



Axway

54th Global software editor*

April 2016

* source Axway



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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Axway Positioning

The image features a dark blue background with a pattern of binary code (0s and 1s) and abstract geometric shapes. The Axway logo, consisting of a stylized white sphere and the word "axway" in lowercase white letters, is centered at the top. 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.

axway

Enabling your digital business by connecting

PEOPLE, PROCESSES & THINGS

while governing data flows throughout your ecosystem.



Axway, 54th Global software editor

Digital Business
Enablement

Axway a Leader in Gartner MQ for App
Services Governance for the Second
Time (April 2015).
TOP 10 Syntec Numerique

Rev. **€284.6million**
OPM **15.6%**
FCF/Rev **15.6%**

Euronext Paris listing: 2011
Market cap **€407million**
Float **28.9%**

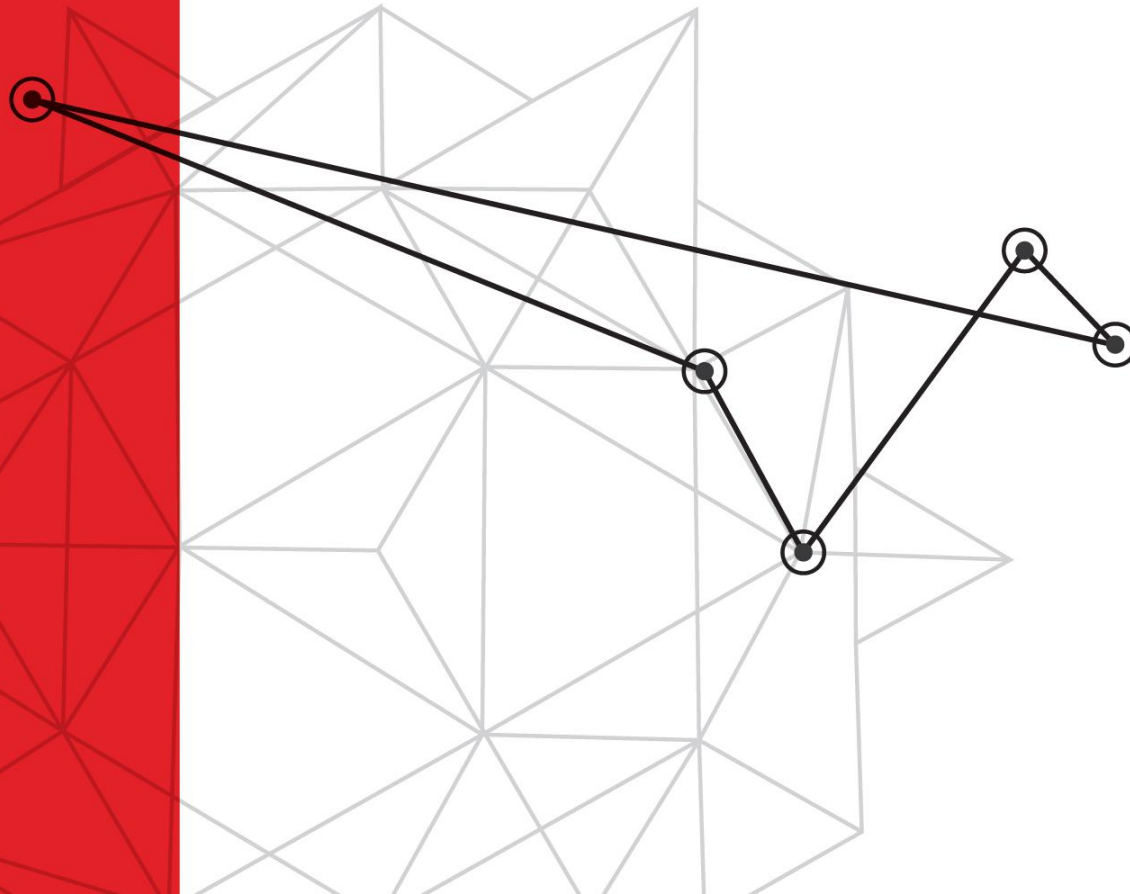
Dual nationality
FR-US
19 locations
worldwide

1,844+ employees
including 584 in R&D
and 130 in the sales force

Summary

- **TOP 50 Software Editors**
- **Software Editor Business Model**
- **Track record of profitable growth**
- **Status on the Company Transformation**

TOP 50* Software Editor, From Middleware Market to Digital Market



March 2016

*source: Axway

Axway Market Origin: Infrastructure software

Company software market
estimated at \$300 billion*



Application software
(**Applications**)
estimated at \$130 billion*

- Accounting
- ERP
- Sales management
- Human resources

Infrastructure software
estimated at \$ 169 billion*

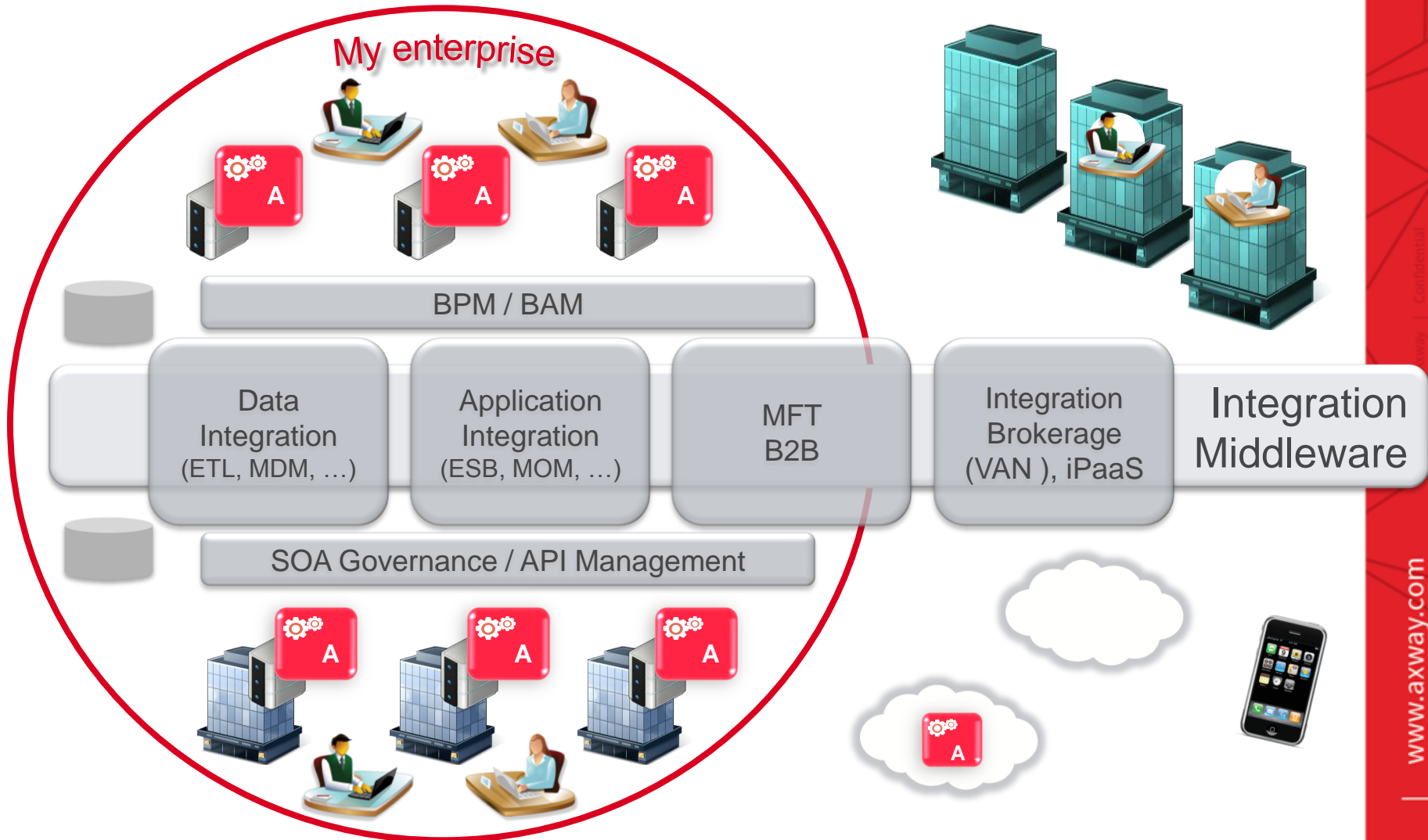
- Databases
- Operating systems
- Network management
- Storage management
- Application integration solutions (**Middleware**) market \$21 billion*



* Gartner figures

Market origin: technology viewpoint

Axway addressable Market (\$4 billion)

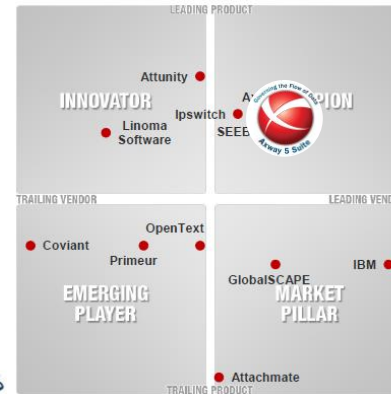
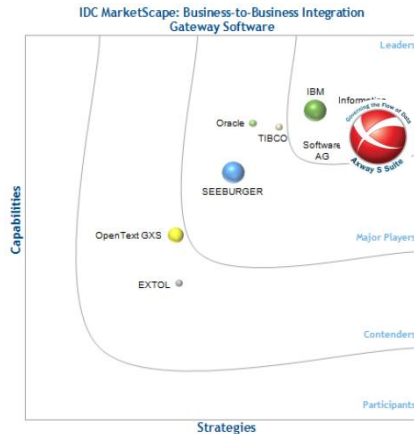


Leading position confirmed by IT analysts

**2014
On-premises
App Integration
Suite
- Gartner**



**2014
B2B Gateway
- IDC**



**2013
MFT
- Info-Tech**

**2013
Application
Services
Governance
- Gartner**

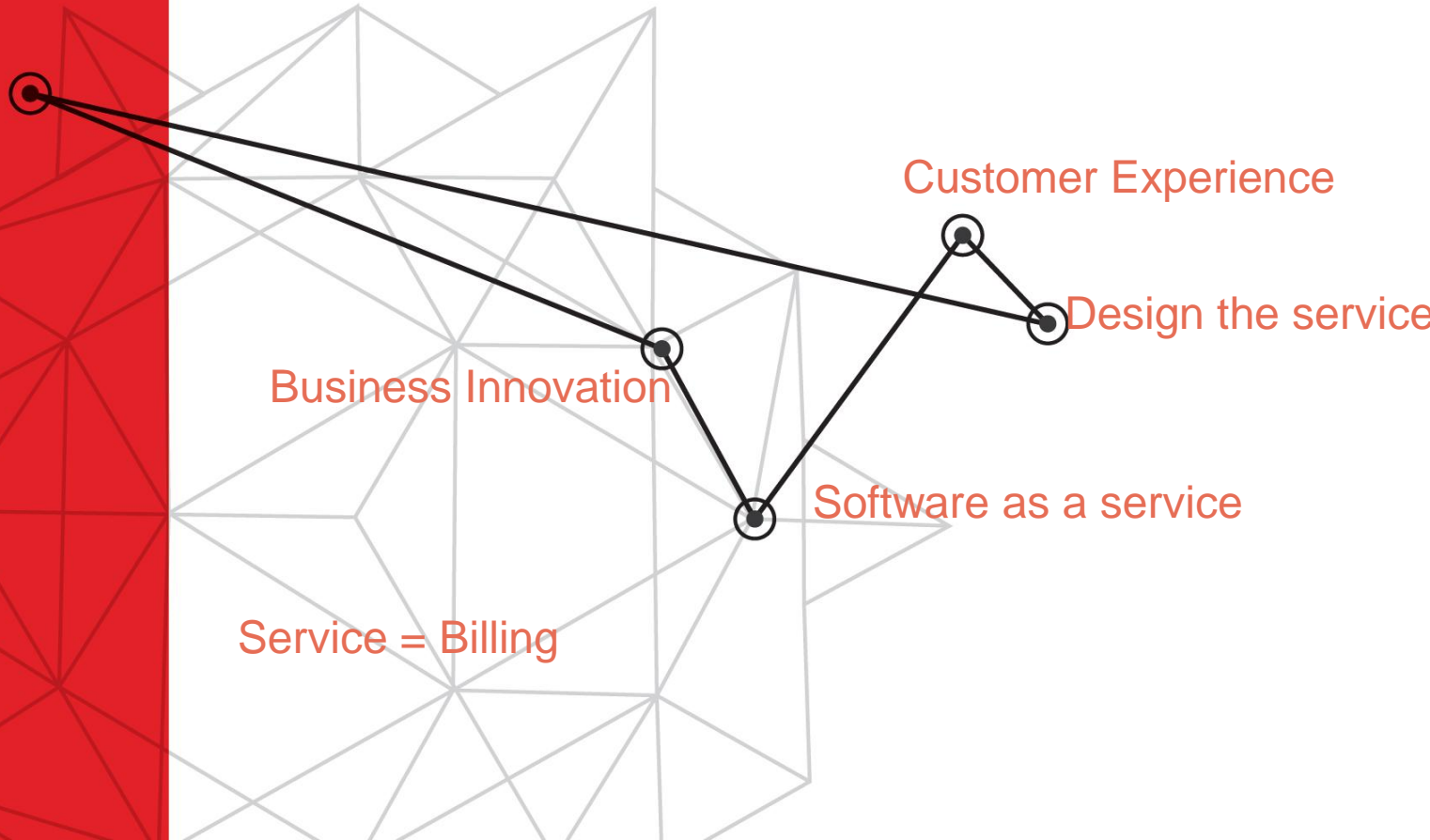


- IDC: “Axway is a **Disruptive Innovator**, only vendor able to demonstrate its **API** capabilities in context of **trading partner integration**.”



Axway, Digital Journey

Develop Business Digital



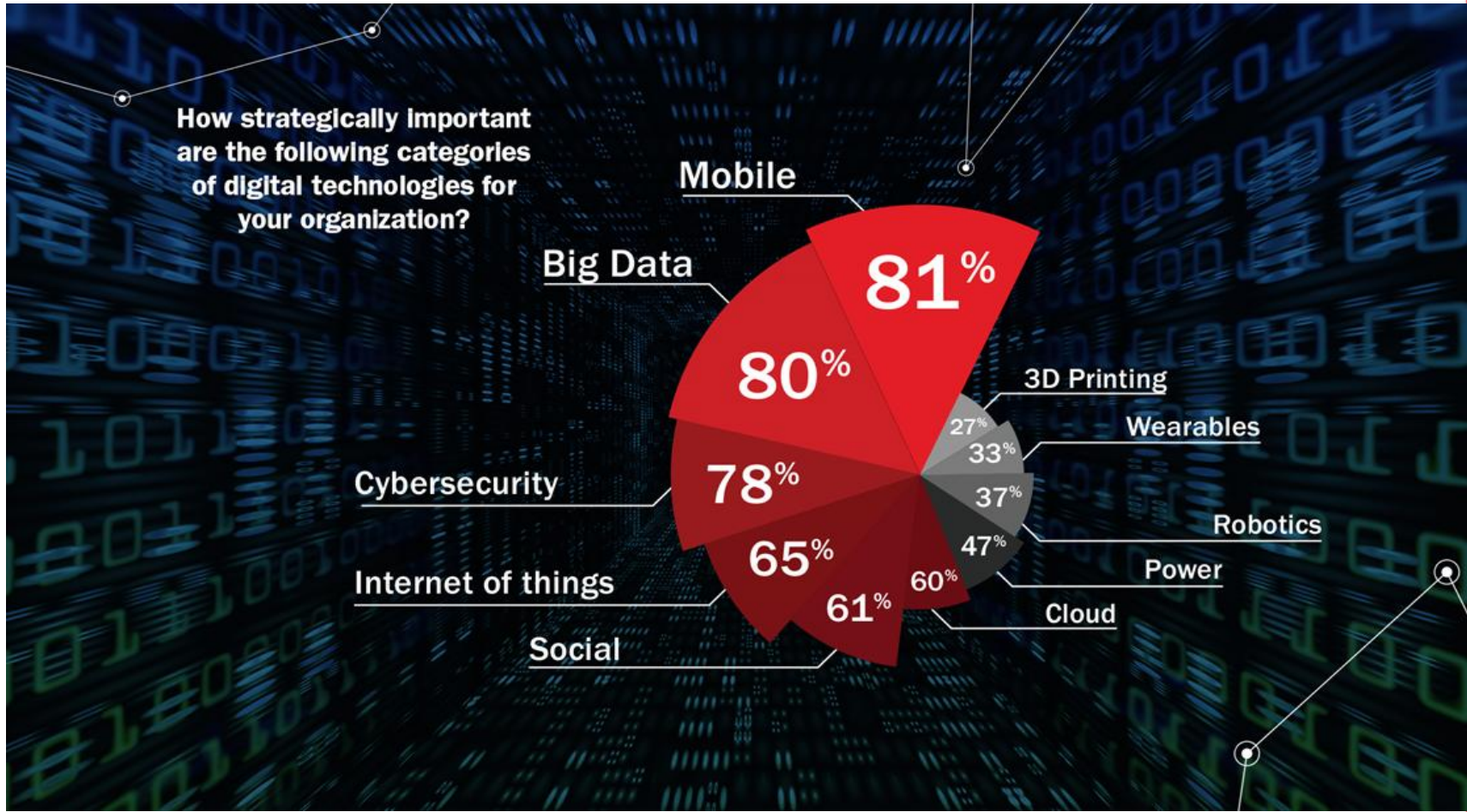
Digital is everywhere



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



Enterprise Threatened with Disruption



Digital Business Drivers



74% of today's business executives say they have a digital strategy...

“...only 19% of executives believe their firms have the right technology to properly execute on the digital strategy.”¹

¹The State of Digital Business 2014, Forrester Research, Inc., May 7, 2014”



Portfolio Segmentation...and a Bi-modal Approach

DIGITAL BUSINESS ENABLEMENT

INTEGRATION FOUNDATION

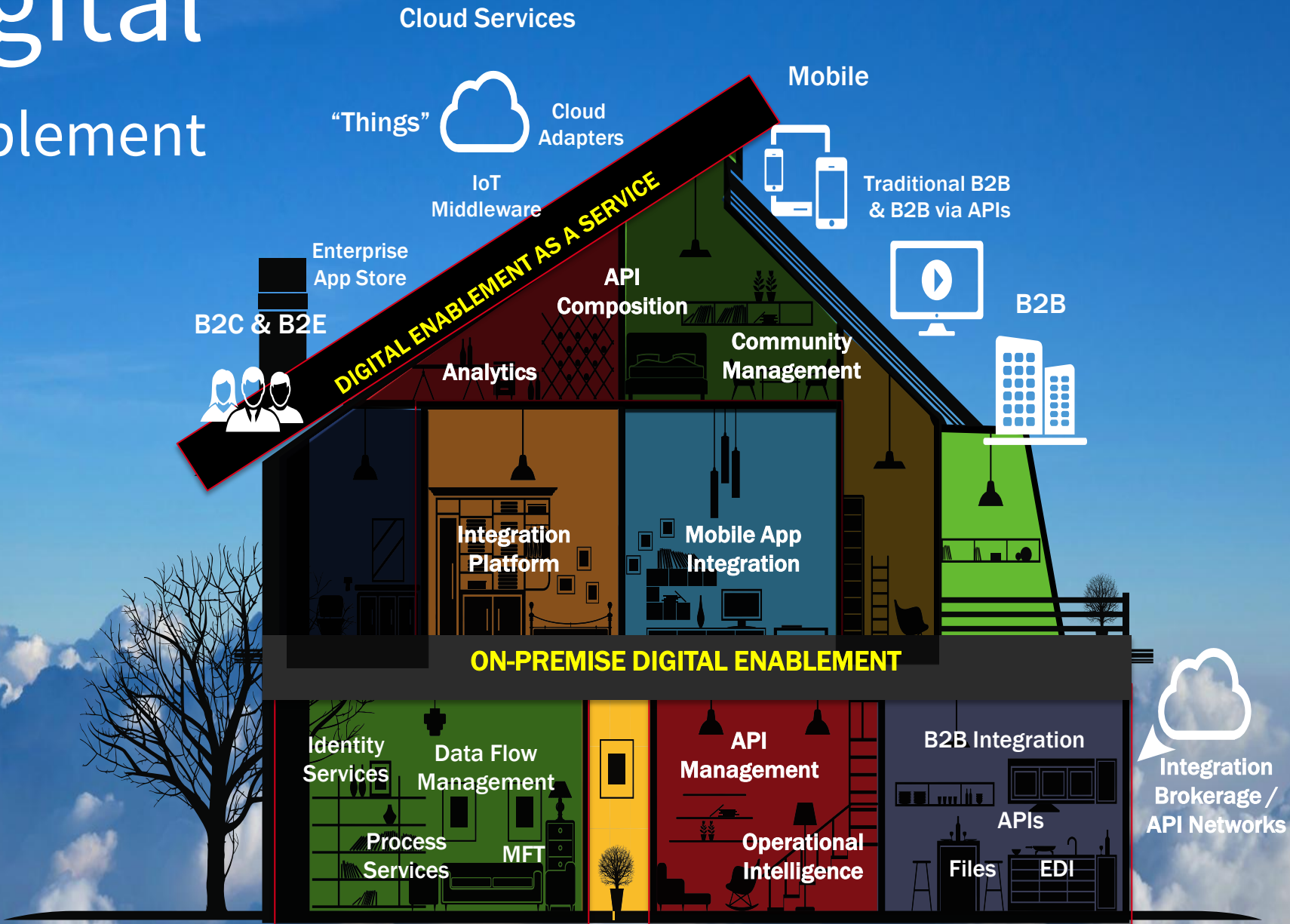
Managed File Transfer
B2B/EDI Integration
Cloud Service
Integration
XML & SOA Services
API Integration

ECOSYSTEM ENGAGEMENT

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



Digital Enablement



2015: Customer Demand Evolution

Traditional
Business
MFT & B2B



OneHealthPort

Convergence
Traditional Business
MFT/B2B
New Business



Pure
New Business
Digitalization



TOTAL



FESTO

dun&bradstreet



Competitive & Market Landscape

Digital Foundation

Generalists

ORACLE

SAP

IBM

Microsoft

Traditional Middleware and Integration Providers

SEEBURGER
BUSINESS INTEGRATION

akana

talend
open data solutions

informatica

software AG

TIBCO

MuleSoft

Specialists

PingIdentity

okta

SailPoint

Cloud Integration and Integration Brokerages

DELL Boomi

OPENTEXT

LIAISON

Jrterbit

snapLogic

covisint

API Management

3scale
Infrastructure for the programmable web

amazon

MASHERY
An Intel Company

apigee

ca

axway
business. in motion.

Specialists

PROGRESS
software

outsystems

mx mendix
the app platform

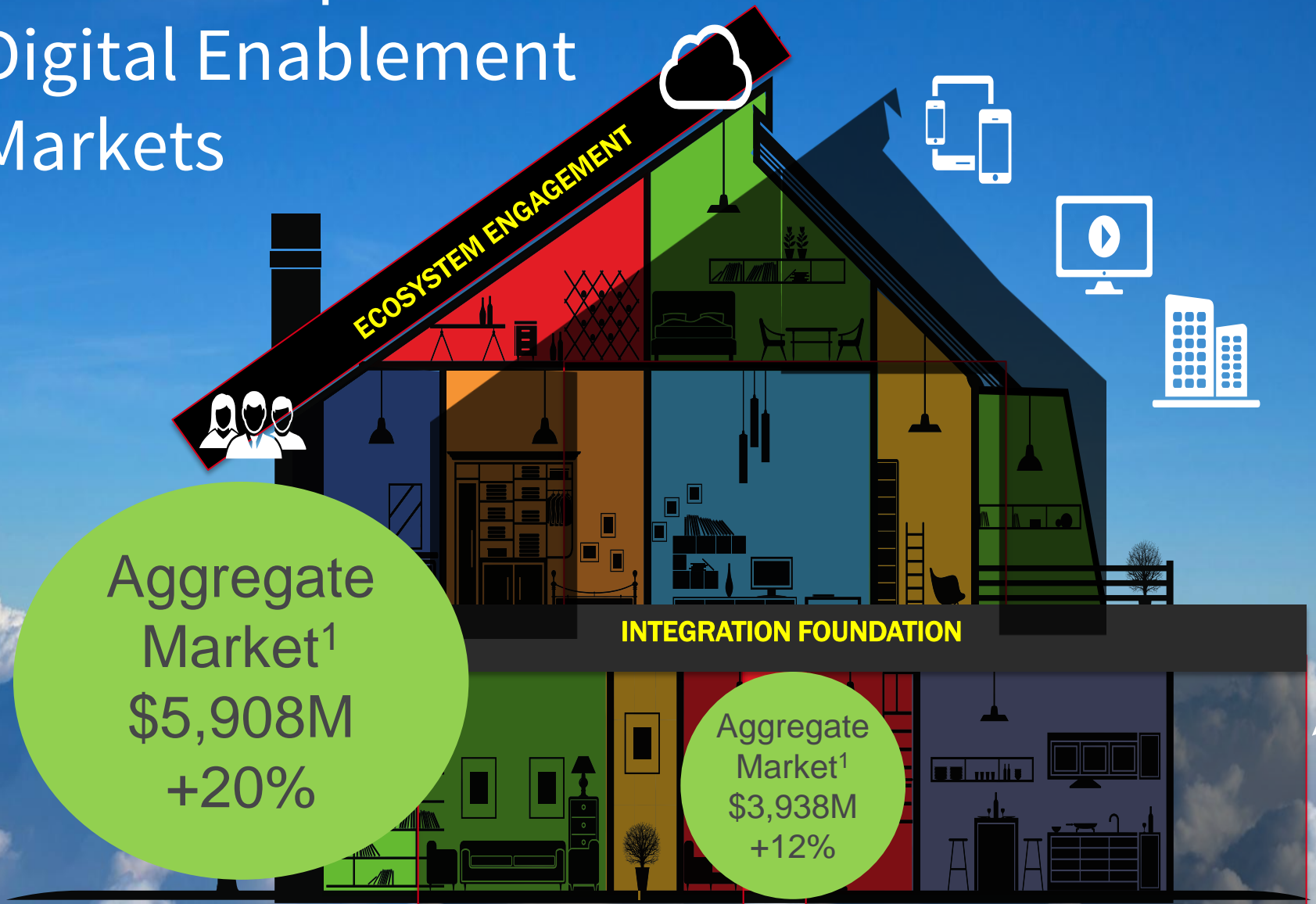
appcelerator

salesforce

Digital Engagement

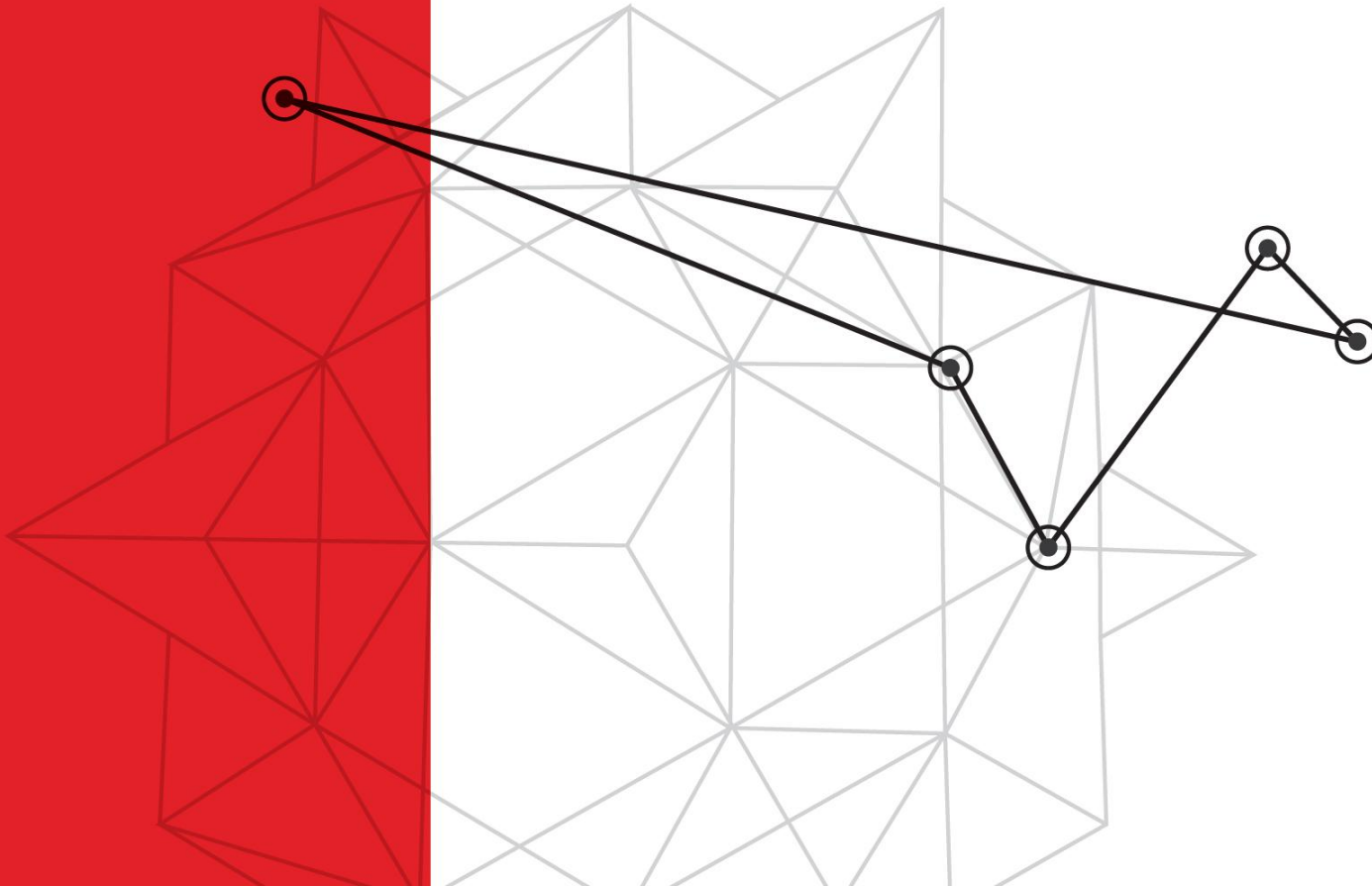


Additional potential Digital Enablement Markets



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

Software Editor Business Model



Three sources of revenue in 2015

Services

Classic Editor

Associated with
the initial installation
Independent of licence
Service agreement

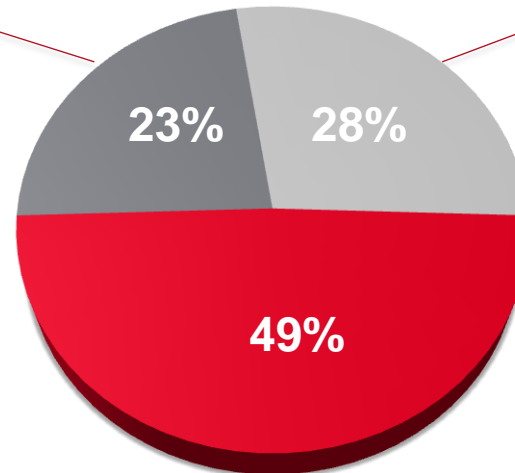
Cloud

Software as a Service

Rental mode
Specific agreement

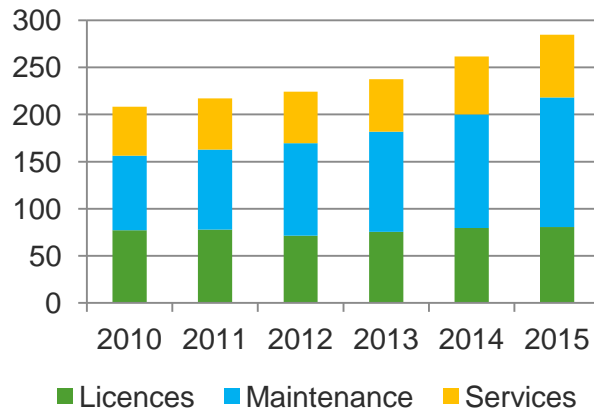
Licences

- Perpetual usage rights
- Tiered pricing
- Standard licensing agreement



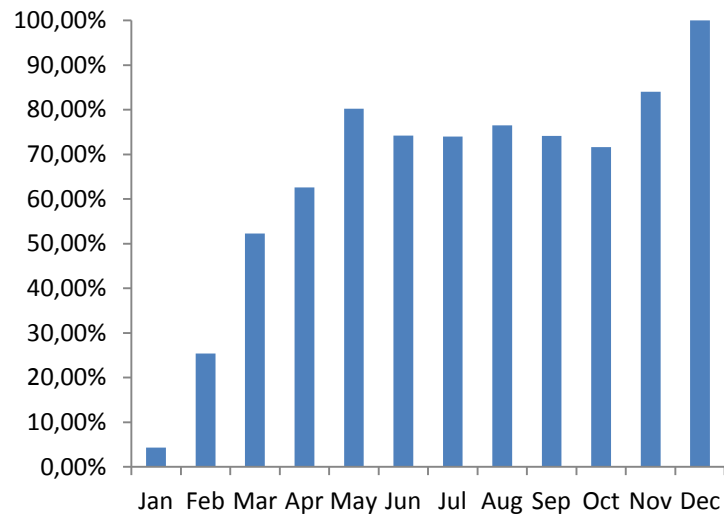
Maintenance

- Associated with licence sales
- Three levels of support
- For five years, but termination possible every year



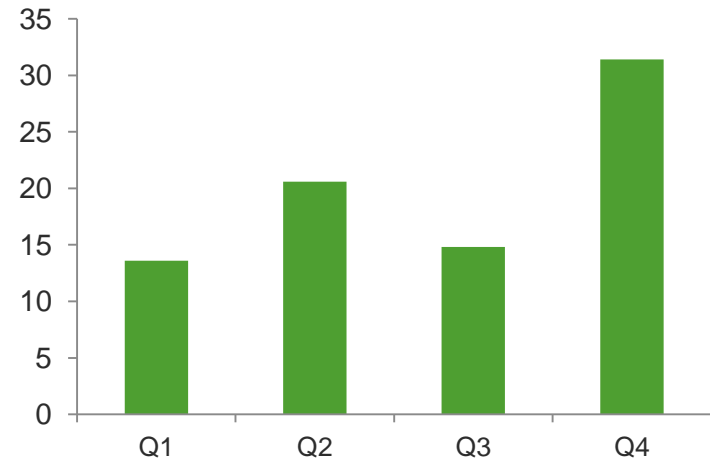
Axway Cash generation profile

Cash life cycle (cumulative)



Software Business Cycle

2015 Rev. (€M)



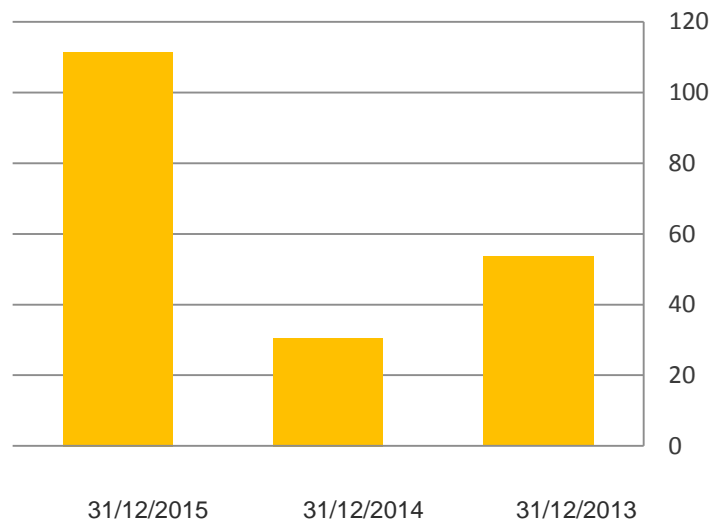
- **Cash flow cycle**

- Influenced by grouped maintenance at the beginning of the year (Feb. March)
- Increased at the start of the year by licences
- Regulated by services during the year

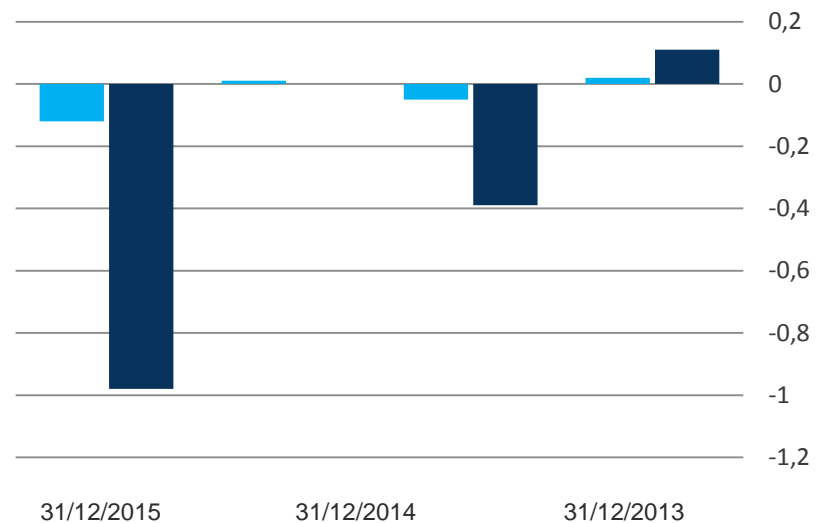


Financial Structure — Covenants 2015

- 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)

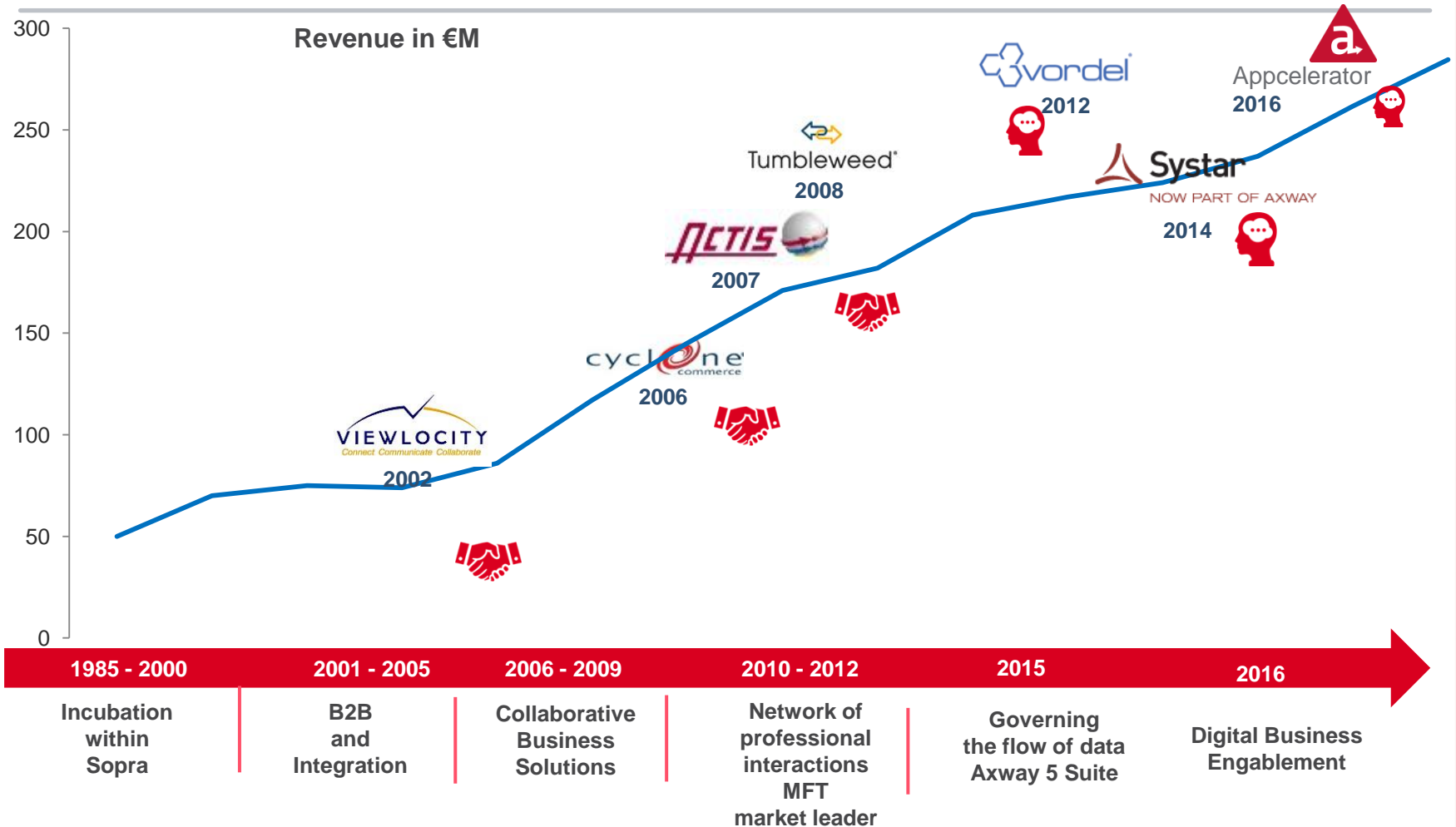


■ Net Debt/EBE
(Covenant <3)

■ Net Debt/Retained Earnings
(Covenant <1)



A composite growth model: organic + acquisition



- Acquisition target: Customer position
- Acquisition target: Technology/competency



A presence spanning the continents



R&D centre



France



€95.2million



680 people



2,077 customers



Rest of Europe



€65.8million



672 people



2,908 customers

Americas



North America



€XXmillion



440 people



4,014 customers

South America



1,387 customers



22 people

Africa



73 customers



Asia Pacific



€13.9million



59 people



1,530 customers

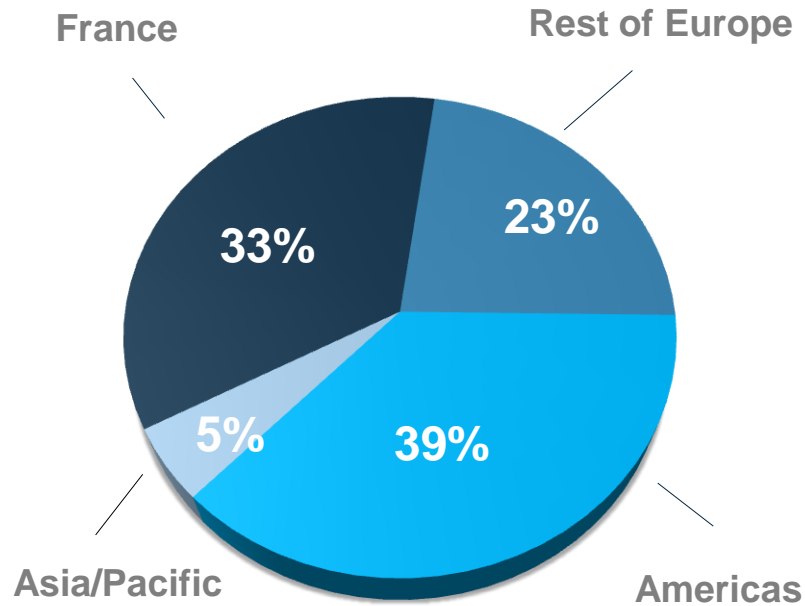
More than 11,000 customers served through 19 locations
General management in the United States and registered office
in France



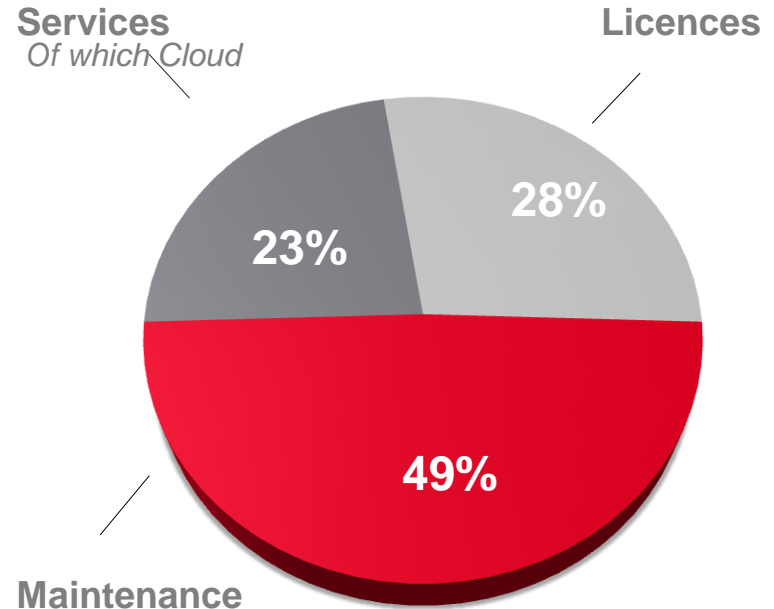
Balanced Business Model

FY2015

BY REGION



BY ACTIVITY



License Metrics 2015

ASP – Share of Indirect – New/Repeat

- Nb Deals ~ 2050



Share of Tiers 1 business(>250k€)

- Share of nb. of deals: 2.9%
- Share of total amount: 44.5%



- Share of indirect business (€): 19%



2015
versus
2014

- Share of New business (€): 7%



Average Sale Price

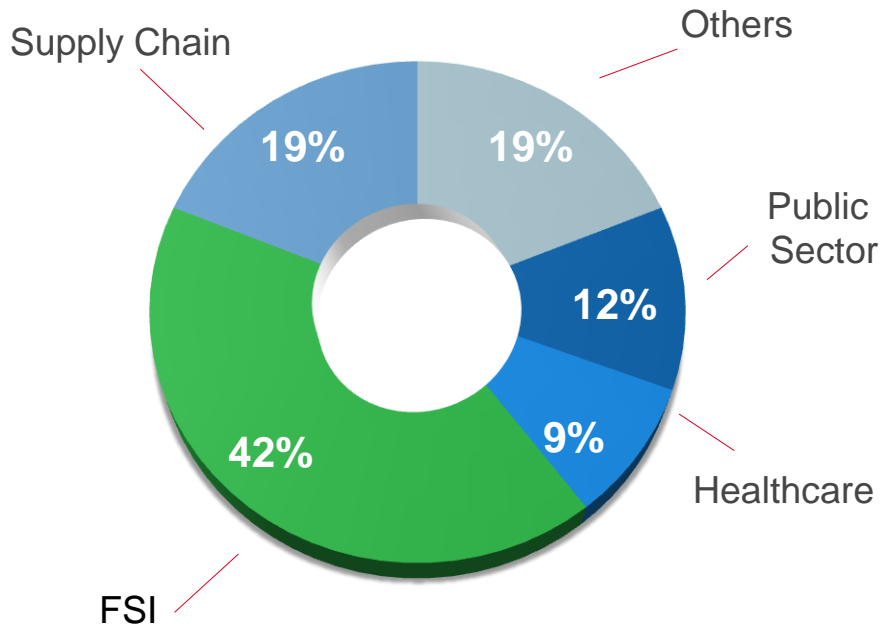
- ASP Tiers 1 ~566k€
- ASP Tiers 2 (< 250 k€) ~110 k€
- ASP Tiers 3 (< 50 k€) ~9 k€



License Metrics 2015

Share of verticals in License revenues

SECTORS



HEALTHCARE

vs 2014



SUPPLY CHAIN

vs 2014



PUBLIC SECTOR

vs 2014



FSI

vs 2014



Maintenance Metrics 2015

- Total Value/ Contribution ~ 138M€/49%



Attachement rate = 20%
(average weighted by volume)



2015
versus
2014

- Renewal rate (*) = 92.5%
(average weighted by volume)



* This percentage represents full year revenue impact



Cloud Metrics 2015

- Subscription recognized: 9.9 M€ (+44%)

- ASR on 12/31/15 : 13.5M€

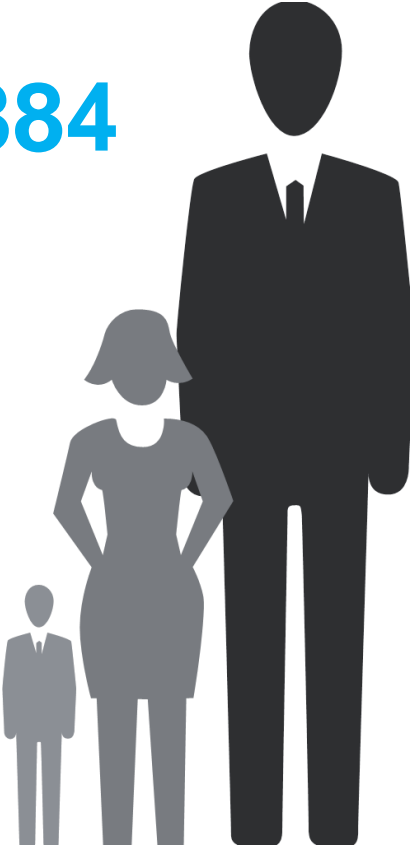
ASR= committed subscription revenue in next 12 months



2015
versus
2014

Headcount at End of 2015

1884



FRANCE **680**



USA **440**

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



Governance



Jean-Marc Lazzari
Chief Executive Officer

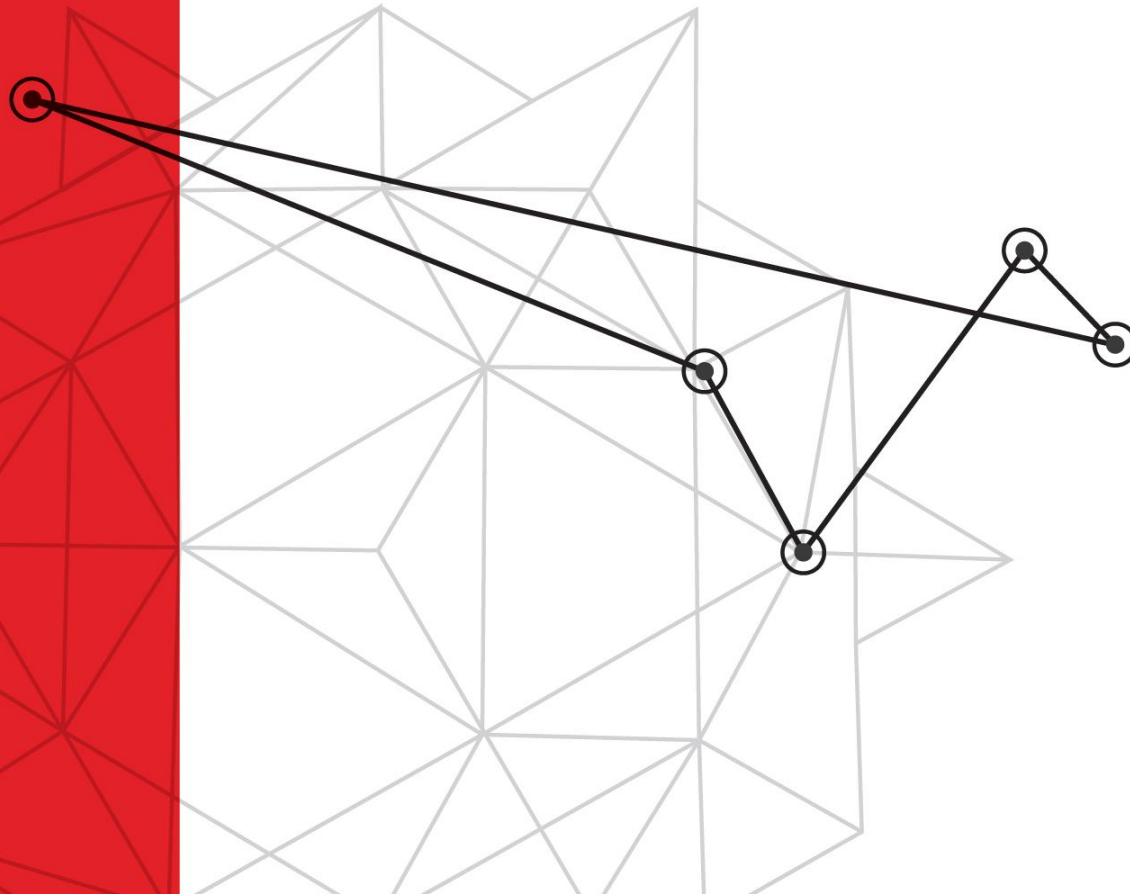
- French-American management: 10 top managers coming from the software industry and historical corporate management

Strengthened Governance

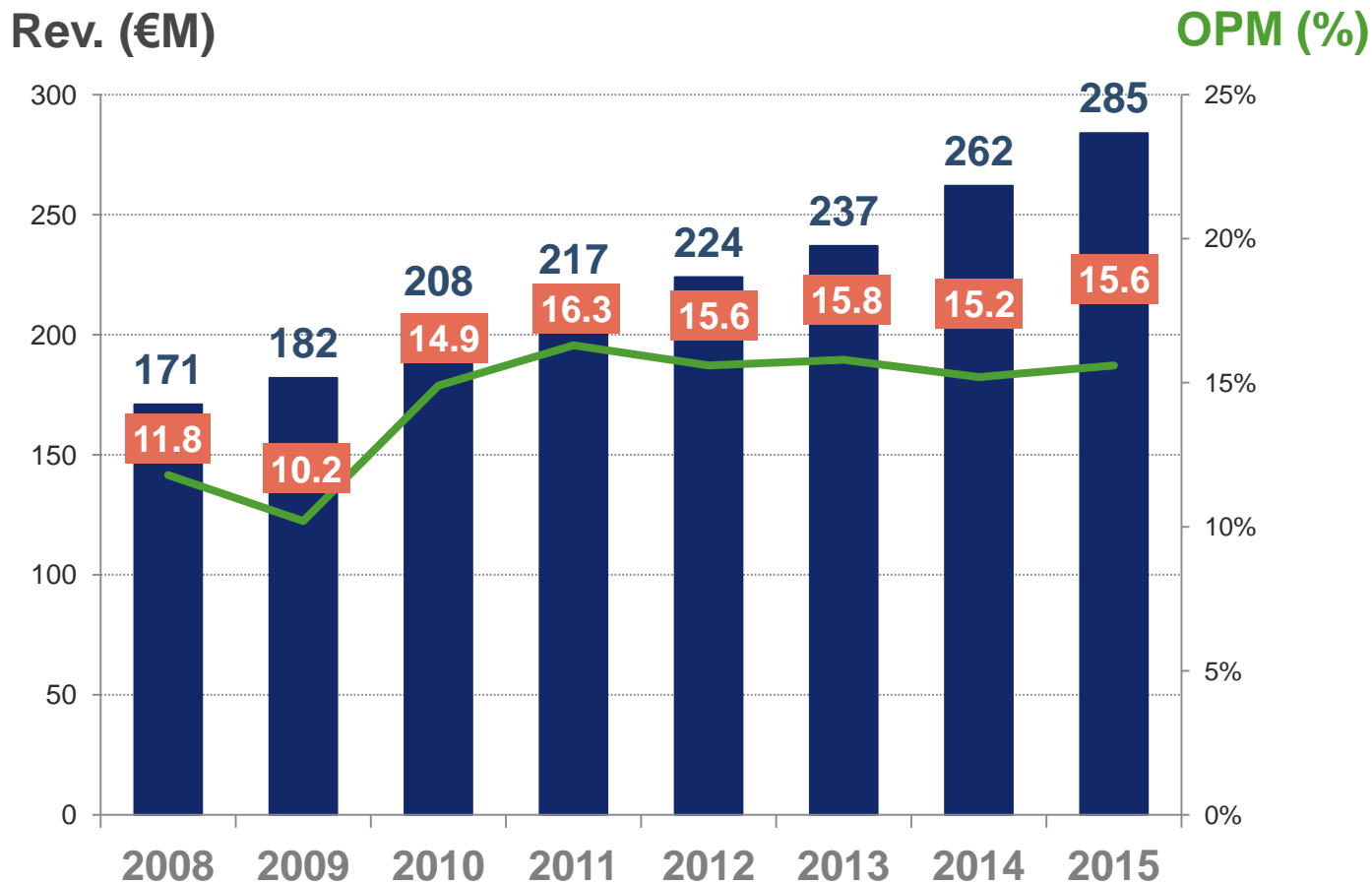
- **Board of Directors**
comprising ten members, of which five are independent members
 - Pierre Pasquier Chairman
 - Kathleen Clark-Bracco Vice Chairman
- **Compliance** with the Middlednext Code of Corporate Governance



Track Record of Profitable Growth



Growth and profitability over the last six years



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

<i>In millions of euros</i>	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 Summary



Total revenue 2015 growth of 8.8% to 284 M€



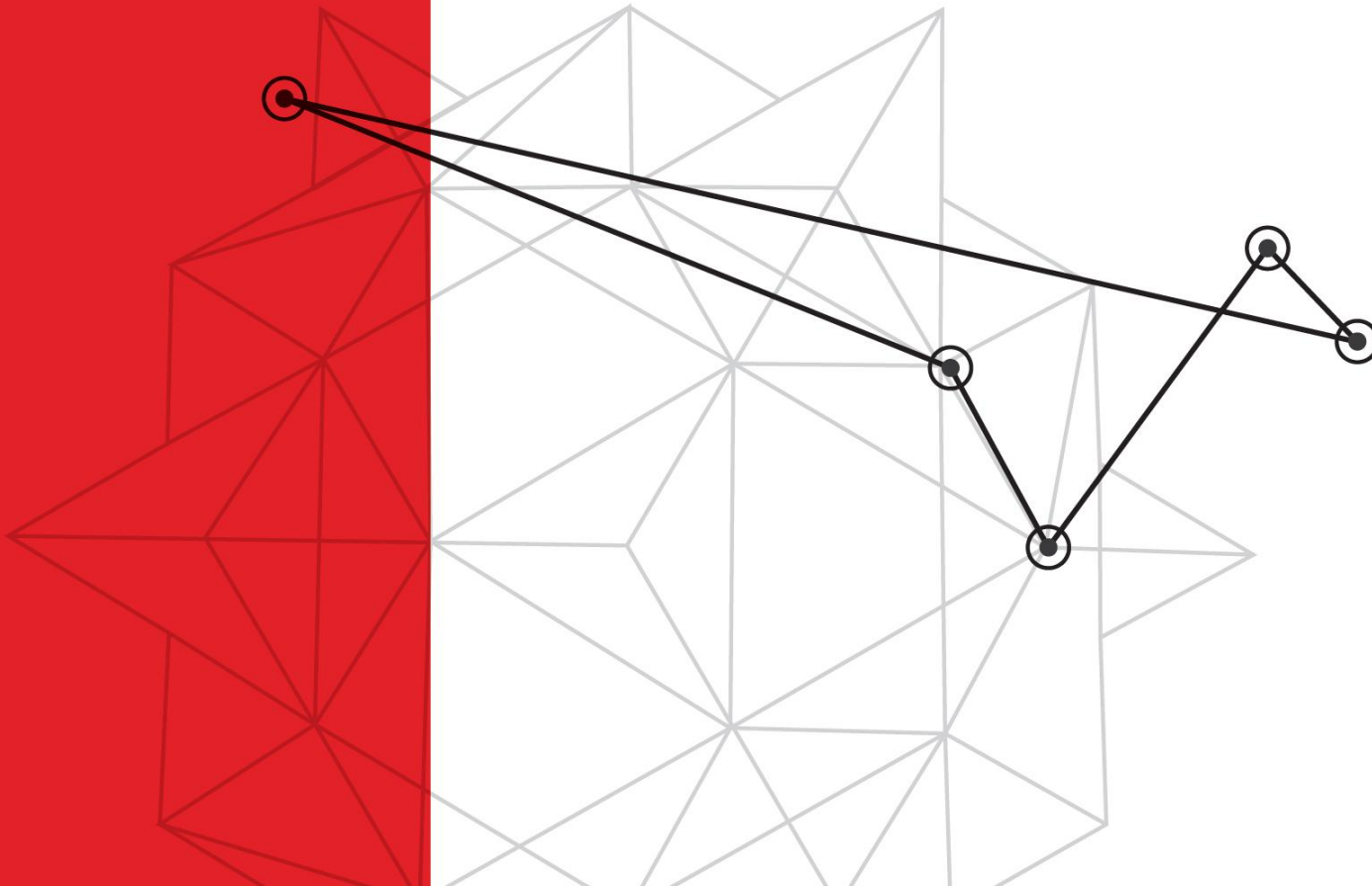
Growth in results from operating activities to 15.6% of total revenues in 2015



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



Status of the company transformation



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

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

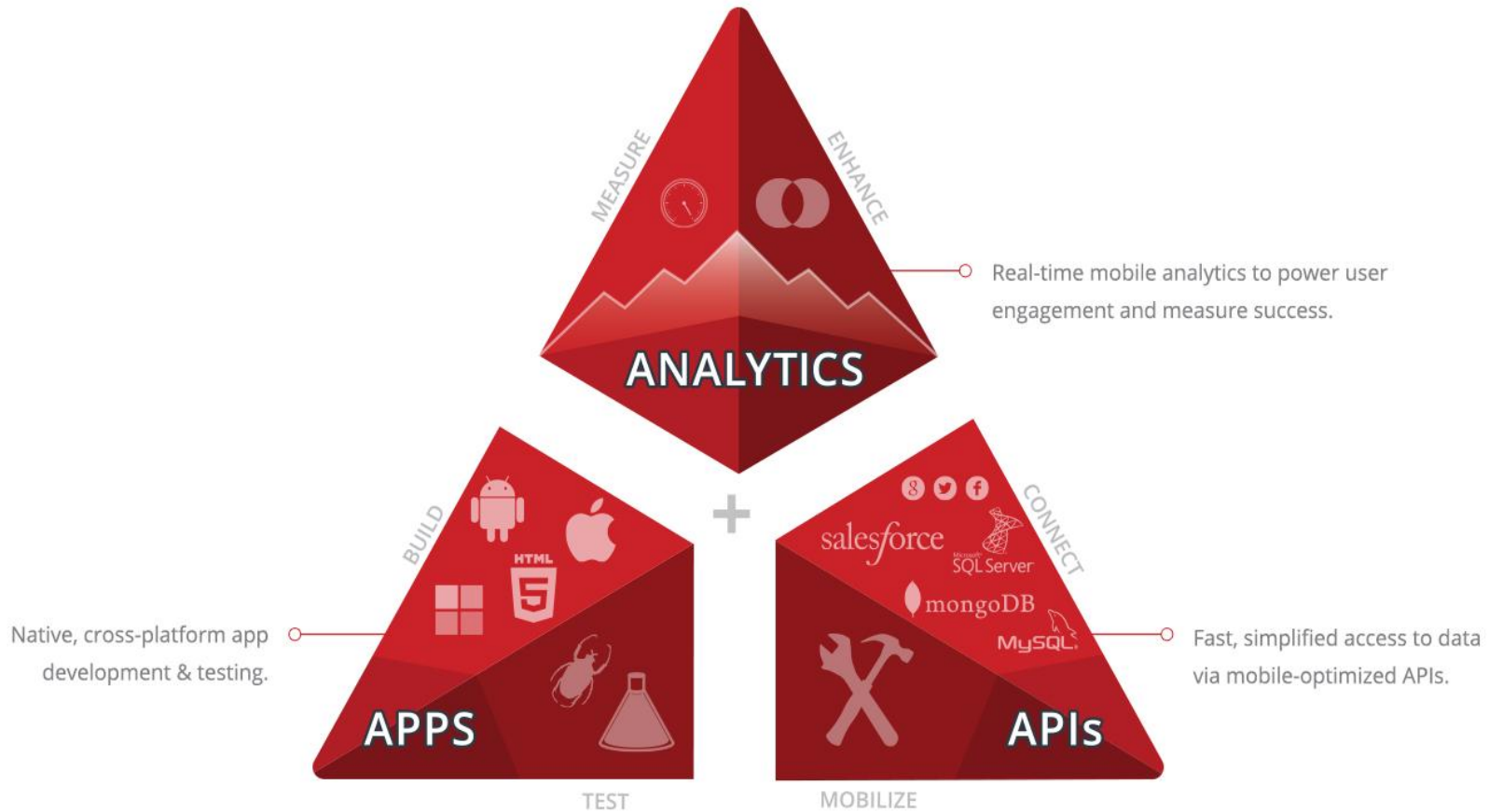
¹The Forrester Wave™: Mobile Infrastructure Services, Q3 2015, Forrester Research, Inc., September 15, 2015

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Appcelerator Platform

OPEN, EXTENSIBLE, CLOUD-BASED

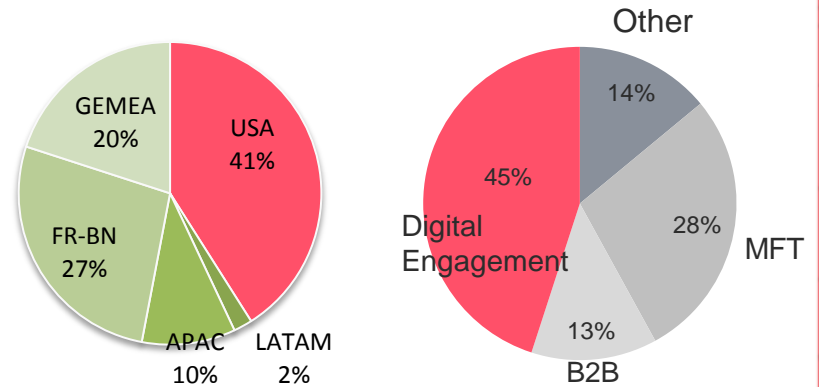


Axway on the road

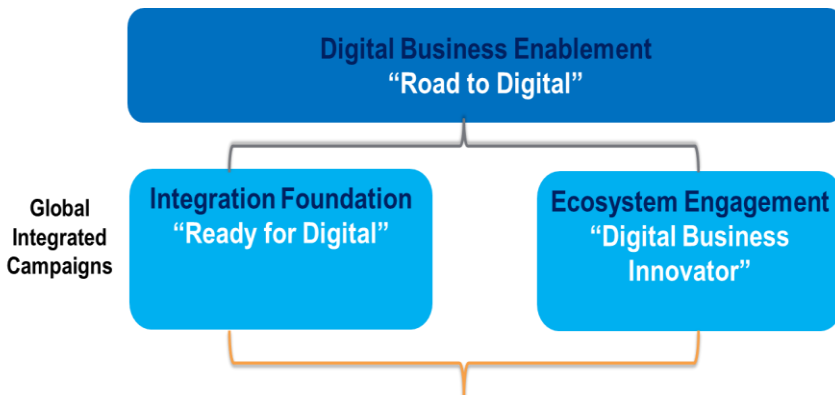
R&D key investments



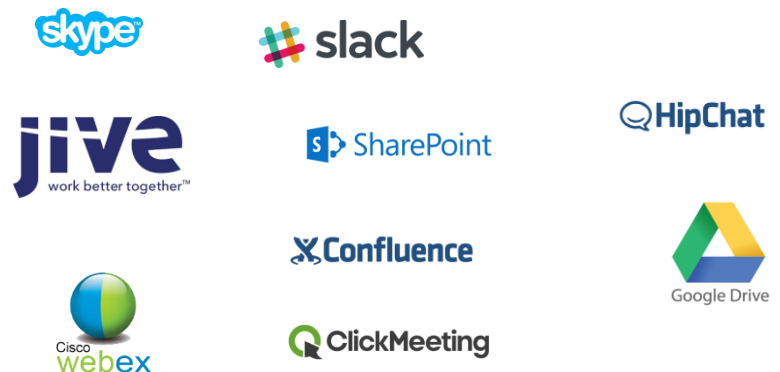
Pipeline driven by the strategic plan



Marketing campaigns

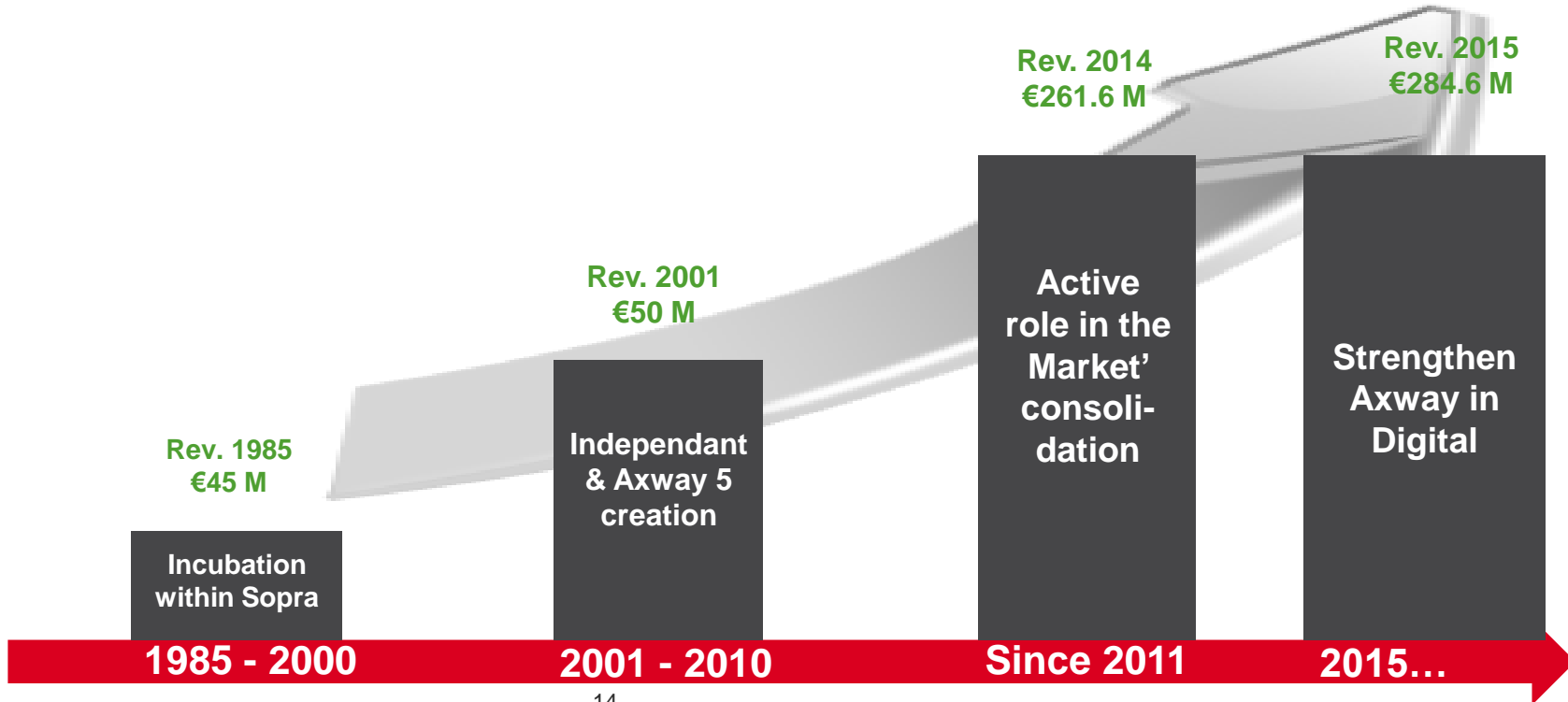


Internal digital transformation

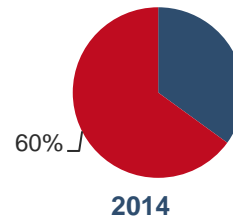
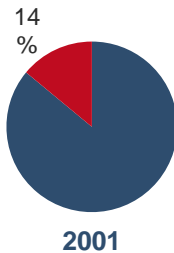


A Key Actor Strategy

To strengthen Axway in governing the flow of data in DIGITAL



~10% International Business



Axway Business plan ambition by 2018

- Double Axway size
 - Preserve margins before next acquisitions
 - 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

Why invest in Axway?

- A technology actor, Innovative model
- A significant customer base, no risky dependence to one customer.
- A high renewal rate on maintenance contracts. The recurring revenue is high and rising.
- A leader position and good consolidation opportunities in Digital software market
- Ongoing plan to move to the Digital space while preserving the operational margin
- Sopra Steria and Sopra GMT as stable shareholders of Axway.



Axway, 54th Global software editor

Digital Business
Enablement

Axway a Leader in Gartner MQ for App
Services Governance for the Second
Time (April 2015).
TOP 10 Syntec Numerique

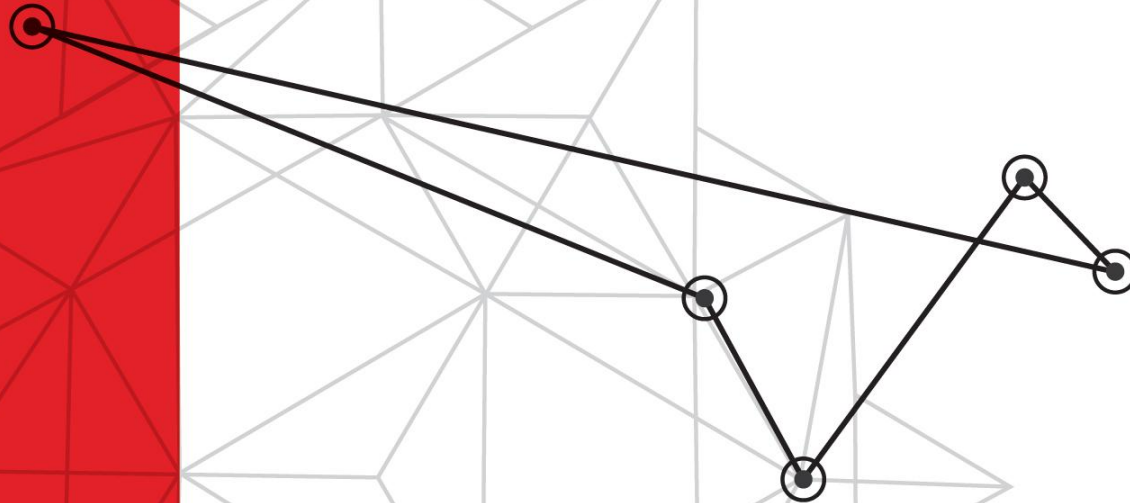
Rev. **€284.6million**
OPM **15.6%**
FCF/Rev **15.6%**

Euronext Paris listing: 2011
Market cap **€407million**
Float **28.9%**

Dual nationality
FR-US
19 locations
worldwide

1,844+ employees
including 584 in R&D
and 130 in the sales force

Thank You



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