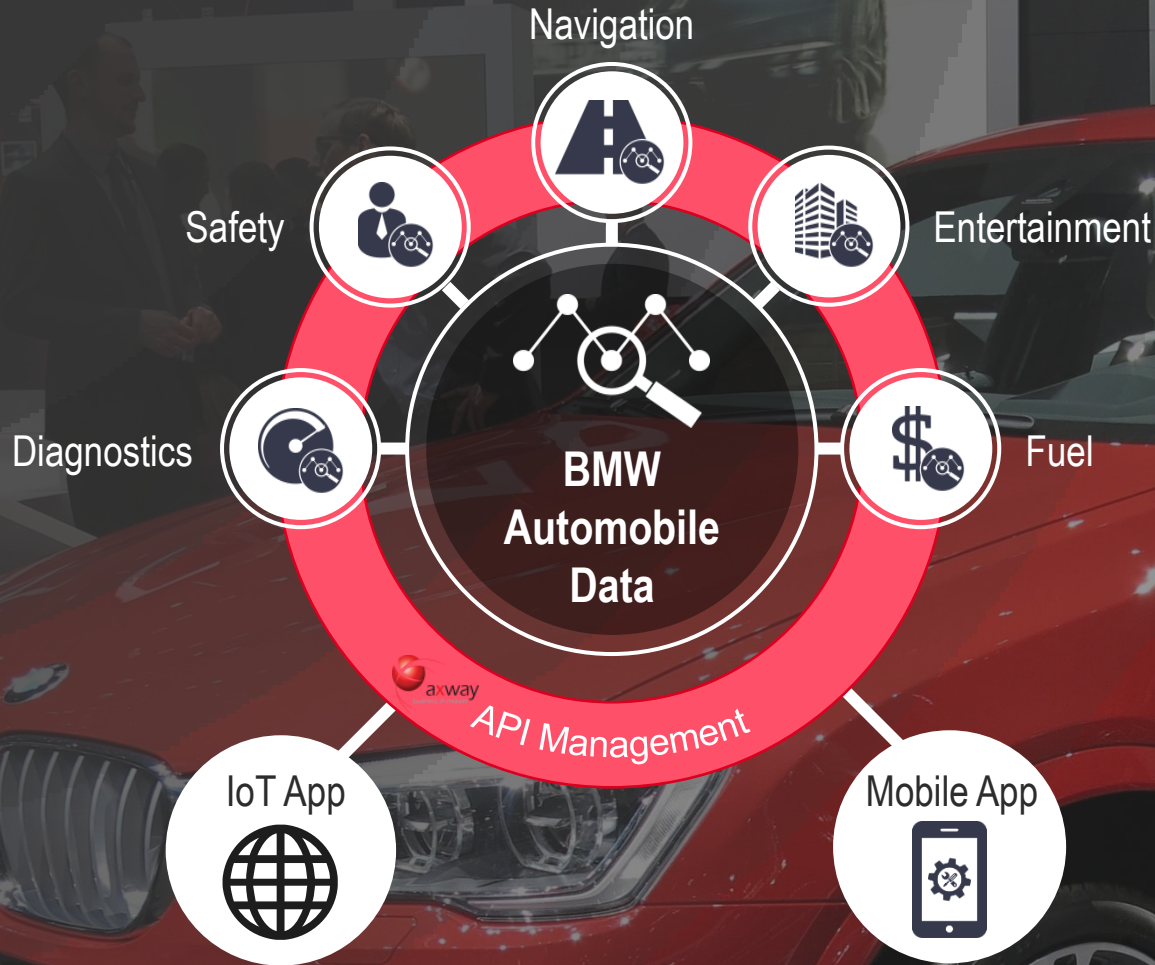
OPEN, EXTENSIBLE, CLOUD-BASED



Appcelerator Ecosystem



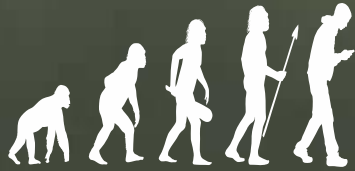
With the BMW i Remote App for iOS and Android, you can receive detailed status of the BMW i3 at any time.



With the BMW i Remote App for iOS and Android, you can receive detailed status of the BMW i3 at any time.



As a Conclusion



“It is not the strongest of the species that survives, nor the most Intelligent that survives. It is the one that is most adaptable to change.”

– Charles Darwin

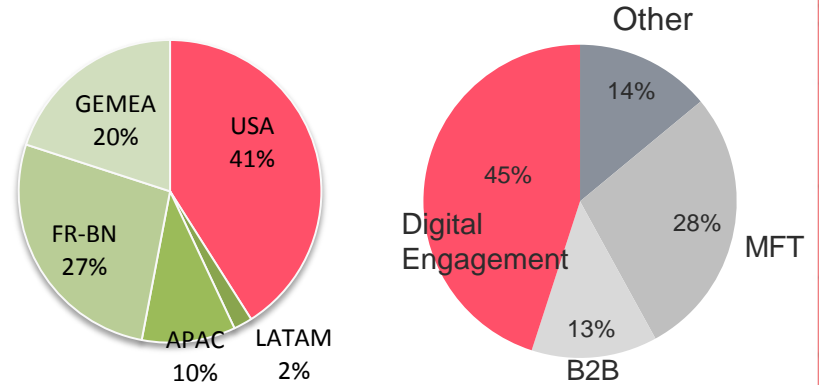


Axway on the road

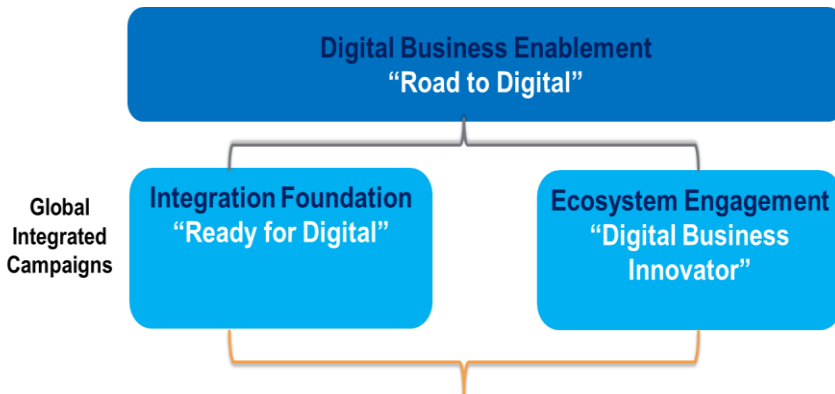
R&D key investments



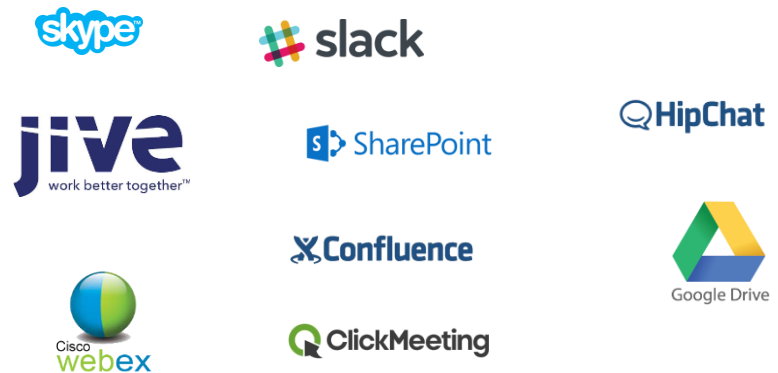
Pipeline driven by the strategic plan



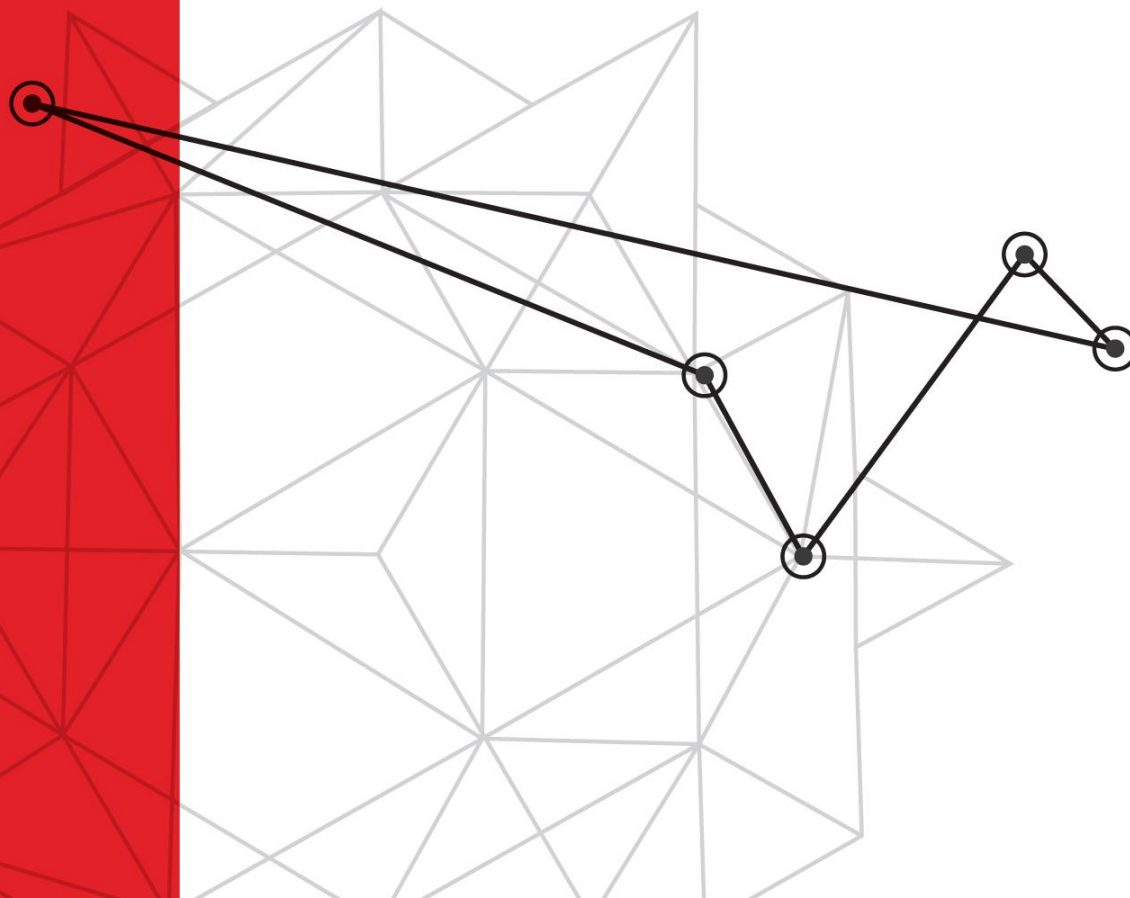
Marketing campaigns



Internal digital transformation



Q&A





Thank you

visit www.investors.axway.com



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