



Investors Overview

AXWAY

December 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 2015 submitted to the Autorité des Marchés Financiers (AMF) on 25 April 2016 n° D16-0393.
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Welcome To Investor Presentation

Agenda

TOP 50 Software Editors

Software Editor Business Model

Track Record of Profitable Growth

Status on the Company Transformation

Why Invest in Axway

Annexes

A low-angle photograph of a worker in a yellow safety vest and white hard hat standing on a white metal staircase. The worker is looking towards the right. The background shows large white cylindrical structures, possibly water towers, against a clear blue sky. A red triangle is visible in the bottom right corner of the image.

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

**source: Axway*

Axway, 50th Global software editor

Axway: Catalyst for digital transformation

Axway a Leader in Gartner MQ for App Services Governance for the Second Time (April 2015).
TOP 10 Syntec Numerique
API leader by Ovum July 2016

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

Euronext Paris listing 2011
Market cap **€M 518**
Float **29%**

Dual nationality
FR/US
19 locations worldwide

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

2015 figures

Axway Market Origin: Infrastructure Software

- Software market estimated at \$300 billion*

Applications software *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*)

*estimated at \$21 billion**

. Digital Engagement
Estimated at \$2.0 billion

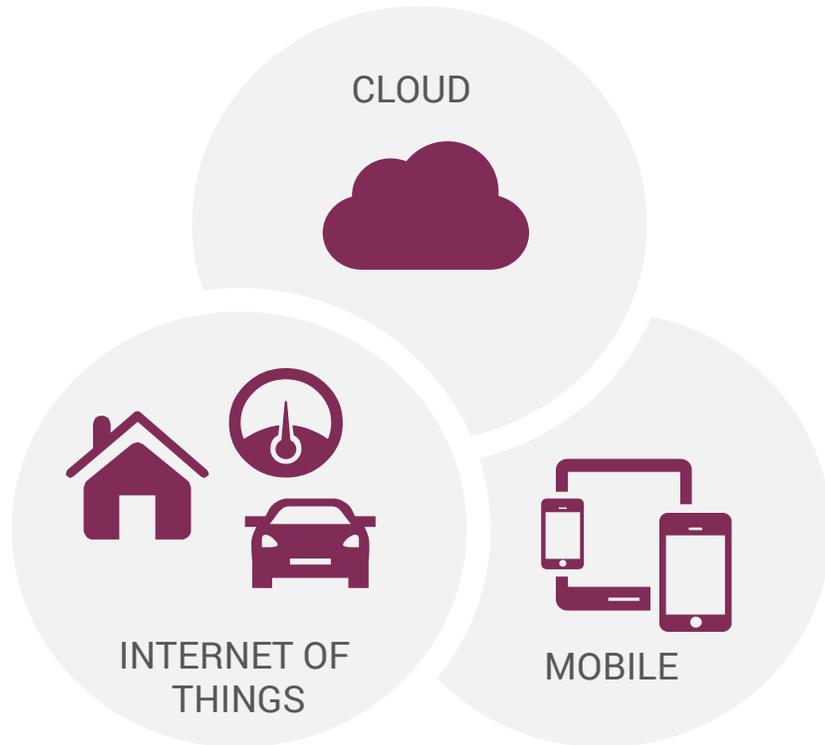
. Foundation
Estimated at \$3.9 billion

Digital Transformation



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

Digital Business Drivers



DIGITAL DISRUPTION 2020

Cloud Creates
\$240 Billion
Market
Opportunity

Mobile Spans
80% of
Developed World

Internet of Things
Drives 25 Billion
Connected
Machines

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

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

Portfolio Segmentation

Digital Business Enablement

INTEGRATION FOUNDATION

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

ECOSYSTEM ENGAGEMENT

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

Axway a Leader in Gartner Magic Quadrant for Full Life Cycle API Management

Positioned as a Leader for 3rd consecutive time

“Full life cycle API management is the functionality organizations need in order to provide the technology platform for digital business, run successful API programs and thrive in the API economy.”¹

¹Gartner Magic Quadrant for Full Life Cycle API Management, Paolo Malinverno and Mark O'Neill, 27 October 2016.
This graphic was published by Gartner, Inc. as part of a larger research document and should be evaluated in the context of the entire document. The Gartner document is available upon request from Axway.
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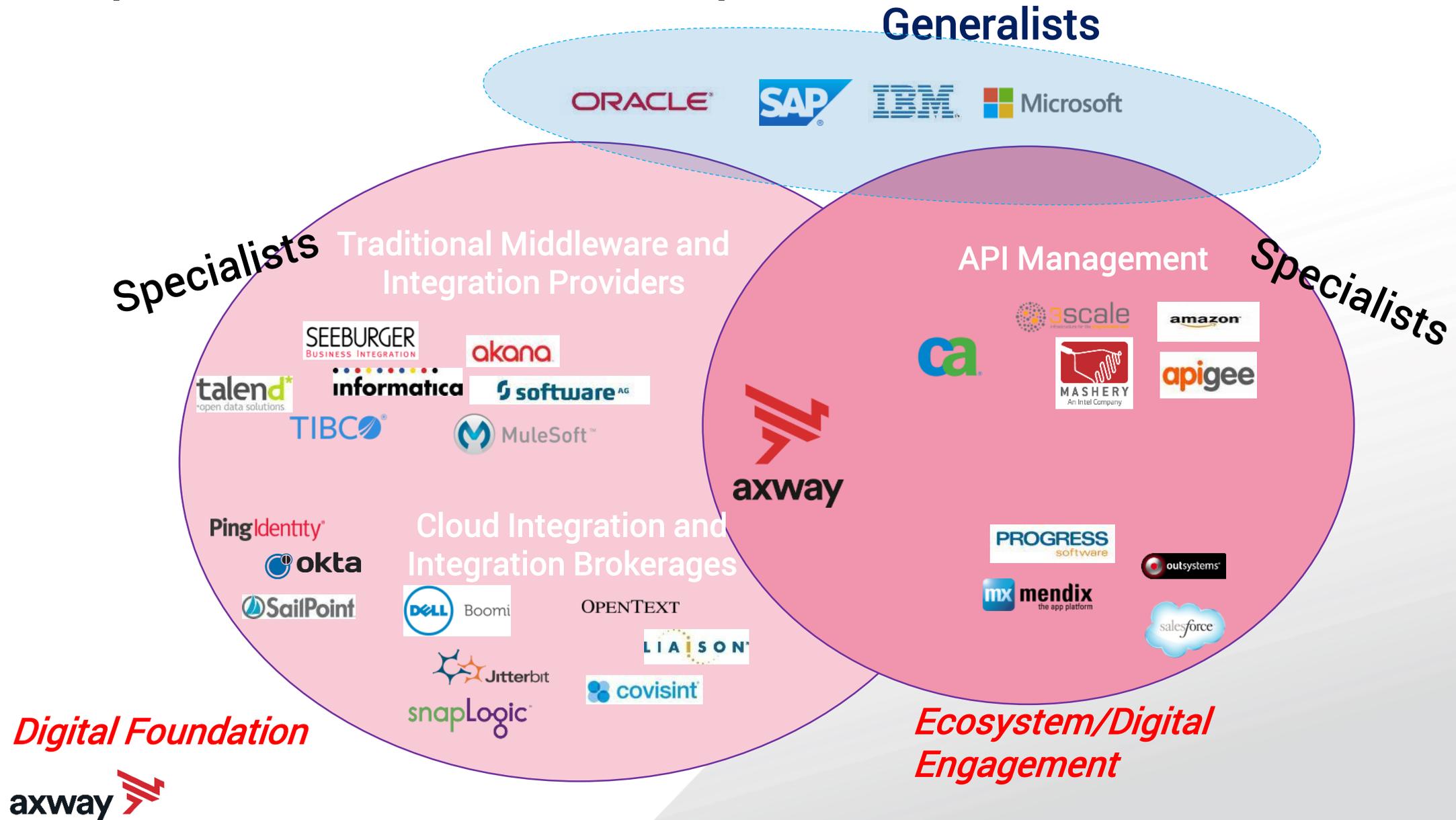


Figure 1. Magic Quadrant for Full Life Cycle API Management 



Source: Gartner (October 2016)

Competitive & Market Landscape





Software Editor Business Model

Three sources of revenue in 2015

Services

Classic Editor

Associated with the initial installation
Independent of licence
Service agreement

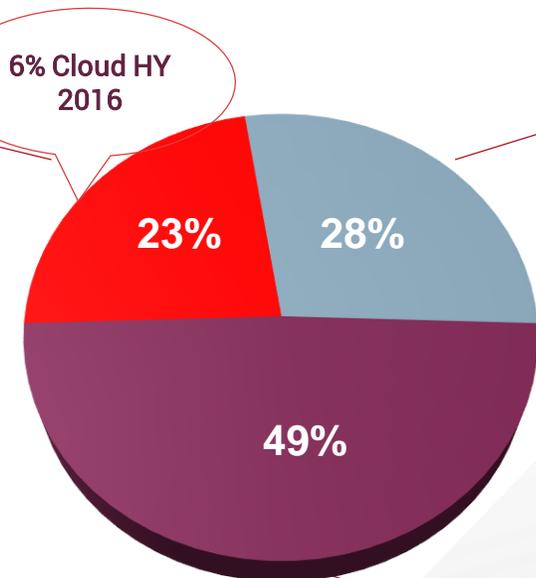
Cloud

Software as a Service

Rental mode
Specific agreement

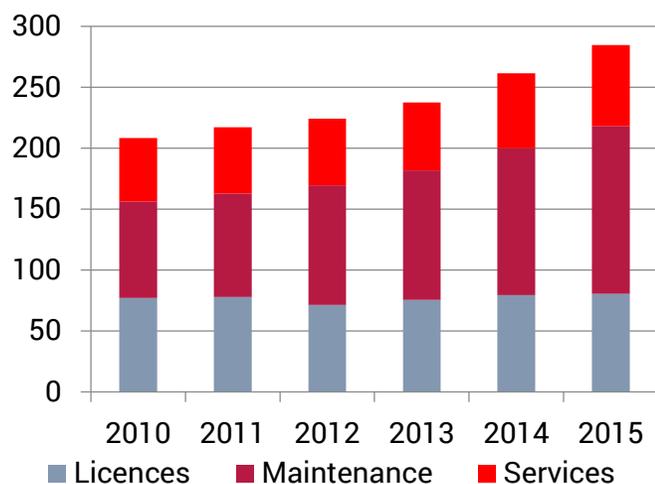
Licences

- Perpetual usage rights
- Tiered pricing
- Standard licensing agreement



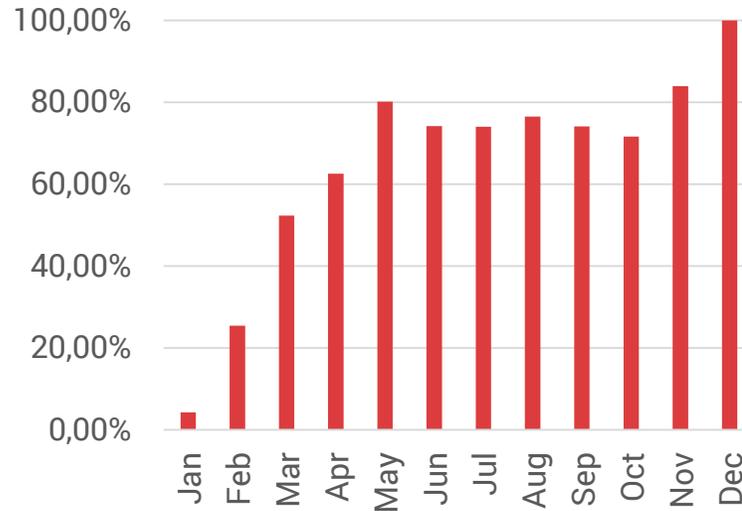
Maintenance

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



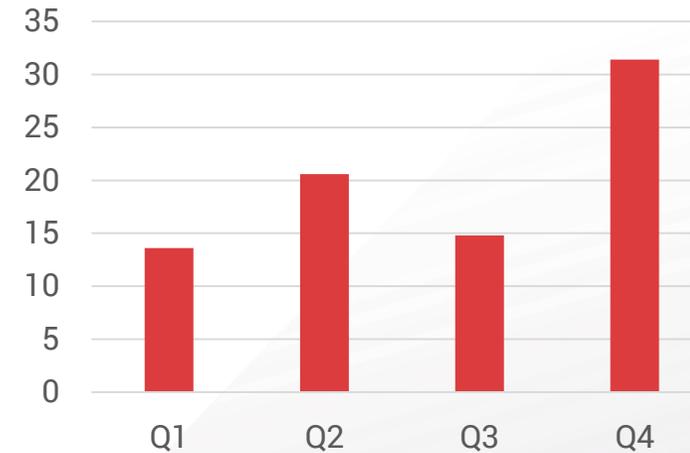
Axway Cash generation profile

Cash life cycle (cumulative)



Software Business Cycle

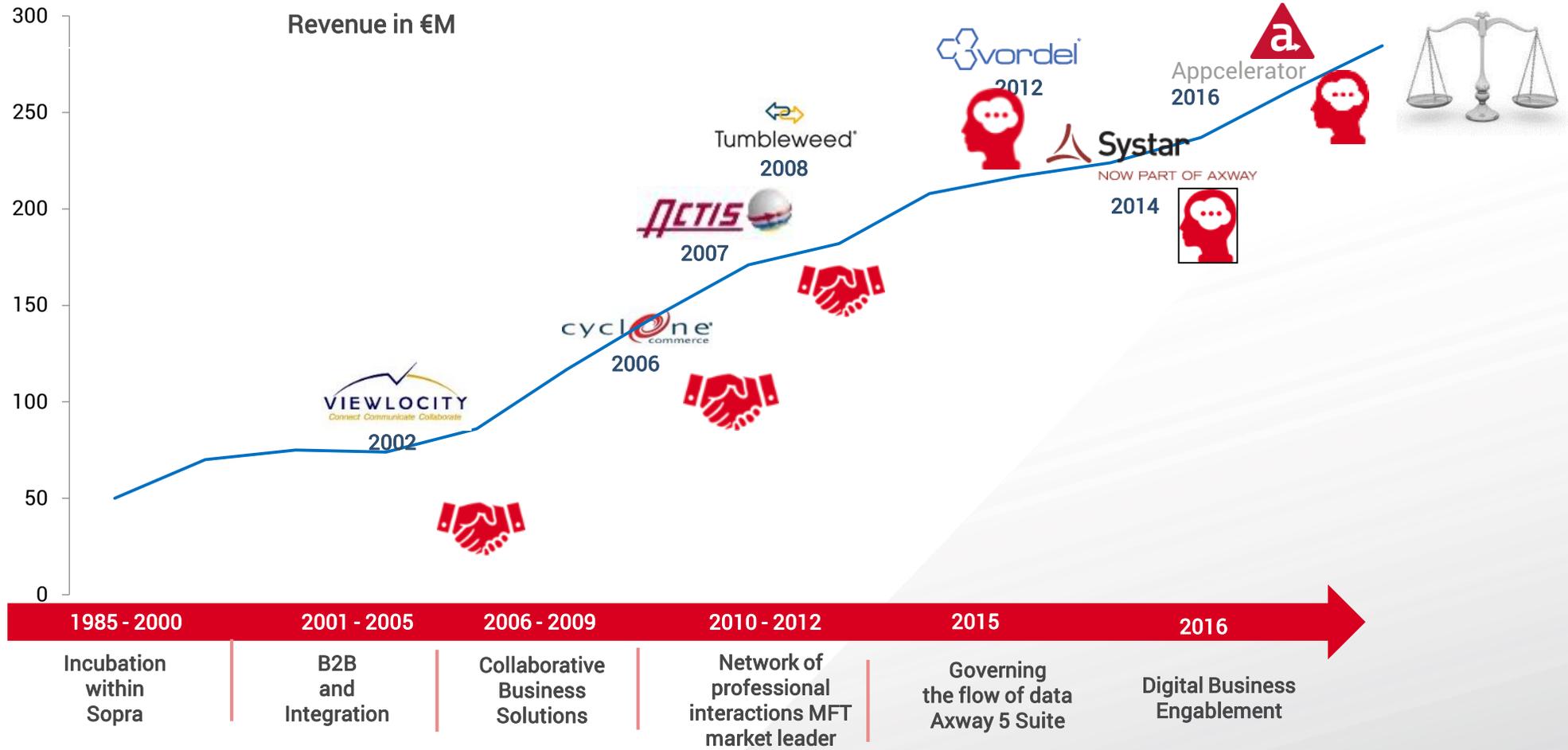
2015 Rev. (€M)



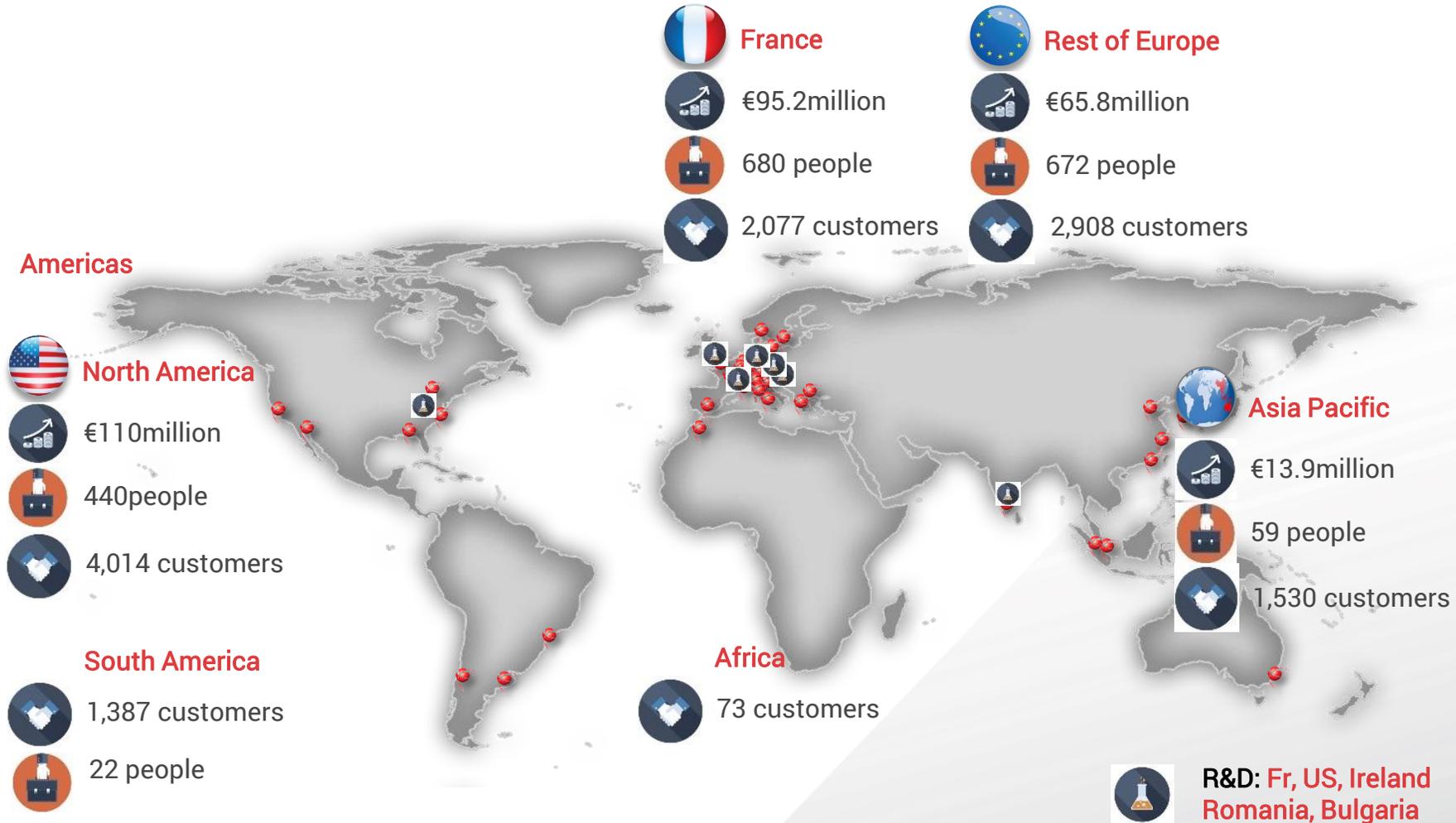
Cash flow cycle

- 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

A composite growth model: organic + acquisition



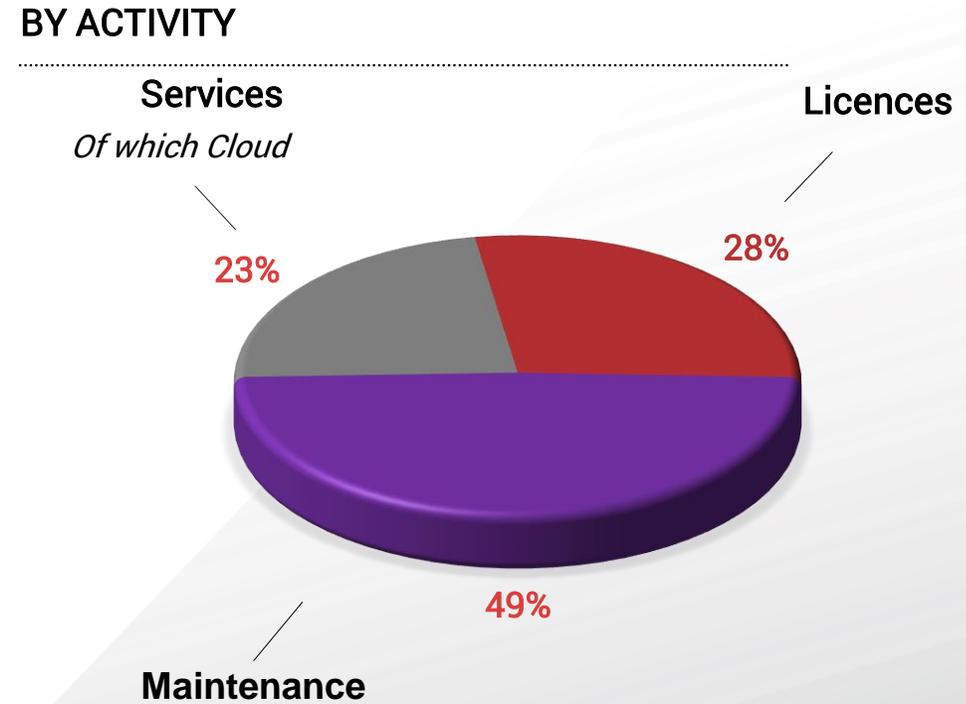
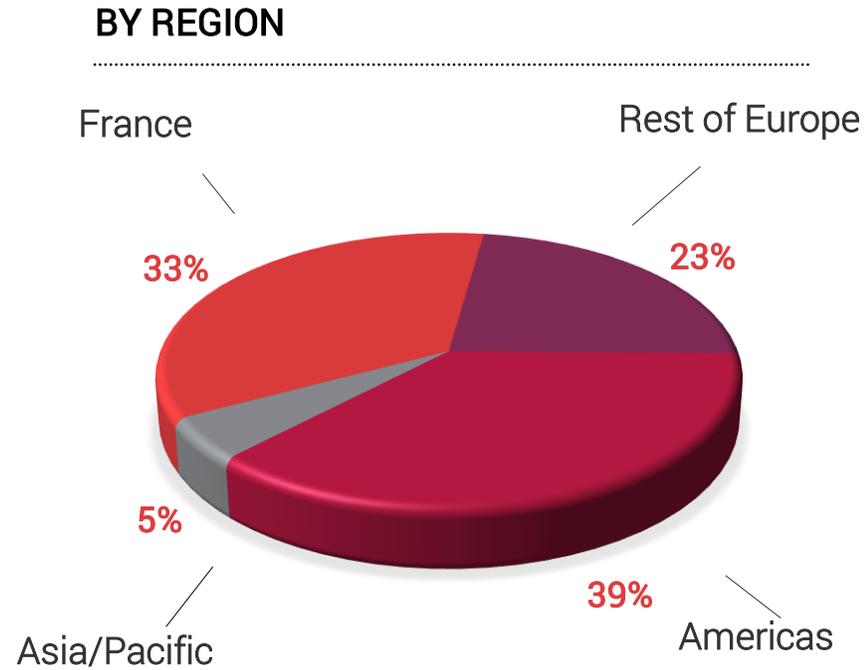
A presence spanning the continents



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

Balanced Business Model

FY 2015



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 partner: 19%

- Share of New business (€): 7%

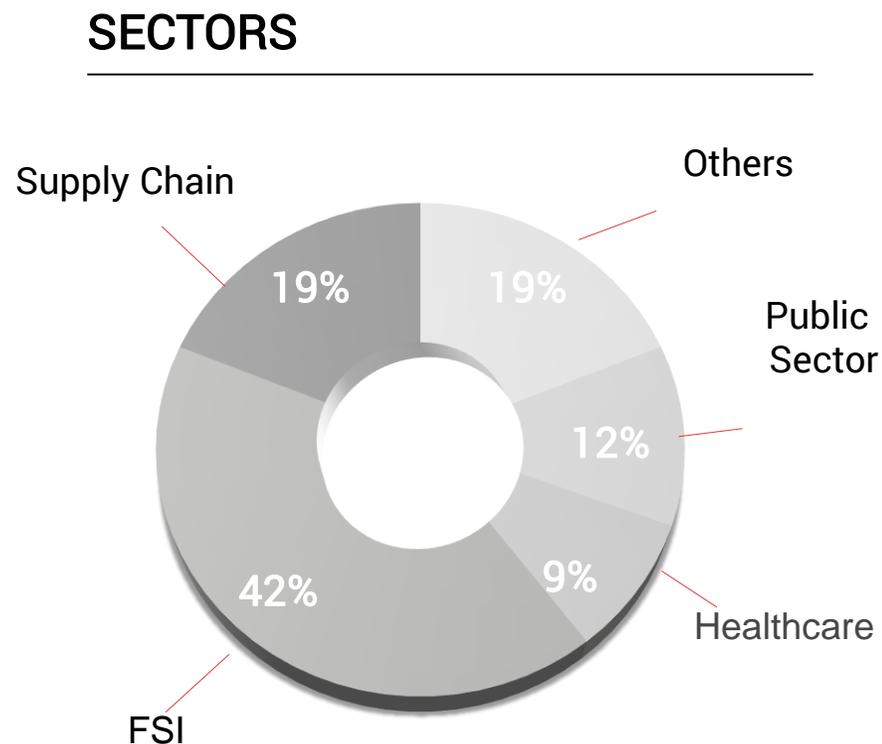
- Average Sale Price
 - ASP Tiers 1 ~566k€
 - ASP Tiers 2 (< 250 k€) ~110 k€
 - ASP Tiers 3 (< 50 k€) ~9 k€



2015
versus
2014

License Metrics 2015

Share of verticals in License revenues



HEALTHCARE

vs 2014



SUPPLY CHAIN

vs 2014

PUBLIC SECTOR

vs 2014



FSI

vs 2014

45%



Maintenance Metrics 2015

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



- Attachment rate=20%
(average weighted by volume)



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



2015
versus
2014

* 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

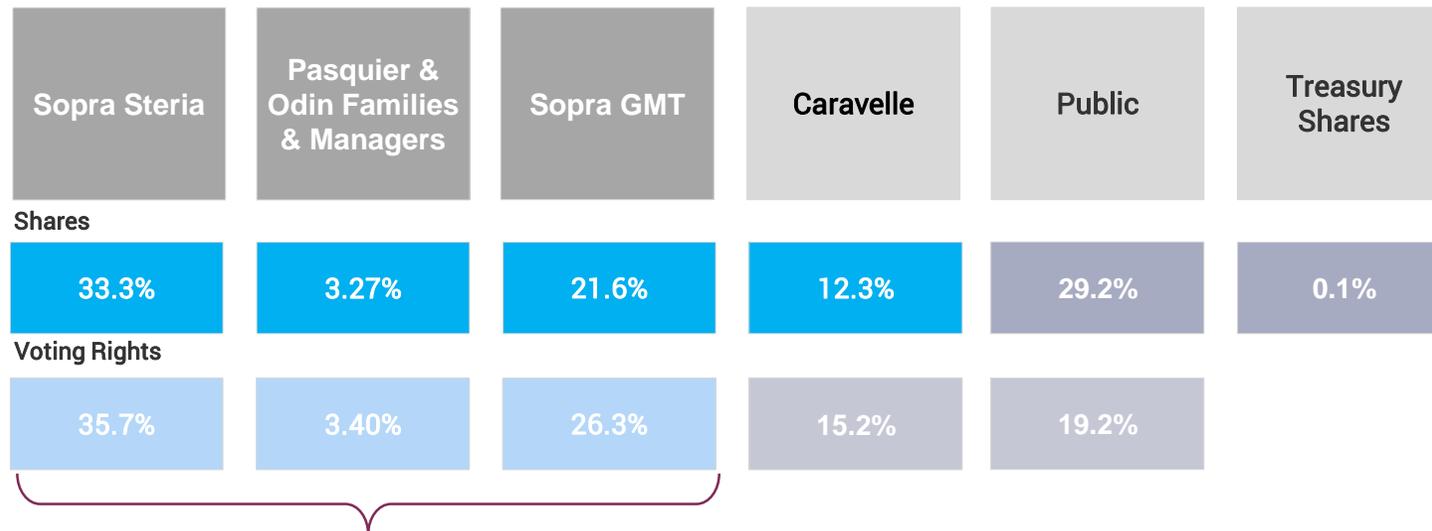


USA 440

Axway Shareholders Structure

31/06/2016

20,804,681 SHARES OUTSTANDING
33,793,093 VOTING RIGHTS



Concerted action

- 58.29% of the shares
- 65.49% of the voting rights

Governance



Jean-Marc Lazzari

Chief Executive Officer

French-American management:

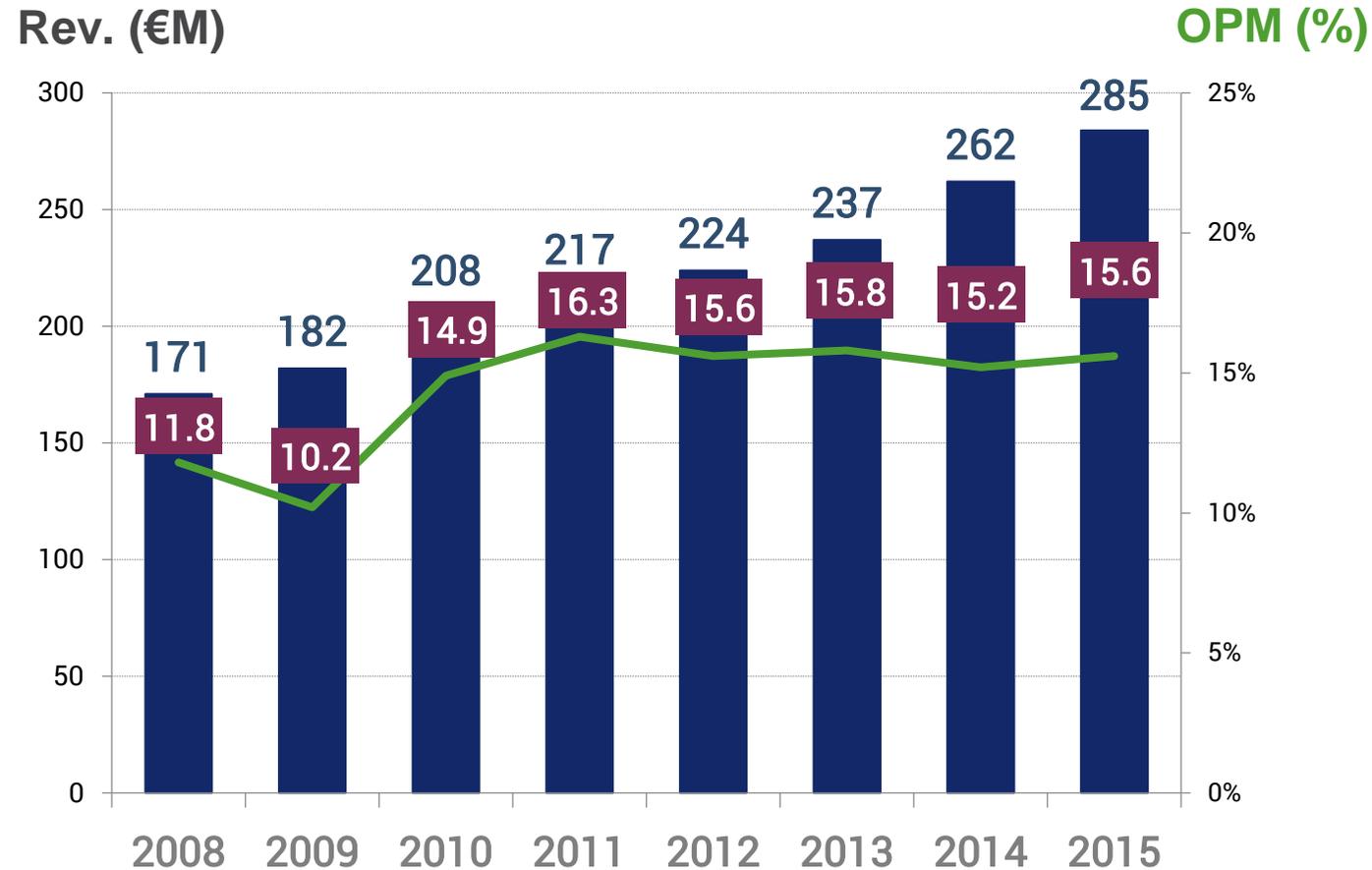
10 top managers coming from the software industry and historical corporate management

- **Strengthened Governance**
- **Board of Directors**
comprising 12 members, of which 7 are independent members
- Pierre Pasquier Chairman
- Kathleen Clark-Bracco Vice Chairman
- **Compliance** with the Middledenext Code of Corporate Governance



Track Record of Profitable Growth

Growth and profitability over the last eight 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>	<i>15.6%</i>	<i>15.2%</i>	<i>15.8%</i>
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>	<i>13.3%</i>	<i>12.8%</i>	<i>13.7%</i>
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>	<i>9.8%</i>	<i>10.2%</i>	<i>15.0%</i>
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

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 FY 2015



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



Latest news November 2016

27 Oct. 2016: 3d Quarter & Year to Date 9 Months

In €million

3rd Quarter	2016	2015 Reported	2015 Restated	Total Growth	Organic Growth ¹
France	19.3	20.5	20.5	-6.1%	-6.1%
Rest of Europe	17.6	16.1	15.4	9.3%	13.8%
America's	31.7	26.1	27.7	21.4%	14.5%
Asia/Pacific	3.3	3.1	3.2	6.5%	5.0%
Axway	71.9	65.9	66.8	9.2%	7.6%

Year to Date 9 Months	2016	2015 Reported	2015 Restated	Total Growth	Organic Growth ¹
France	63.2	68.0	68.0	-7.1%	-7.1%
Rest of Europe	49.4	47.6	46.6	3.7%	6.0%
America's	93.2	75.7	79.8	23.1%	16.8%
Asia/Pacific	10.8	9.6	9.3	12.3%	15.0%
Axway	216.6	200.9	203.7	7.8%	6.3%

3rd Quarter	2016	2015 Reported	2015 Restated	Total Growth	Organic Growth ¹
Licenses	16.8	14.8	14.6	13.5%	15.2%
Maintenance	35.7	34.4	34.0	3.7%	4.8%
Services	19.4	16.7	18.2	16.6%	6.8%
Axway	71.9	65.9	66.8	9.2%	7.6%

Year to Date 9 Months	2016	2015 Reported	2015 Restated	Total Growth	Organic Growth ¹
Licenses	54.3	49.0	48.5	10.7%	11.8%
Maintenance	105.8	102.4	101.5	3.3%	4.2%
Services	56.5	49.5	53.7	14.1%	5.2%
Axway	216.6	200.9	203.7	7.8%	6.3%

Introducing Axway AMPLIFY™

DATA INTEGRATION & ENGAGEMENT PLATFORM

Achieve higher levels of efficiency and growth by transforming rigid and manual connections between people, businesses and machines into customer experience networks.

Turn Data into Real-time, DevOps-ready Services



Cross-Platform App Development



Unified Engagement with User Communities



Measure Business Value of Services

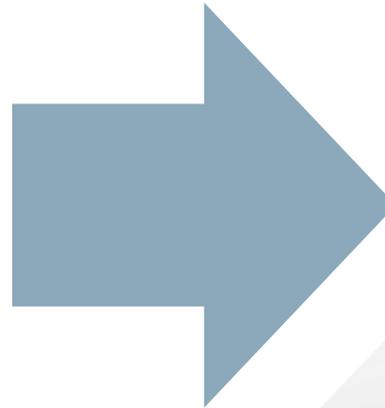
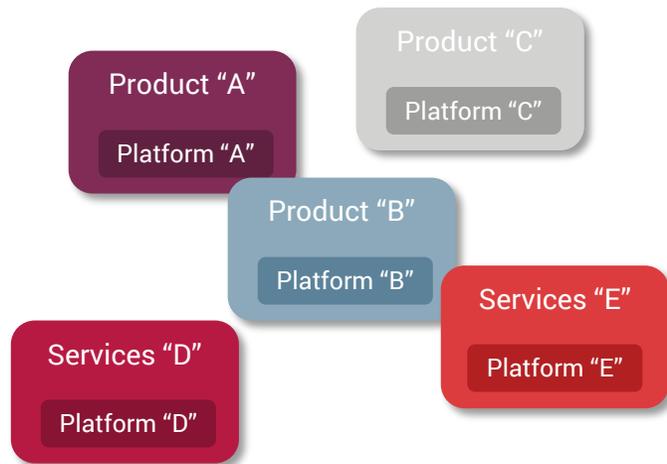


Leverage Existing Integration Foundation

Platform Architecture Evolution

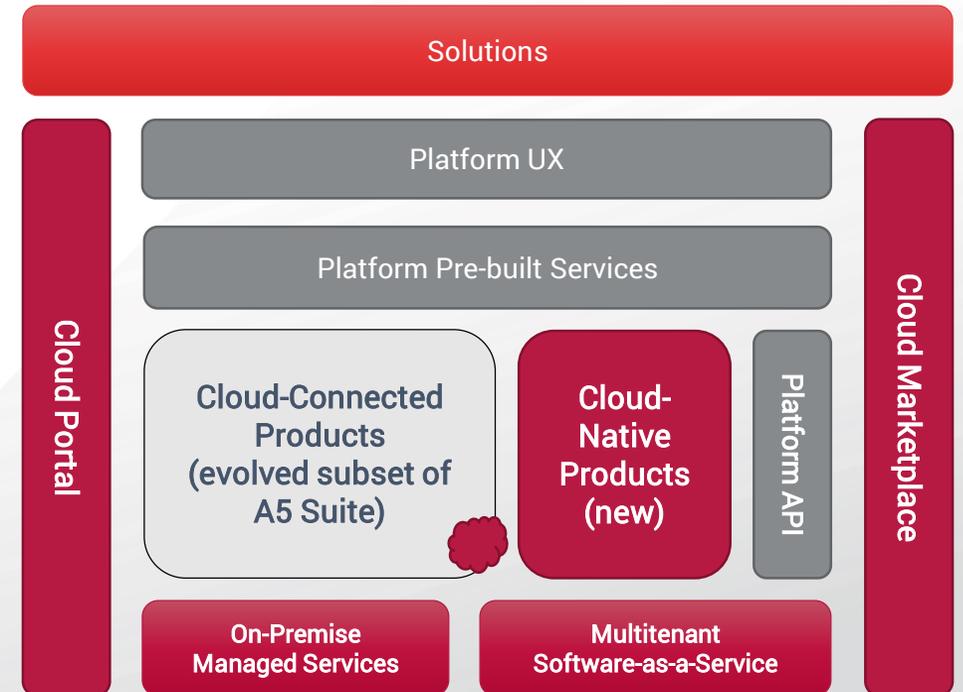
Axway 5 Suite

Point products, disjointed user experience



Axway AMPLIFY

Integrated solutions, coherent user experience





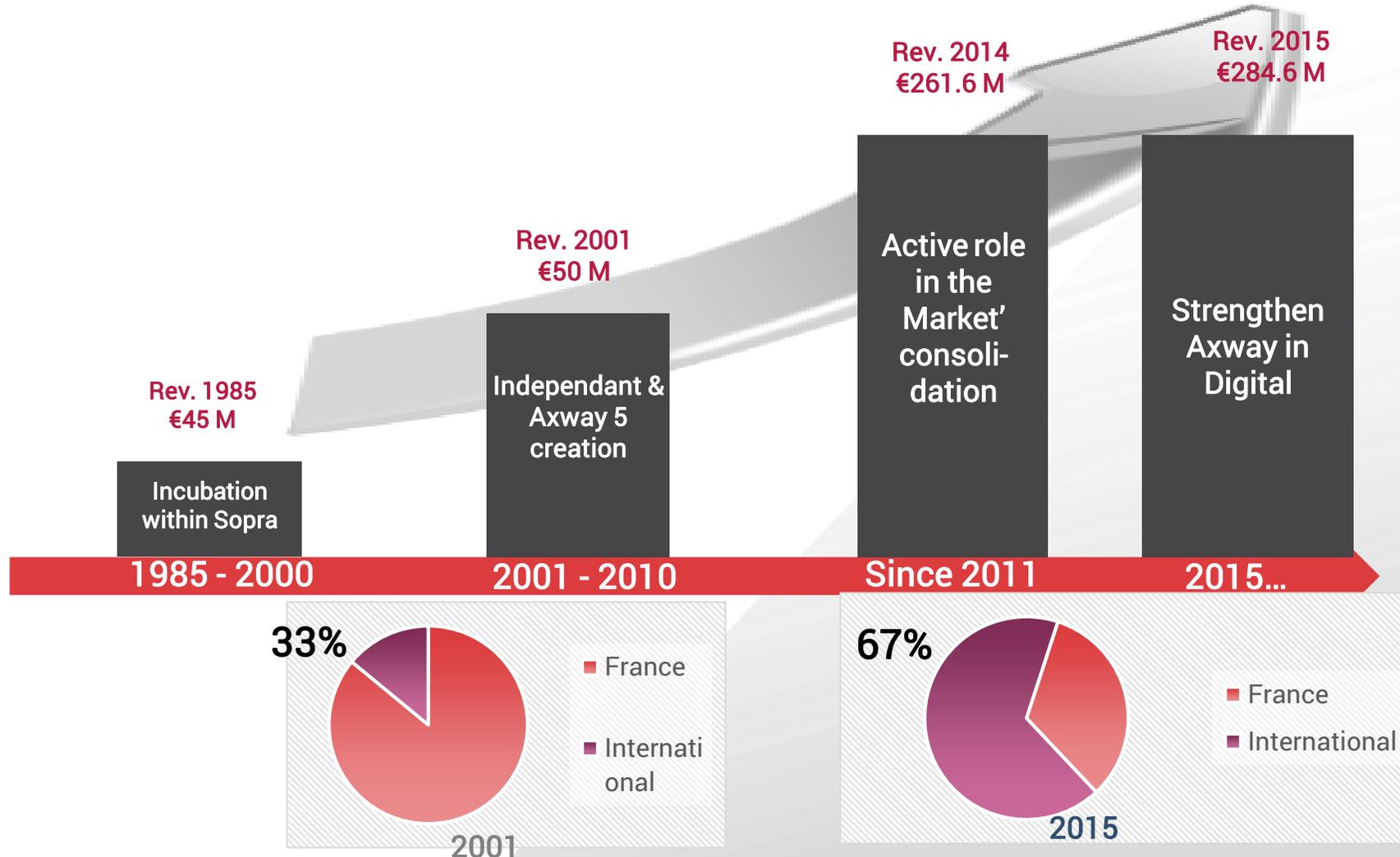
Status of the Company Transformation

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 on both engagement and foundation domains

A Key Actor Strategy

- To strengthen Axway in governing the flow of data in DIGITAL



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
- A increased business in North America where the Digital business is growing
- Ongoing plan to move to the Digital space while preserving the operational margin
- Sopra Steria and Sopra GMT as stable shareholders of Axway.

Axway, 50th Global software editor

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Market cap **€M 518**
Float **29%**

Dual nationality FR-
US
19 locations
worldwide

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

2015 figures

Thank you

Presentation available on:

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Mobile App: Axway IR available
on Apple store & Android



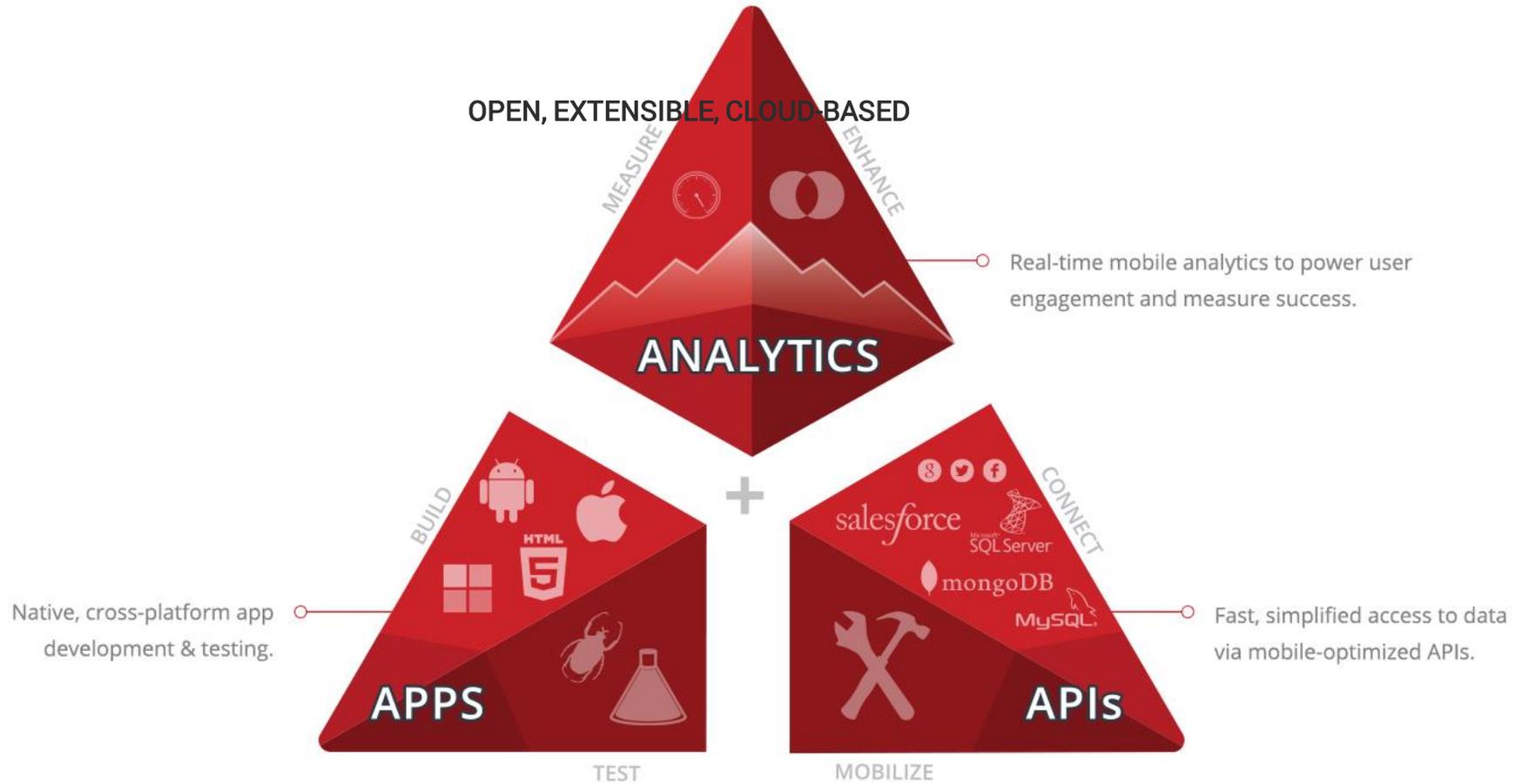
Patrick Gouffran
Investor Relations
pgouffran@axway.com



Annexes

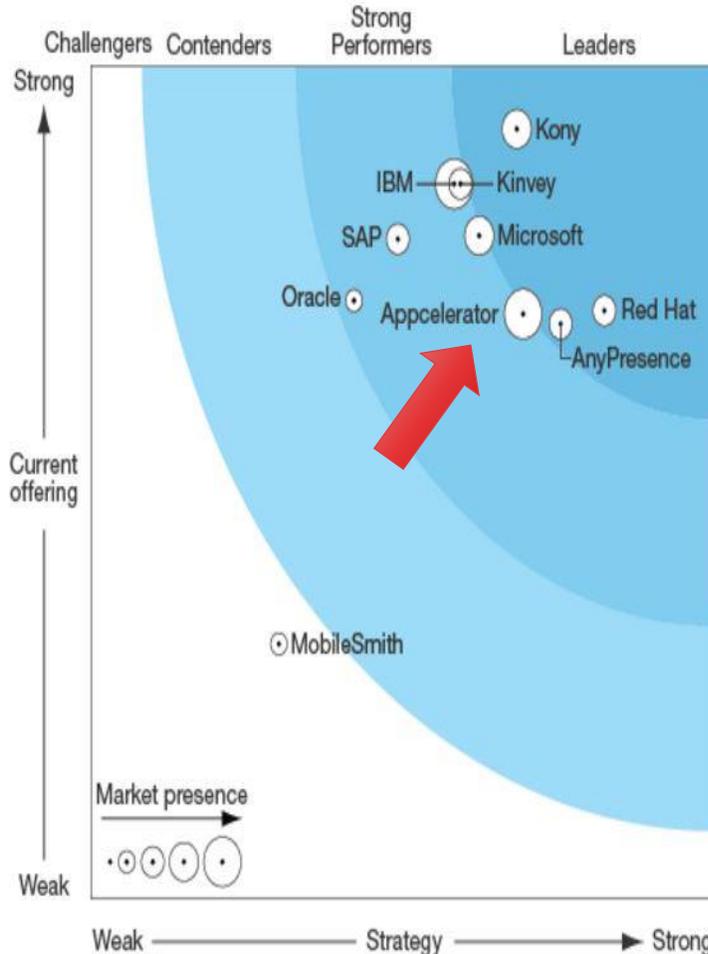


Appcelerator Platform





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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IAP Glossary

- Restated: Revenue for the prior year, expressed on the basis of the scope and exchange rates for the current year.
- Organic growth of revenue: Growth of operations between revenue for the period and the reprocessed revenue data for the same period of the preceding fiscal year.
- Profit (loss) from operations This indicator, such as defined in the Registration Document, corresponds to profit from the reprocessed counting operations data of the charge pertaining to the cost of services rendered by the beneficiaries of stock options and of restricted shares and of the provisions to amortisation of the affected intangible assets.
- Profit from counting operations: This indicator corresponds to the operating profit prior to taking into account other operating income and expenses which correspond to unusual, abnormal, infrequent, non-predictive operating income and expenses, and of a particularly significant amount, presented in a distinct manner in order to facilitate understanding of the performance connected to current operations.