



Investors Overview AXWAY

May 2017



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, upward-looking photograph of a worker in a yellow safety vest and white hard hat standing on a white metal spiral staircase. The worker is looking towards the right. The staircase is part of a large industrial structure, possibly a wind turbine, with large white cylindrical components visible in the background against a clear blue sky. A large white diagonal line cuts across the right side of the image, separating the photograph from the text area.

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. **€301.1 million**
OPM **16.9%**
FCF/Rev **9.3%%**

Euronext Paris listing 2011
Market cap **€M 662**
Float **29%**

Dual nationality
FR/US
19 locations worldwide

1,930+ employees
including 584 in R&D
and 130 in the sales force

2015 figures

Key figures 2016

Total
growth
+5.8%

	2016	2015 Published
Revenue	301.1	284.6
Profit from business activity <i>(%revenue)</i>	50.8 <i>16.9%</i>	44.5 <i>15.6%</i>
Net Profit <i>(%revenue)</i>	31.5 <i>10.5%</i>	27.9 <i>9.8%</i>

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

Revenue by activity 2016

[€M]	2016	2015 Published	2015 Restated	Organic Growth ¹
Licenses	81.3	80.5	79.9	1.8%
Maintenance	143.0	137.7	136.6	4.7%
Services	76.8	66.4	72.0	6.7%
Axway	301.1	284.6	288.5	4.4%

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

Revenue by region 2016

[€M]	2016	2015 Published	2015 Restated	Organic Growth ¹
France	94.2	95.2	94.8	-0.6%
Rest of Europe	68.8	65.7	64.0	7.4%
Americas	122.9	109.7	115.9	6.0%
Asia Pacific	15.3	13.9	13.8	10.7
Axway	301.1	284.6	288.5	4.4%

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

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 disruption continues to test the ingenuity and agility of most enterprises

900B

HOURS SPENT
INSIDE MOBILE
APPS IN 2016

80%

MOBILE COVERAGE
IN THE DEVELOPED
WORLD

200B

CONNECTED
DEVICES DRIVEN
BY THE IOT

\$1T

IN IoT SPENDING
BY 2020

90%

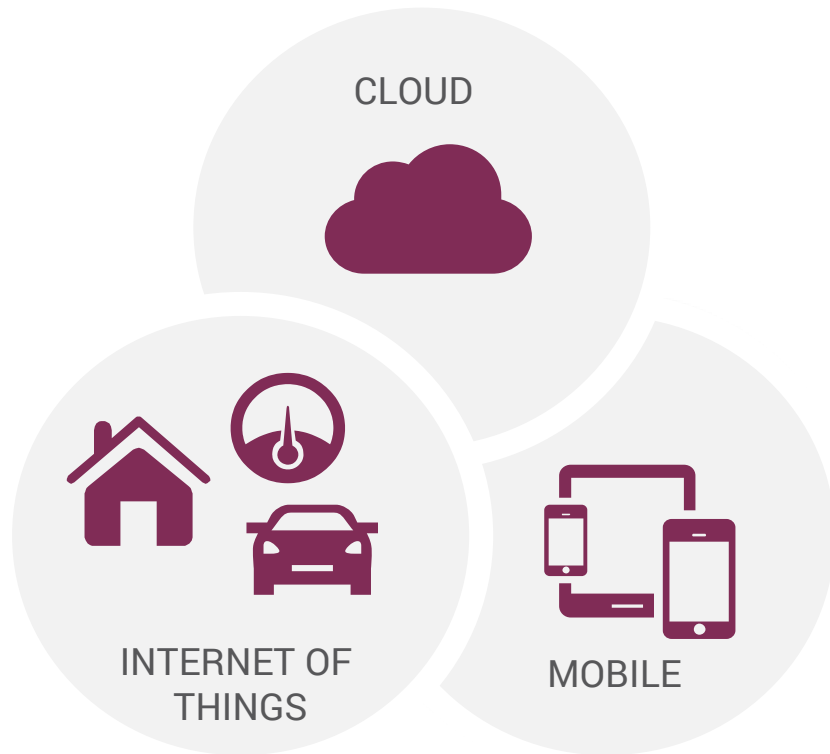
CARS CONNECTED
BY 2020

\$79B

SMART HOME
INDUSTRY



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

Customers & target markets



Banking and financial services



Automotive supply chain



Manufacturing and retail



Healthcare supply chain



Public sector



Telecommunications



Energy & Utilities

EFSS Opportunity



- Over the past 3 years market of EFSS has grown at over **20%+** year over year
- IDC forecasts EFSS enterprise market to grow to **\$1.8 billion +17% in 2017**

- Axway announces the acquisition of Syncplicity
- Leader in secure collaboration and file sharing (EFSS)



Strengthening Axway leadership in secure file exchange



Forrester Wave: Enterprise File Sync And Share, Hybrid Solutions, Q2'16



The Forrester Wave™: Enterprise File Sync And Share Platforms, Hybrid Solutions, Q2 2016, Forrester Research, Inc., April 26, 2016

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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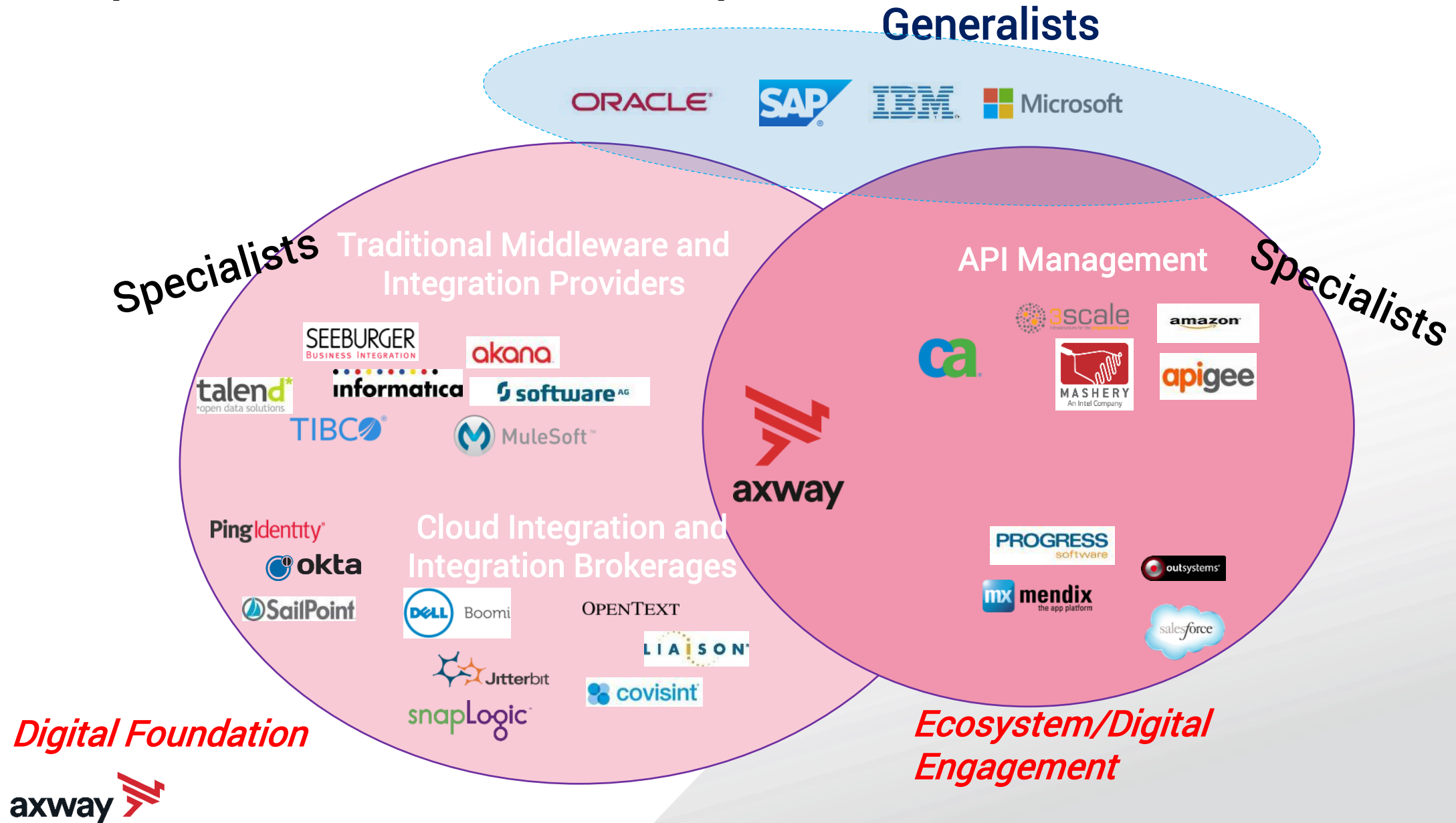


Figure 1. Magic Quadrant for Full Life Cycle API Management **Gartner**



Source: Gartner (October 2016)

Competitive & Market Landscape



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

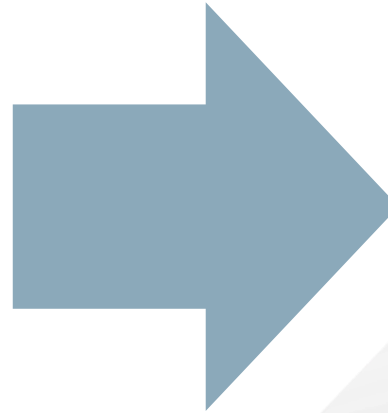
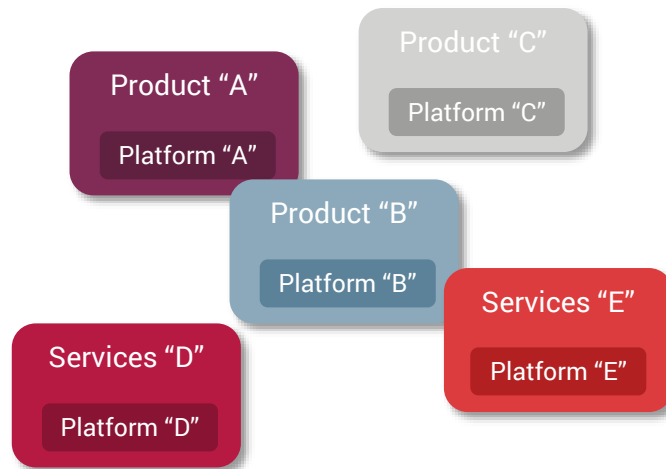


Leverage Existing
Integration Foundation

Platform Architecture Evolution

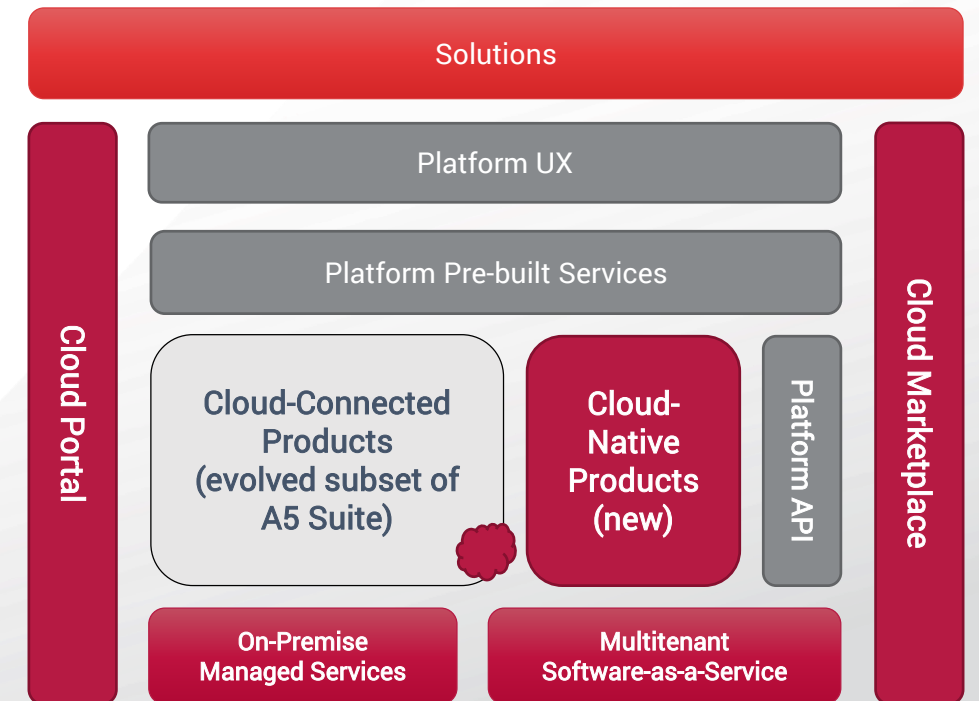
Axway 5 Suite

Point products, disjointed user experience



Axway AMPLIFY

Integrated solutions, coherent user experience



Axway Offer – a catalyst for digital transformation



Employees, partners, suppliers and developers collaborate in a customer experience network to transform disparate data and services into connected, personalized, seamless digital experiences

Software Editor Business Model

Three sources of revenue in 2016

Maintenance

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

Services

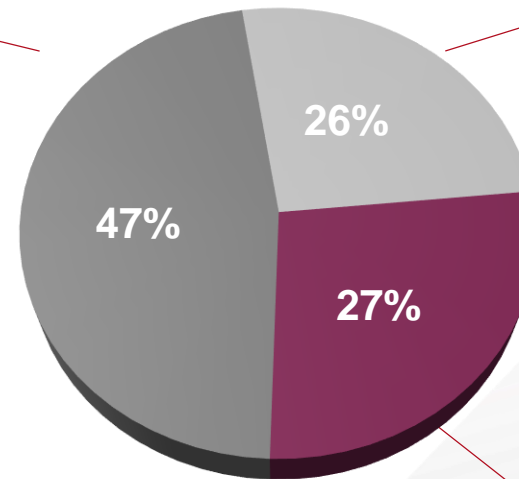
Classic Editor

Associated with the initial installation
Independent of licence

Service agreement

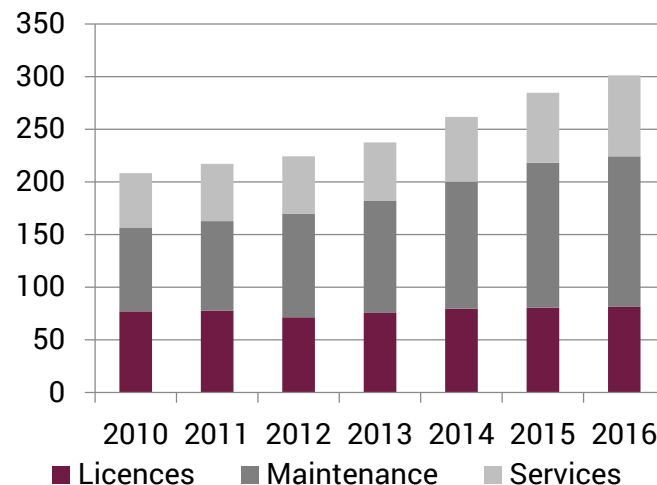
Software as a Service (Cloud)

Rental mode
3-years contract



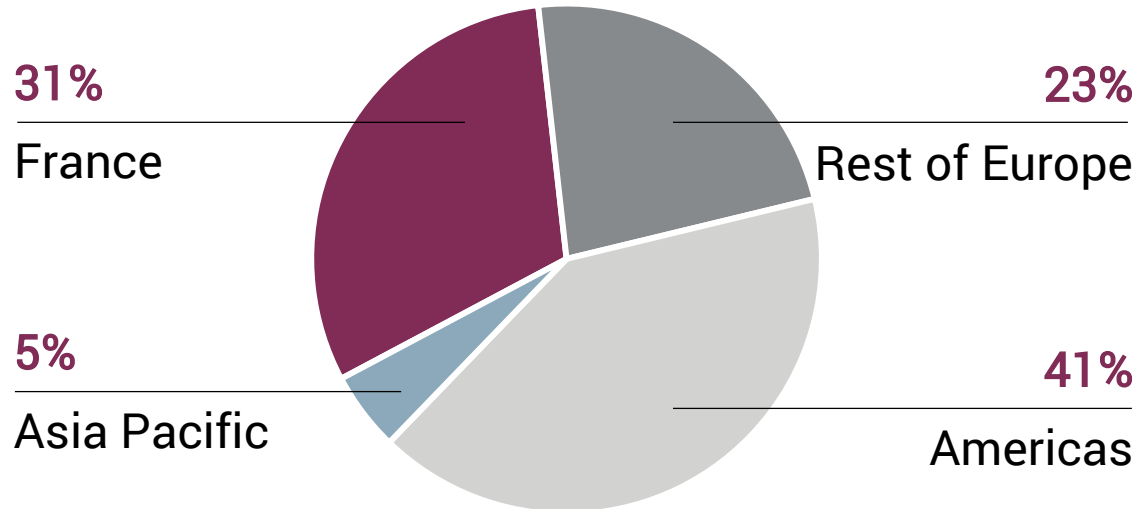
Licenses

- Perpetual usage rights
 - Tiered pricing
- Standard licensing agreement

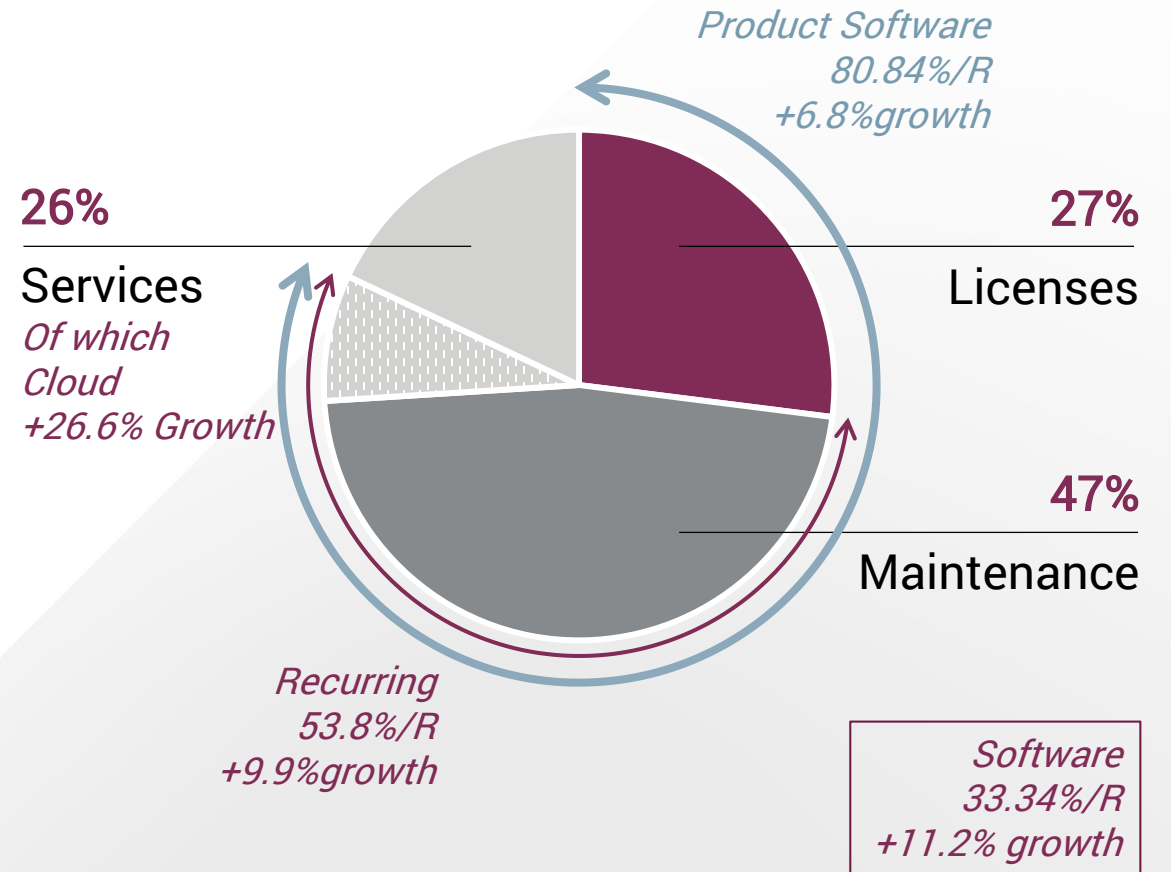


Balanced and resilient business model

By Region

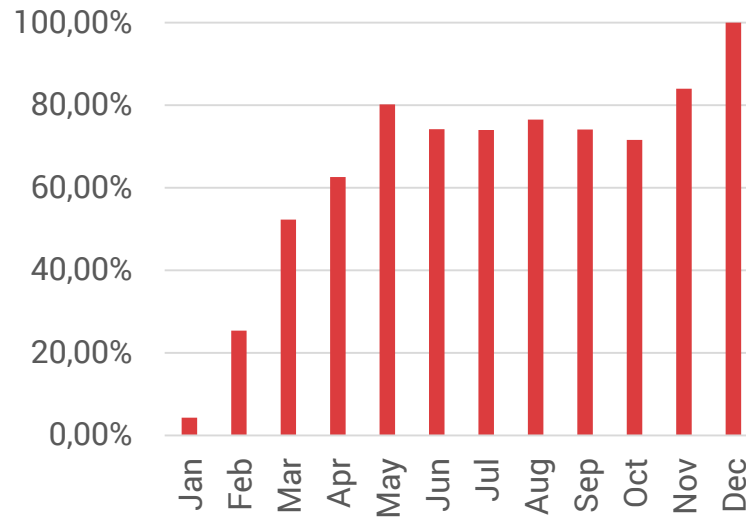


By Activity



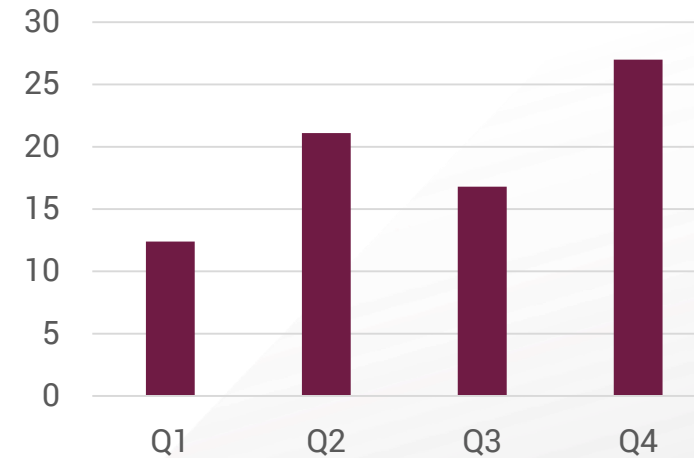
Axway Cash generation profile

Cash life cycle (cumulative)



Software Business Cycle

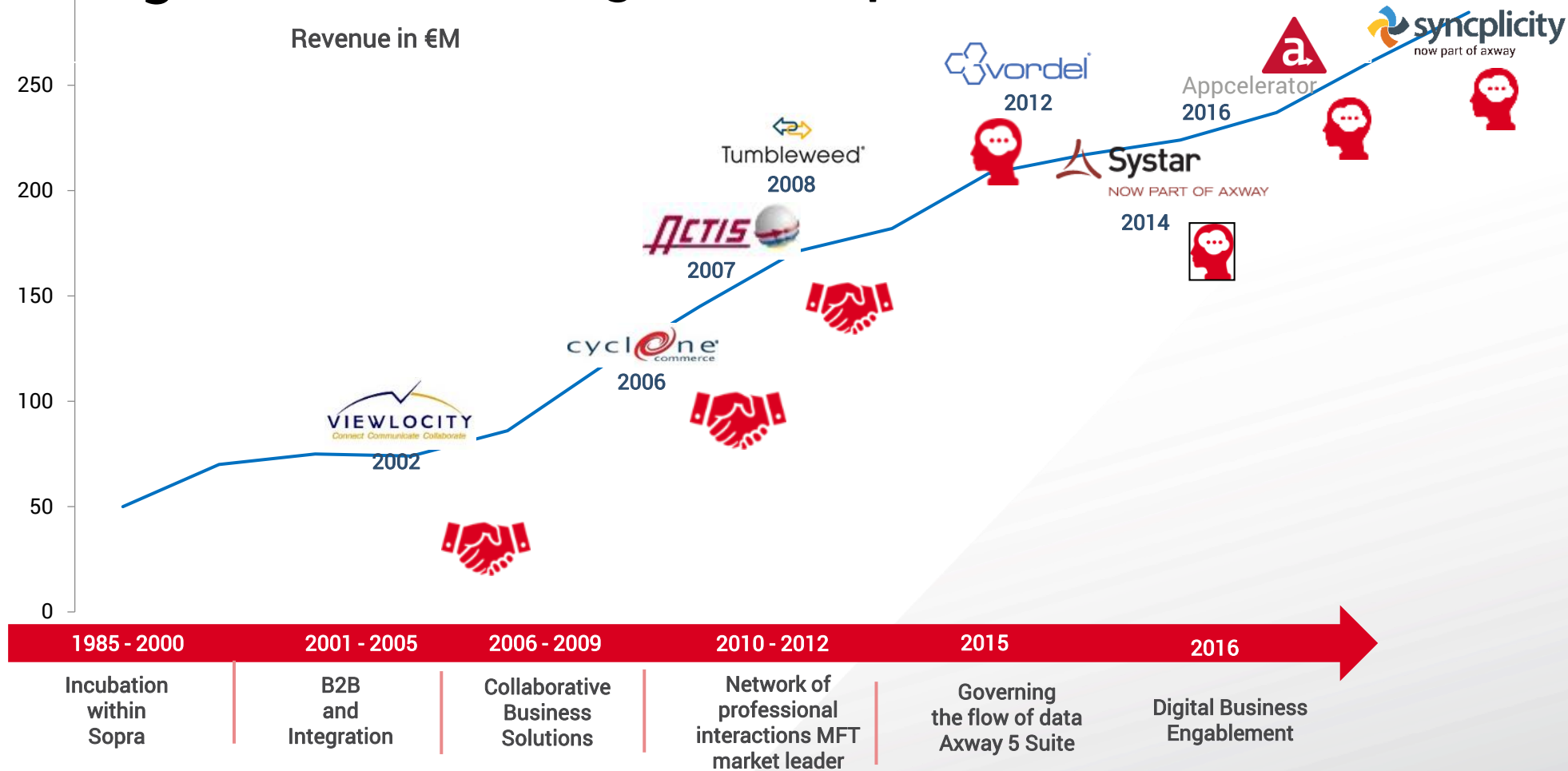
2016 Rev. (€M)



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

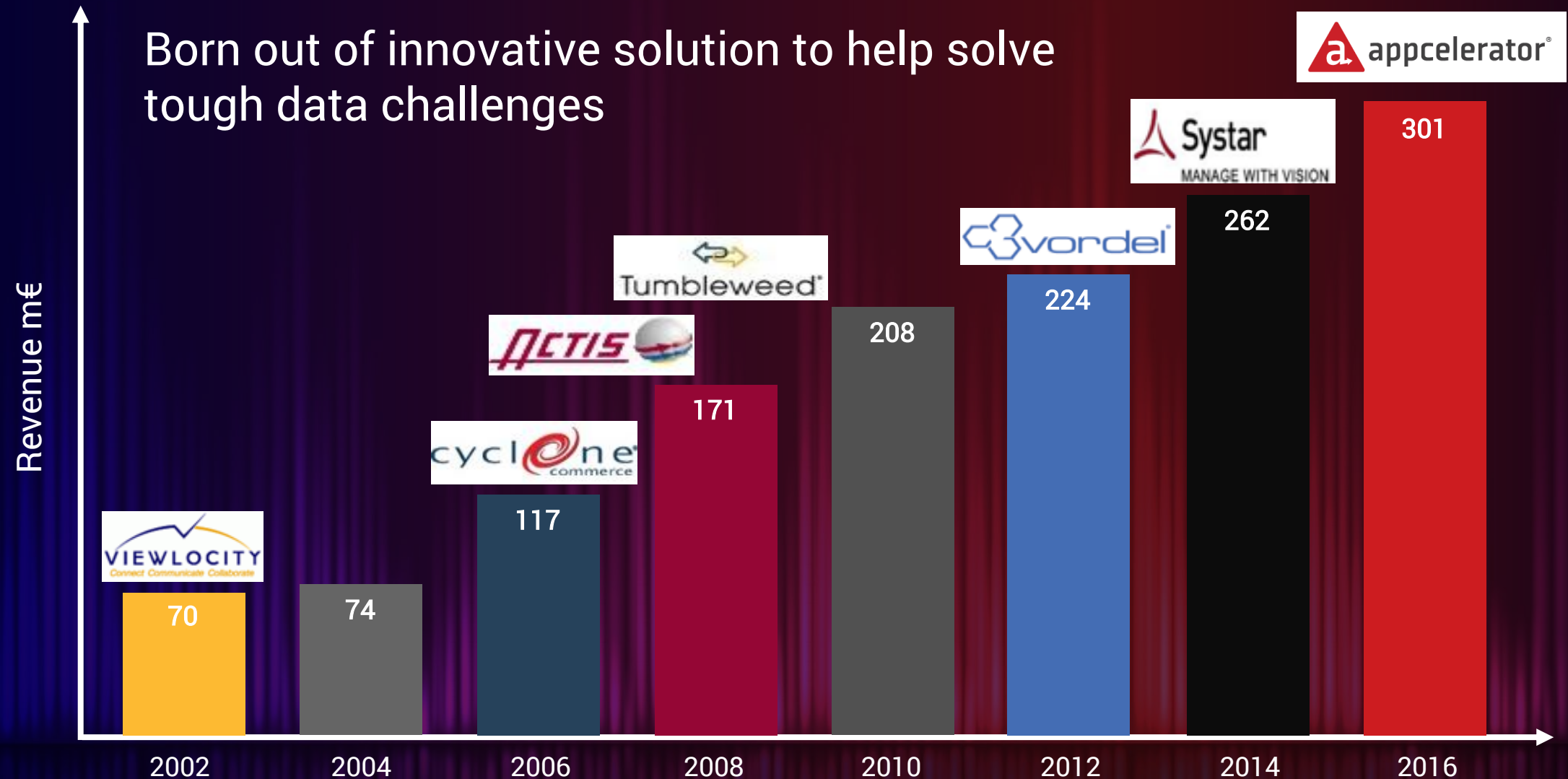


Acquisition target: Customer position

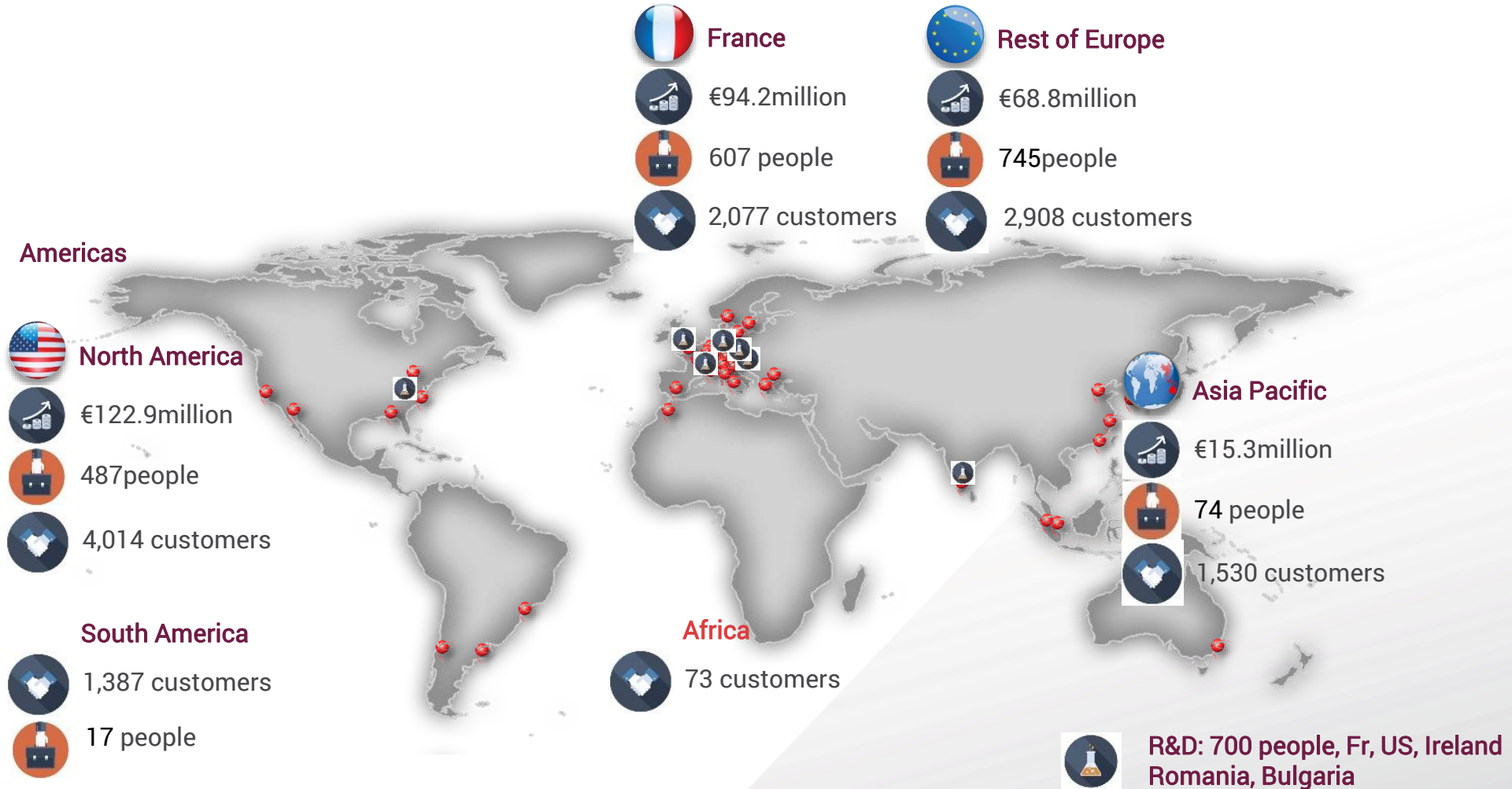


Acquisition target: Technology/competency

Our Heritage













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
1930 employees

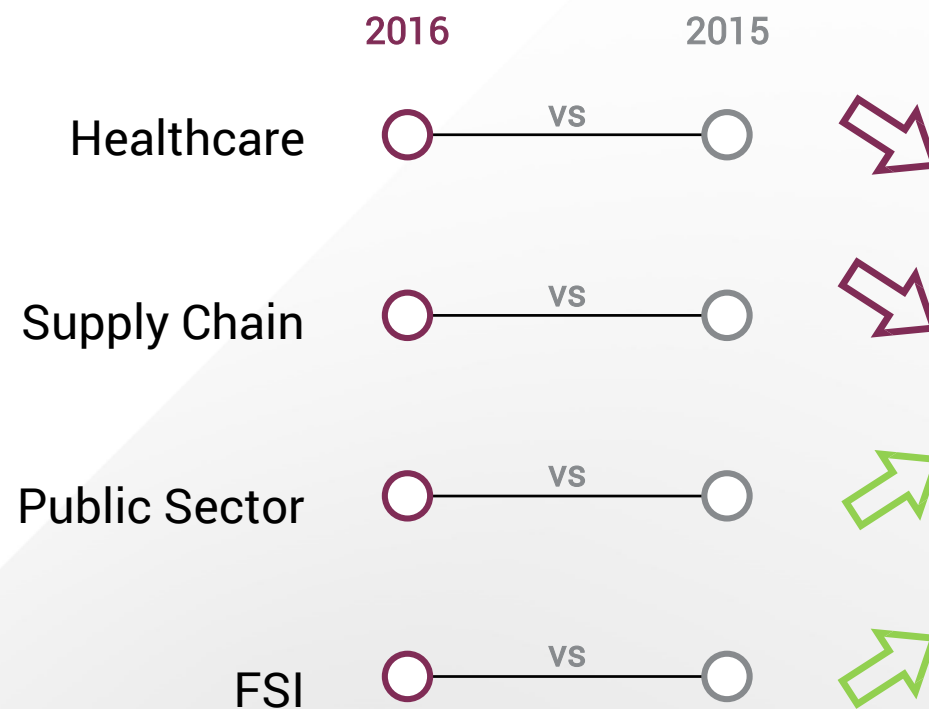
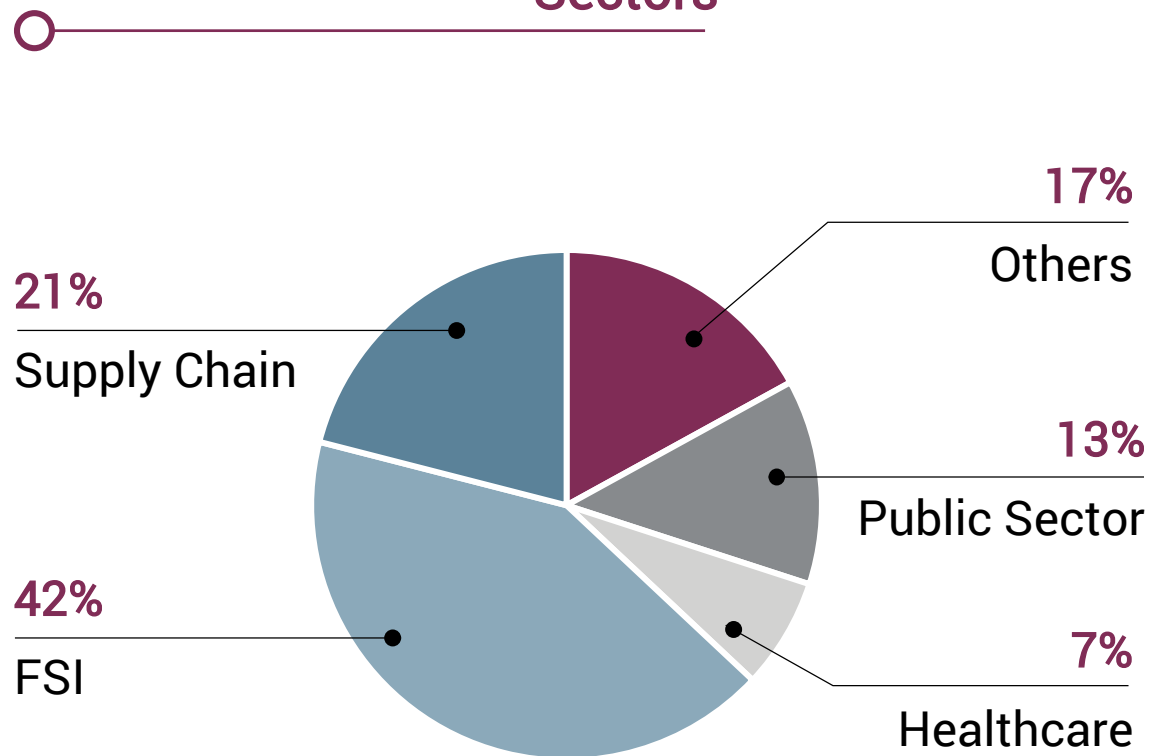
License Metrics 2016 *(versus 2015)*

Digital Licenses	45%		
Nb Deals	~1967		
Share of Tiers 1 business			
Share of nb. of deals:	3.2%		
Share of total amount:	46.6%		
Share of indirect business partner:	24%		
Share of New business (€):	10.3%		
Average Sale Price			
ASP Tiers 1	~571K€		
ASP Tiers 2 (< 250 k€)	~104€		
ASP Tiers 3 (< 50 k€)	~10K€		

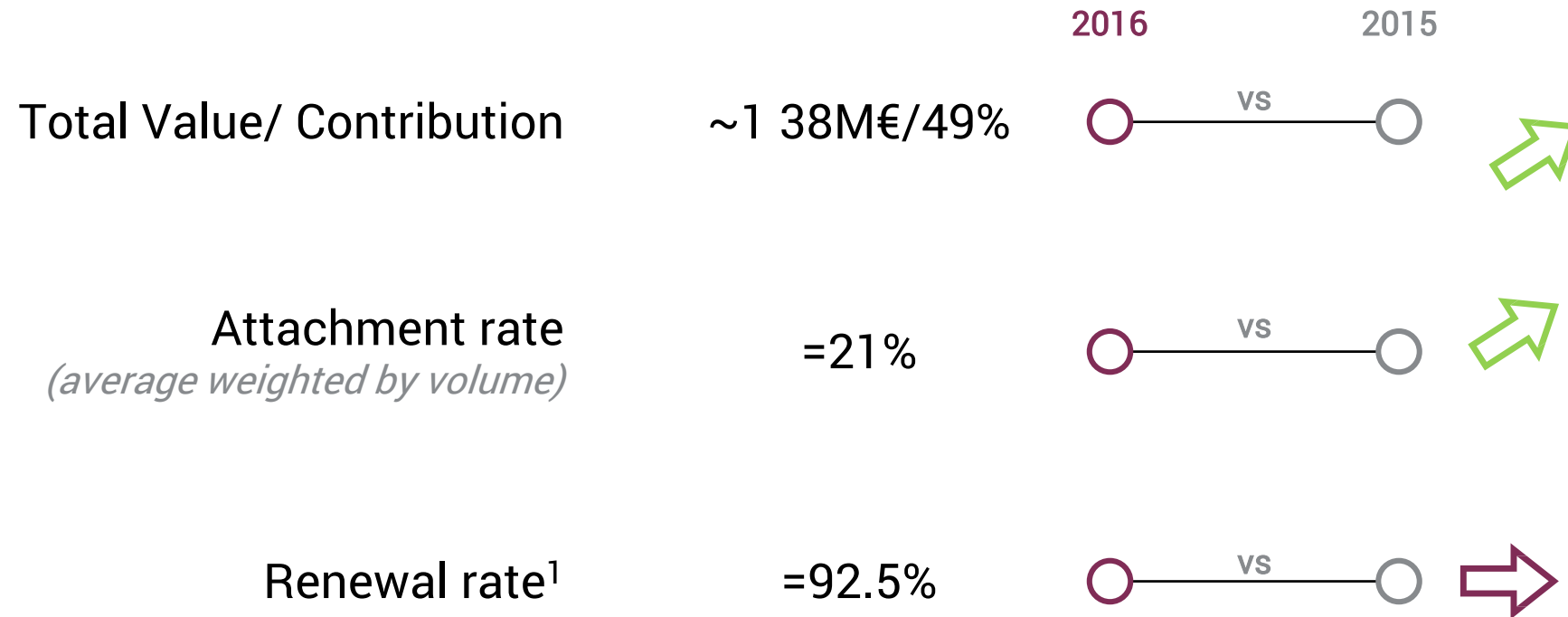
License Metrics 2016

Share of verticals in License revenues

Sectors



Maintenance Metrics 2016 *(versus 2015)*

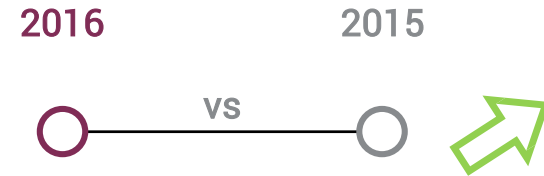


(1) This percentage represents full year revenue impact

Cloud Metrics 2016 *(versus 2015)*

Subscription recognized

+26.6%



ASR on 12/31/16

18.9M€

*ASR= committed subscription
revenue in next 12 months*



(1) This percentage represents full year revenue impact

Axway Ownership Structure

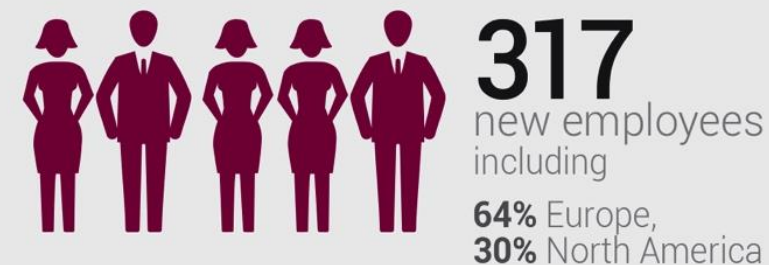
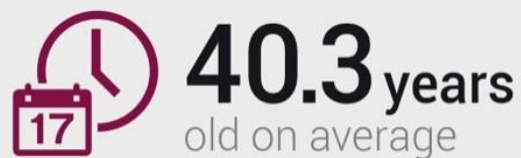
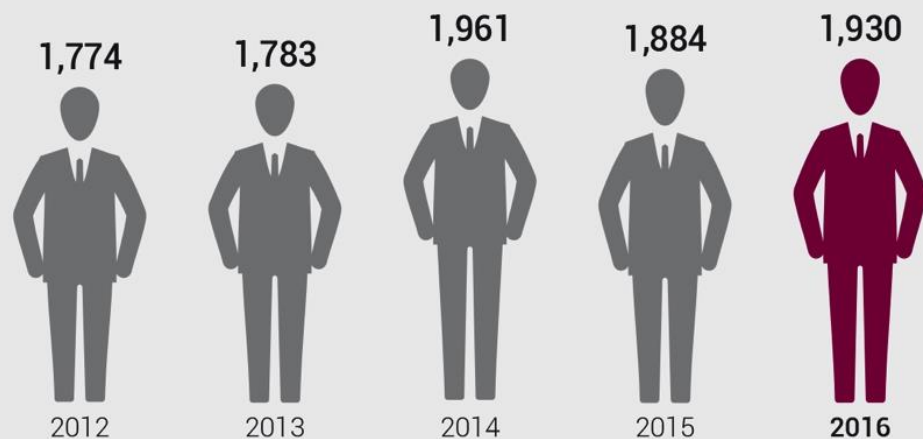
Breakdown of share capital at 31 December 2016

21,021,039
shares outstanding

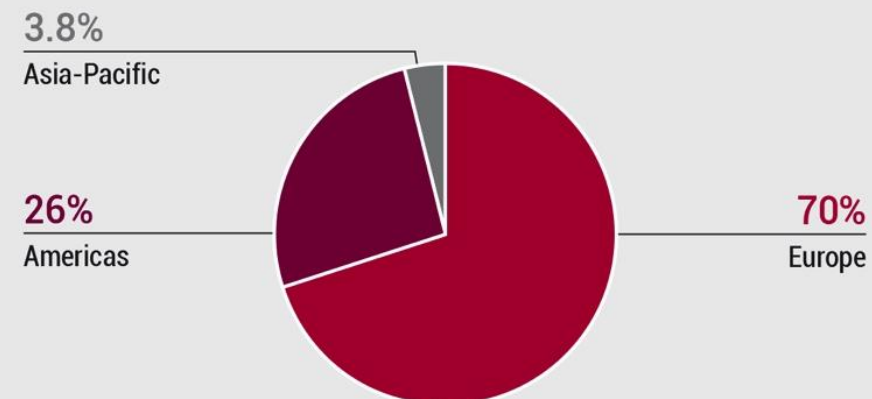
33,977,278
voting rights



Human Resources Axwegians



Breakdown of workforce by location



Governance



Jean-Marc Lazzari

Chief Executive Officer

French-American management:

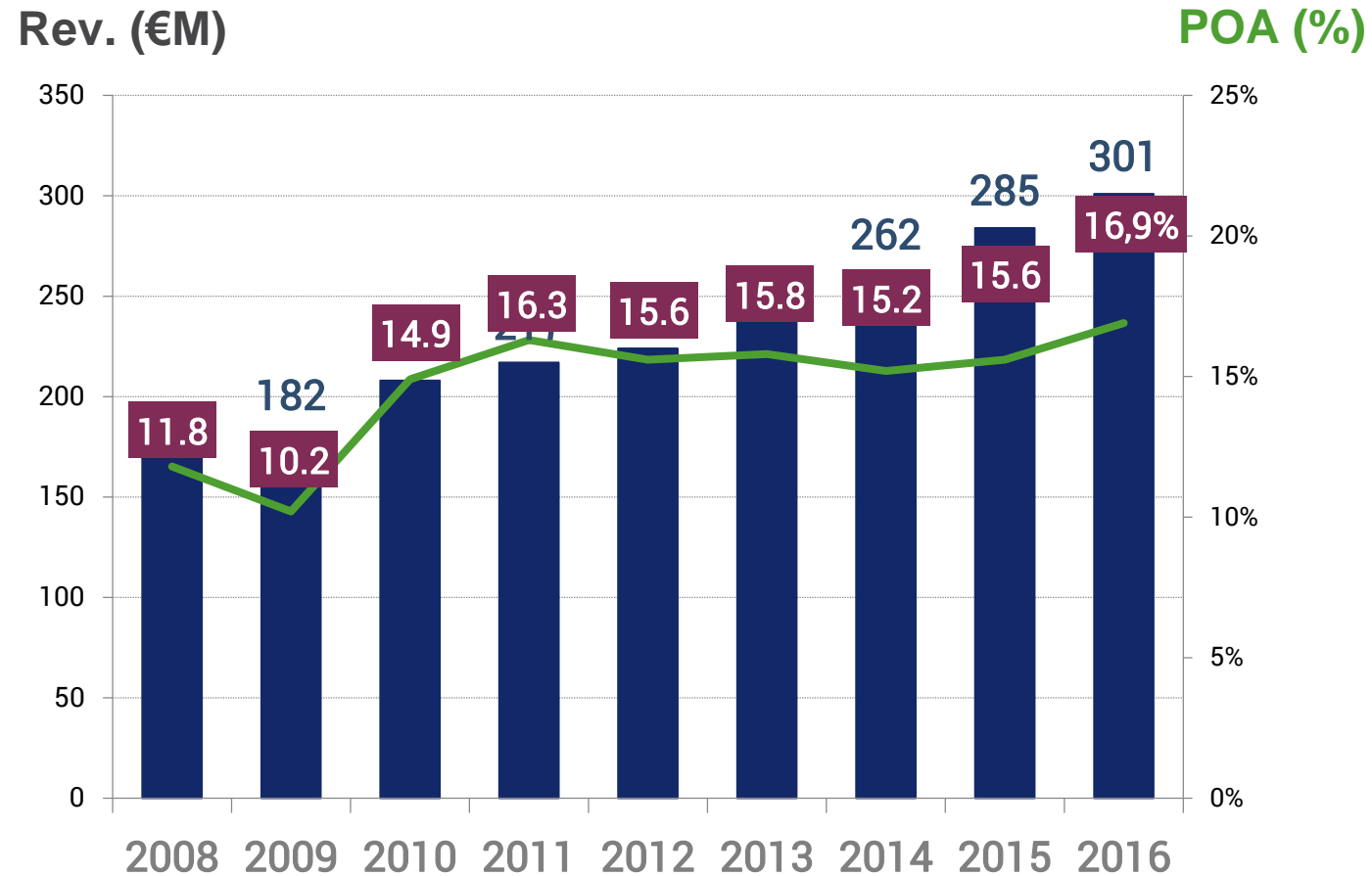
8 top managers coming from the software industry and historical corporate management

- **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 Middlednext Code of Corporate Governance



Track Record of Profitable Growth

Growth and profitability over the last eight years



Income statement (1/2)

- Total Revenue grew 5.8 % with total growth seen in all lines of business
- Gross Profit as a % of Revenue improved in all periods with improved Service and Cloud profitability
- R&D continued to grow in support of our growing portfolio and new Platform launch

In millions of euros

	FY 2016	FY 2015	FY 2014
Revenue :			
Licenses	81.3	80.5	79.6
Maintenance	143.0	137.7	120.5
Total Product Revenue	224.2	218.2	200.1
Services	76.8	66.4	61.5
Total Revenue :	301.1	284.6	261.6
Costs of sales:			
Product Revenue	23.7	23.2	21.9
Services	63.0	63.2	57.0
Total Costs of sales :	86.6	86.4	78.9
Gross profit:	214.4	198.3	182.6
<i>as a % of Revenue</i>	<i>71.2%</i>	<i>69.7%</i>	<i>69.8%</i>
Operating expenses :			
Sales and marketing	81.9	81.9	77.5
Research and development	53.3	46.0	41.0
General and administrative	28.4	25.9	24.5
Total operating expenses :	163.7	153.8	143.0
Profit on operating activities	50.8	44.5	39.7

Income statement (2/2)

- Profit on Operating Activities finished at 16.9%, a strong 1.3 point improvement over FY2015
- Income tax benefit in 2015 due to the release of certain tax asset valuation reserves as well as favorable profit levels across our different tax jurisdictions.
- Basic EPS improved in all periods presented up to € 1.51 in 2016

In millions of euros

	FY 2016	FY 2015	FY 2014
Profit on operating activities	50.8	44.5	39.7
<i>as a % of Revenue</i>	<i>16.9%</i>	<i>15.6%</i>	<i>15.2%</i>
Stock option related expenses	(1.1)	(0.6)	(0.8)
Amortization of intangible assets	(7.9)	(6.0)	(5.3)
Profit from recurring operations	41.8	37.9	33.6
<i>as a % of Revenue</i>	<i>13.9%</i>	<i>13.3%</i>	<i>12.8%</i>
Other income and expenses	(6.7)	(10.5)	(2.3)
Operating profit	35.1	27.4	31.3
Cost of net financial debt	(0.4)	(0.4)	(1.4)
Other financial revenues and expenses	0.5	(1.3)	0.4
Income taxes	(3.7)	2.1	(3.6)
Net Profit	31.5	27.9	26.7
<i>as a % of Revenue</i>	<i>10.5%</i>	<i>9.8%</i>	<i>10.2%</i>
Basic net earnings per share (in Euro)	1.51	1.35	1.29

Simplified balance sheet (1/2)

- Goodwill and intangibles increased from the acquisition of Appcelerator
- Strong cash balance to end 2016 at 51.7
- DSO finished at 85 days, equal to 2015 end of year DSO

In millions of euros

	31/12/16	31/12/15	31/12/14
ASSETS			
Goodwill	288.8	251.8	236.5
Intangible assets	49.8	40.9	45.6
Property, plant and equipment	14.5	7.8	6.9
Other non-current assets	49.6	47.0	42.1
Non-current assets	402.7	347.5	331.1
Trade receivables	78.2	73.9	84.9
Other current assets	25.3	22.5	18.2
Cash and cash equivalents	51.7	44.7	44.6
Current assets	155.2	141.0	147.6
TOTAL ASSETS	557.8	488.6	478.7

Simplified balance sheet (2/2)

- 20 M€ of borrowings under 125 M€ RCF at 31 Dec 2016, additional debt outside RCF
- Current liabilities includes 74.5 M€ of deferred income in 2016 versus 66.6 M€ in 2015

In millions of euros

	31/12/16	31/12/15	31/12/14
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	42.0	41.5	41.1
Capital reserves and results	332.8	299.1	257.4
Total shareholders' equity	374.8	340.6	298.5
Financial debt - long-term portion	35.5	7.5	46.3
Other non-current liabilities	10.3	15.7	18.9
Non-current liabilities	45.7	23.2	65.2
Financial debt - short-term portion	3.7	1.5	1.3
Other current liabilities	133.6	123.3	113.7
Current liabilities	137.3	124.8	115.0
TOTAL LIABILITIES	183.0	148.0	180.2
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	557.8	488.6	478.7

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>	31/12/16	31/12/15	31/12/14
Equity at Opening of Period	340.6	298.5	258.4
Profit for the period	31.5	27.9	26.7
Other comp. income statement items	0.0	0.0	0.0
Share-based payments	1.0	0.5	0.8
Treasury Shares	0.2	0.4	-0.1
Dividends	-8.3	-8.2	-8.2
Capital increase	3.4	3.1	1.3
Actuarial gains and losses	0.5	0.0	-0.5
Other changes	-0.2	0.0	-0.2
Translation differential	6.1	18.5	20.3
Equity at End of Period	374.8	340.6	298.5

Cash Flow statement

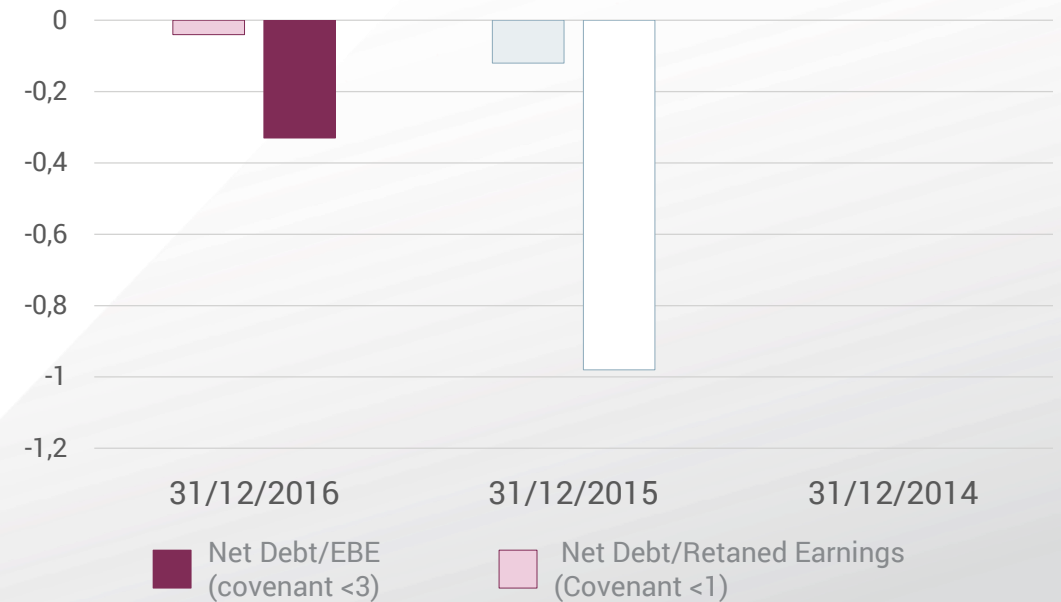
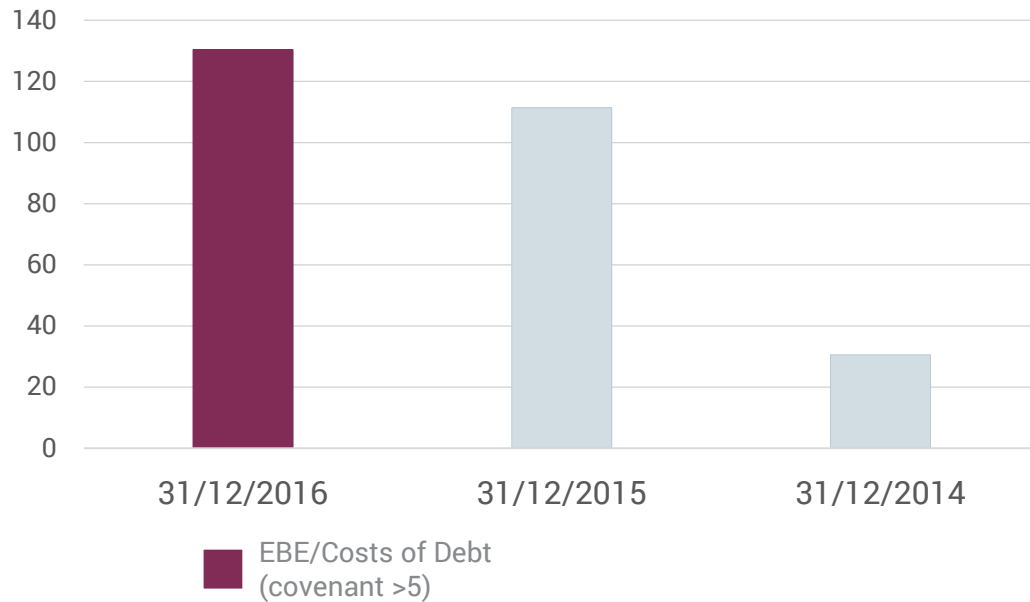
- Working Capital Requirements — positive improvement in 2014 and 2015 with monetization of certain assets and improvement in DSO. 2016 Change finished at -5,9 M€
- Free cash for 2016 is 27.9 M€ versus 44.5 M€ for 2015

In millions of euros

	FY 2016	FY 2015	FY 2014
Net profit for the period	31.5	27.9	26.7
Net charges to amortizations, depreciations and provisions	8.5	13.8	8.3
Other income and expense items	3.5	(1.1)	0.2
Cash from operations after cost of net debt and tax	43.5	40.6	35.2
Changes to operating working capital requirements	(5.9)	13.3	11.0
Costs of net financial debt	0.4	0.4	1.4
Income tax paid net of accrual	0.5	(4.6)	(0.2)
Net cash from operating activities	38.4	49.6	47.3
Net cash used in investing activities	(57.3)	(5.2)	(54.4)
Proceeds on shares issued	3.4	3.1	1.3
Dividends paid	(8.3)	(8.2)	(8.2)
Change in loan	31.3	(41.0)	7.7
Net interest paid	(0.4)	(0.4)	(1.4)
Other changes	(0.1)	0.3	(0.7)
Net cash from (used in) financing activities	26.0	(46.1)	(1.2)
Effect of foreign exchange rate changes	0.8	1.1	3.7
NET CHANGE IN CASH AND CASH EQUIVALENTS	7.8	(0.7)	(4.6)
Opening cash position	43.9	44.6	49.2
CLOSING CASH POSITION	51.7	43.9	44.6

Financial structure – Covenants 2016

- Financial covenants met in all periods. Net treasury for 2016 is 16,3 M€
- Our main covenant is the leverage ratio: Net debt/EBE ≤ 3 (-0,33 at Dec 31, 2016)
- The 125 M€ credit line is extended to mid-2021 and is fully available



Finance at a glance



Strong increase in Profit on Operating Activities 16.9% of Revenue



Solid ending cash 51,7 €M




Solid Annual Results for 2016 with organic growth up by 4.4%

Corporate Responsibility

Social responsibility


Axway interacts with stakeholders in corporate responsibility

 Sub-contractors and purchasing policy

 Shareholders paperless 2016 campaign: 1 email = 1 tree planted

- 11,293 sheets of paper saved: 40% of shareholders opted to receive documents by email.
- Online vote access for the Internet for the General Meeting

 Investors: limit paper during 108 meetings, 3 conferences with no papers distributed

 Customers: Second year Axway is part of the EcoVadis label



 Employees:

- In 2016, the Axway France team moved to a single location at Tour W in Paris-La Défense, creating a new collaborative workspace.
- Employee involvement in socially responsible programs supported health associations, civic initiatives and environmental challenges. Group employees took part in socially responsible initiatives in France, Romania, Germany and the USA.



Axway joined the Global Compact in November 2016.



Environmental responsibility

90
%

virtual servers



800 Kg paper recycled

Employee awareness raised through the guide to eco-friendly behaviors, published and distributed in 2009



Virtualization of IT infrastructure



Rigorous management of the "physical" server fleet to minimize energy consumption



Optimization of hardware life and recycling at end of life




Video conferencing



Car policy supports less-polluting means of transport



Switch to paperless documents



Status of the Company Transformation

Axway business plan ambition & strategy

- Preserve **margins** before acquisition while **investing in innovation**



16,9%, 17.7% R&D,
AMPLIFY, Golden Gate, API

Axway business plan ambition & strategy

- Preserve **margins** before acquisition while **investing in innovation**
- Keep our historic leadership in **France**, while focusing on **Digital**

Stable Revenue, 80% growth
in Digital, +16% in Q4

Axway business plan ambition & strategy

- Preserve **margins** before acquisition while **investing in innovation**
- Keep our historic leadership in **France**, while focusing on **Digital**
- Target **20% growth** in software revenue in the USA

+23.4% software revenue
growth in the USA

Axway business plan ambition & strategy



- Preserve **margins** before acquisition while **investing in innovation**
- Keep our historic leadership in **France**, while focusing on **Digital**
- Target **20% growth** in software revenue in the USA
- **Achieve** average annual growth of **30% Digital revenue**

+53% Digital (API, Analytics,...)

Axway business plan ambition & strategy



- Preserve **margins** before acquisition while **investing in innovation**
- Keep our historic leadership in **France**, while focusing on **Digital**
- Target **20% growth** in software revenue in the USA
- **Achieve** average annual growth of **30% Digital revenue**
- **Active M&A** plan both on engagement and foundation domains

Appcelerator & Syncplicity
acquisitions since January 2016

Axway, 50th Global software editor

Axway: Catalyst for
digital transformation

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Services Governance for the Second
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Market cap **€M 662**
Float **29%**

Dual nationality
FR/US
19 locations worldwide

1,930+ employees
including 584 in R&D
and 130 in the sales force

2015 figures

Thank you

Presentation available on:

www.investors.axway.com/en

Mobile App: Axway IR available
on Apple store & Android



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Latest News



Q1 2017 – Revenue 26/04/2017 Press Release

AXWAY: 4.9% total growth in revenue in Q1 2017 to €68.5 million, including €7.3 million in the Cloud.

Paris, 26 April – Axway (Euronext: AXW.PA) – Activity in the first-quarter 2017 illustrates good progress with the transformation underway in Axway since early 2016. This addresses firstly the priority given to the growth in digital technologies, which represent more than 45% of licences in the quarter. It also addresses changes in the company's business model to include subscription revenue. Cloud revenue with 23.7% organic growth (which, on a full-year basis, would represent 50% of licence revenue), is taking over from our legacy licence business.

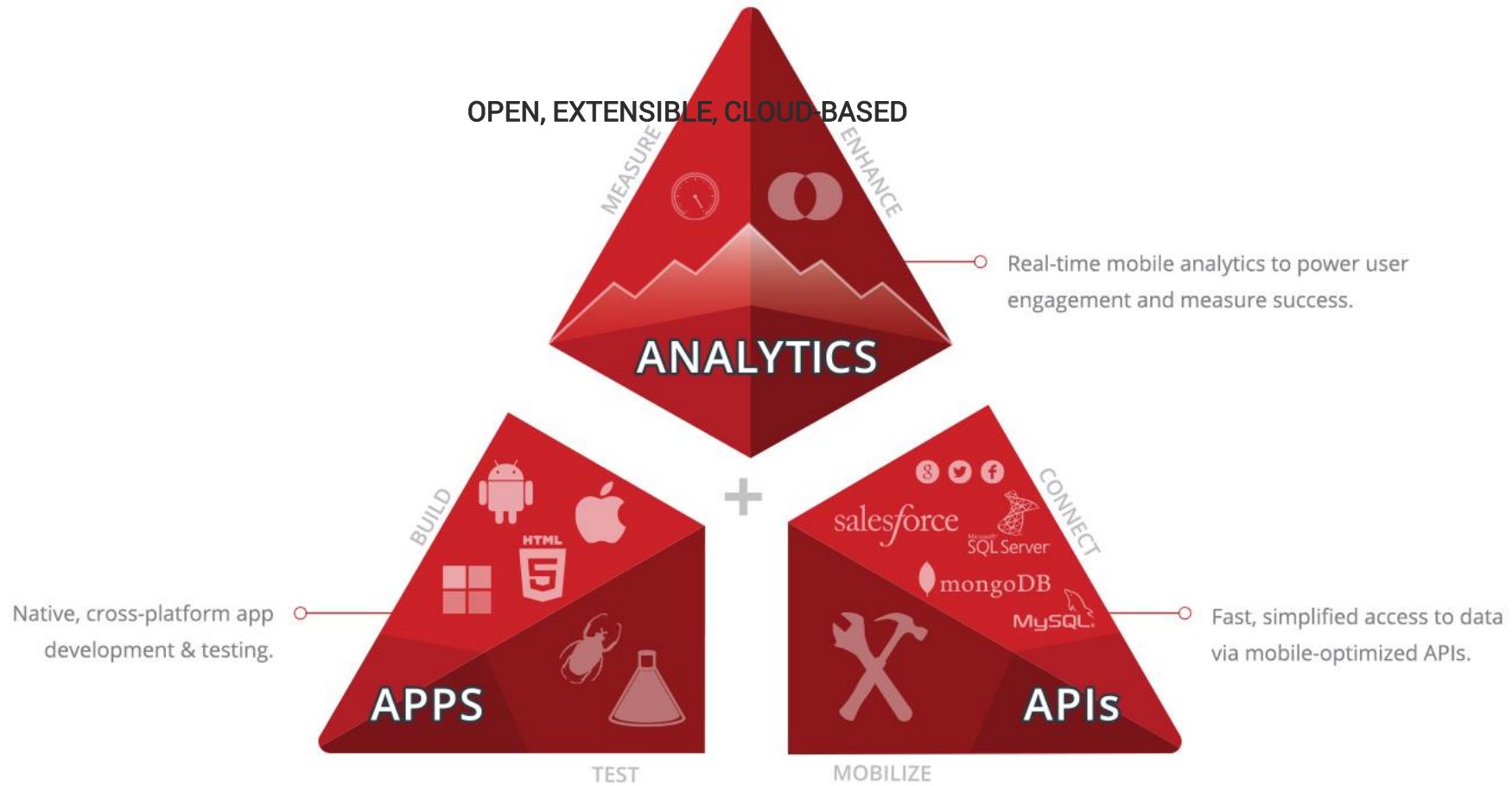
1st Quarter	2017	2016 Reported	2016 Restated ¹	Total Growth	Organic Growth ¹
Licenses	9.6	12.4	12.6	-22.8%	-24.2%
Cloud	7.3	-	5.9	-	23.7%
Maintenance	37.3	34.7	35.3	7.4%	5.7%
Services	14.4	18.2	14.1	-21.2%	2.0%
Axway	68.5	65.3	67.9	4.9%	0.9%

Revenue by activity

Revenue by geographical zone

1st Quarter	2017	2016 Published	2016 Restated ¹	Total Growth	Organic Growth ¹
France	19.5	20.1	20.1	-2.6%	-2.6%
Rest of Europe	15.8	14.6	14.1	8.5%	11.8%
Americas	29.5	27.5	30.3	7.6%	-2.4%
Asia/Pacific	3.6	3.3	3.4	11.6%	6.6%
Axway	68.5	65.3	67.9	4.9%	0.9%

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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APM 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.