



# Investors Overview AXWAY

October 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 2016 submitted to the Autorité des Marchés Financiers (AMF) on 24 April 2017 n° D.17-0420.
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# Axway: Catalyst for digital transformation

## INDEX

- Software Digital Transformation
- Business Model
- Offer
- Financial Results 2016 and Latest Publications
- Corporate Profile
- Perspective

# Axway, Catalyst for digital transformation

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

Named a leader in the Gartner MQ for Content Collaboration Platforms. Formerly referred to as Enterprise File Synchronization and Sharing. (July 2017)

Equity **€374 million**  
Cash **€51 million**  
Net Debt **-€16 million**

Axway solutions are deployed by over 11,000 companies spanning 100 countries.

Dual nationality FR/US  
19 locations worldwide

**1,930+** employees  
including 584 in R&D  
& 148 in the sales force



# Software Digital Transformation

MARKET DRIVERS

# 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*

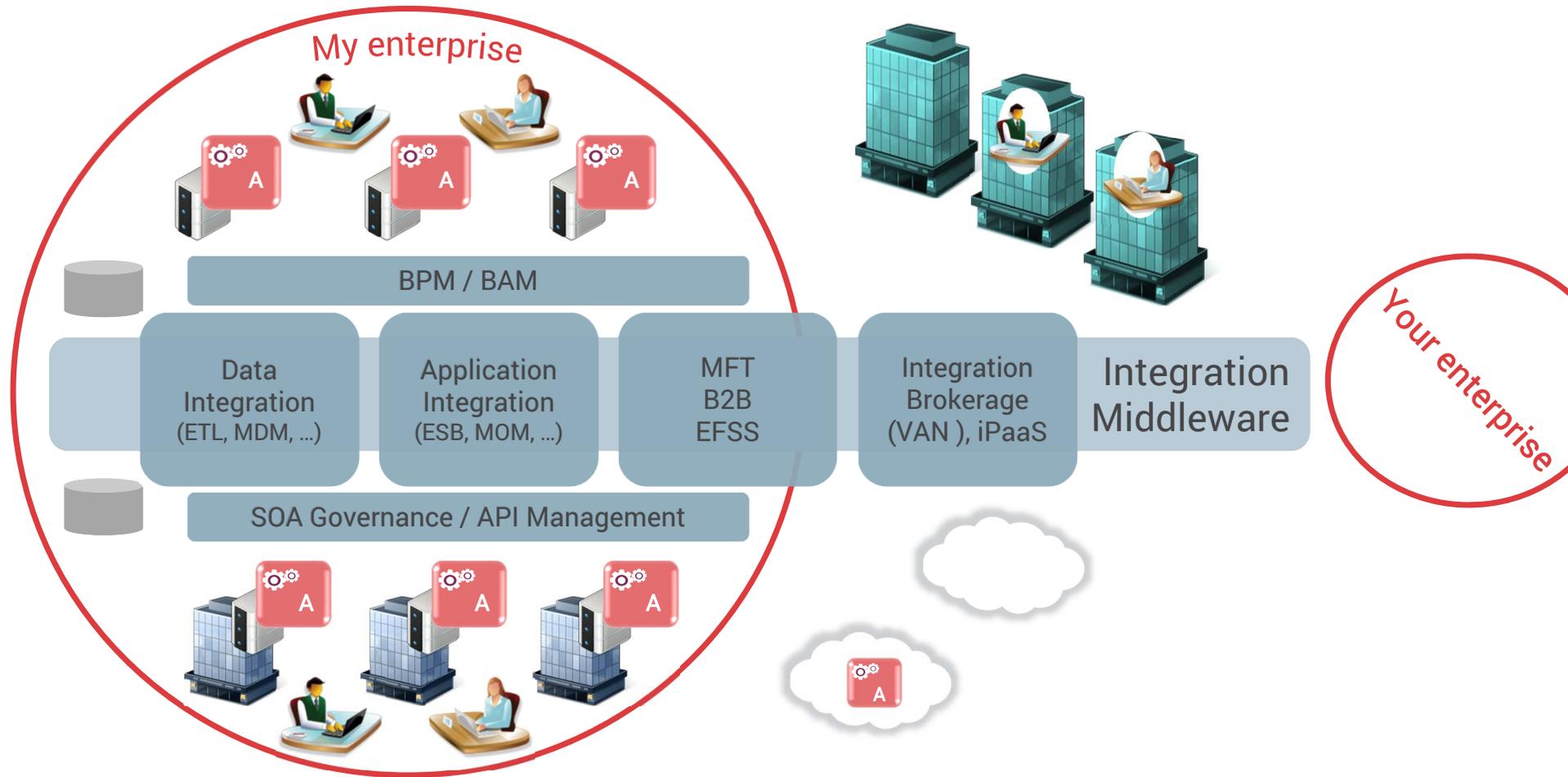
. Foundation  
*Estimated at \$3.9 billion*



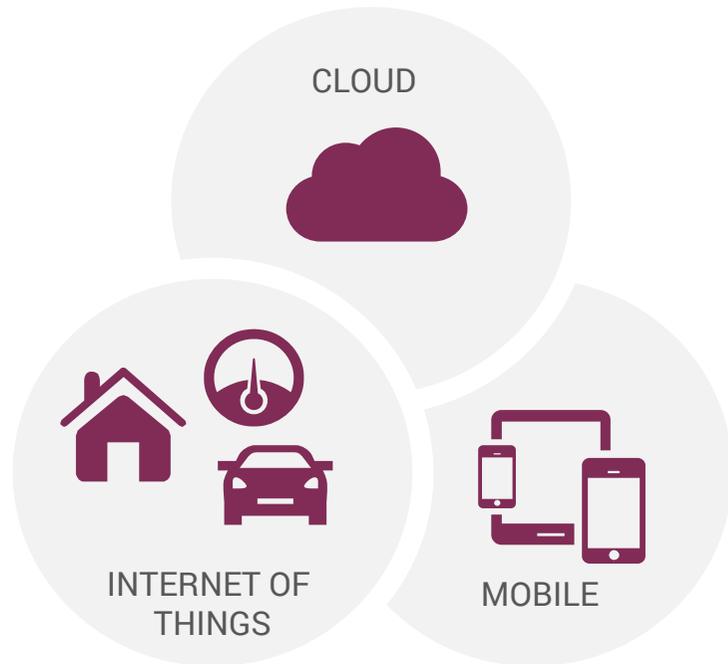
\* Source Axway

# Market origin: technology viewpoint

## Axway addressable Market (\$6 billion)



# Digital technology impact



## DIGITAL DISRUPTION 2020

Cloud Creates  
\$240 Billion  
Market  
Opportunity

Mobile Spans  
80% of  
Developed World

Internet of Things  
Drivers 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."<sup>1</sup>

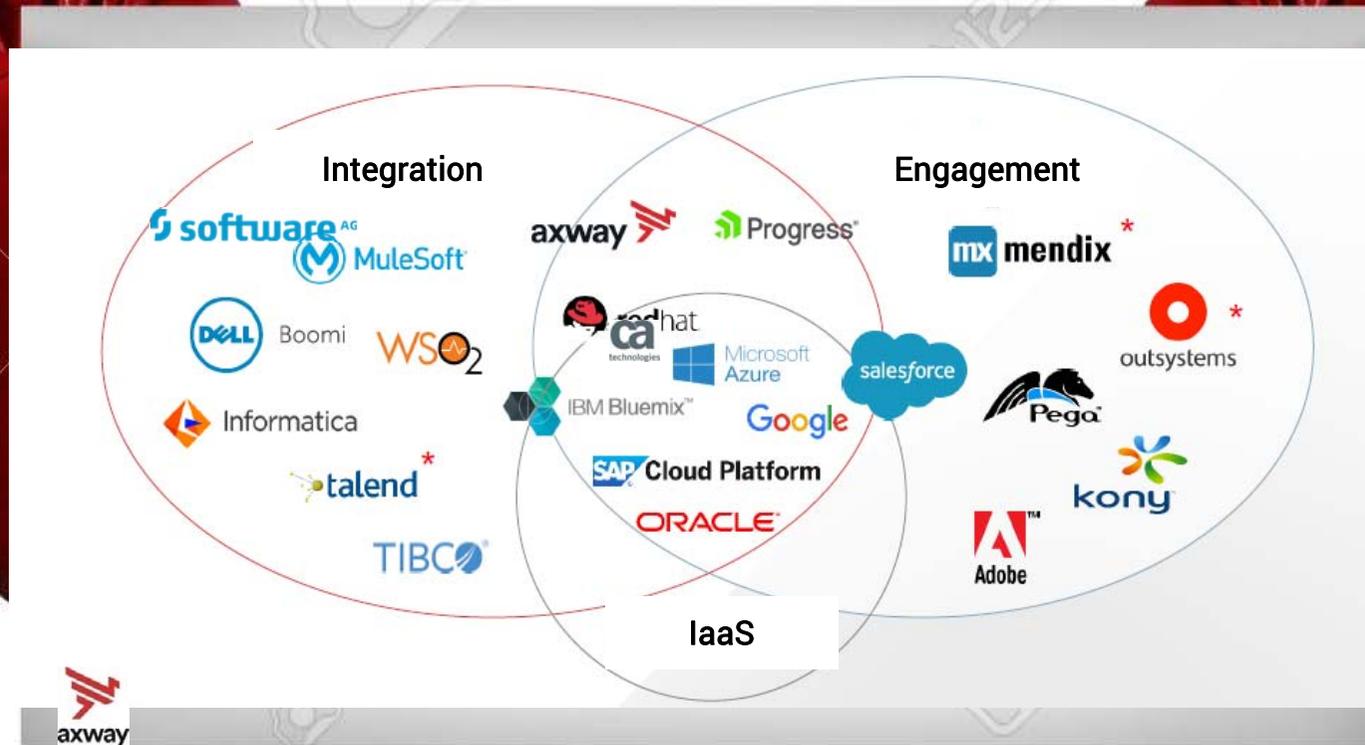
<sup>1</sup>"The State of Digital Business 2014, Forrester Research, Inc., May 7, 2014"

# Digital technology impact : B2B and B2C are converging



# Competitive & Market Landscape

*From traditional middleware scope to Platform providers*

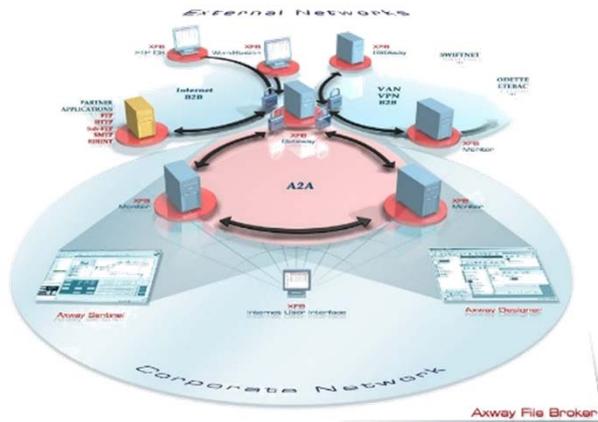




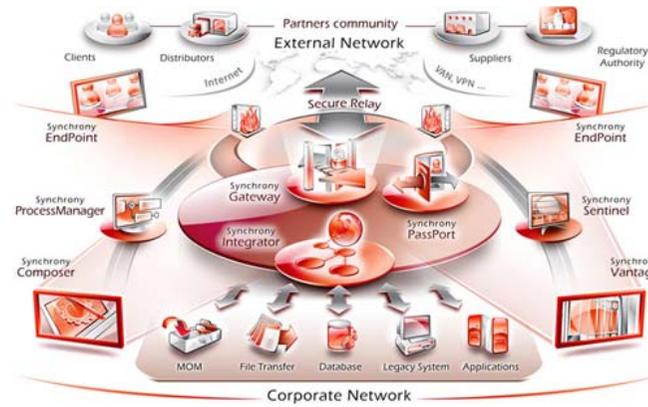
# Software Digital Transformation

AXWAY OFFER

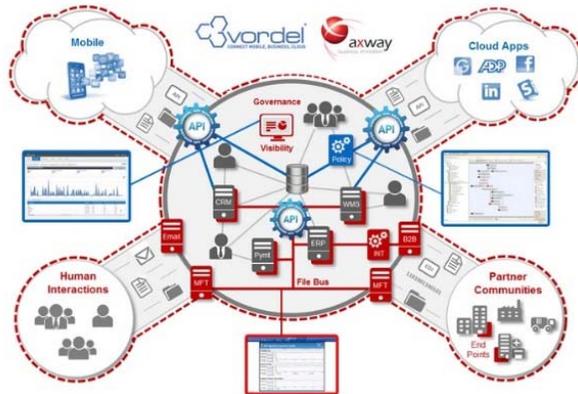
# DNA of Axway: Exchange Platform



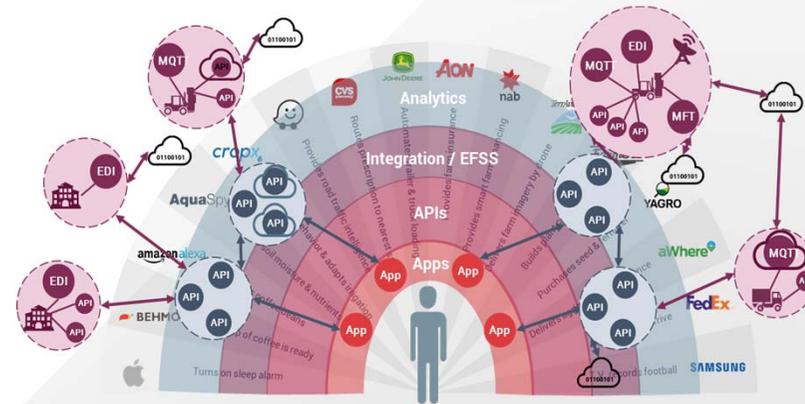
2006



2008



2013

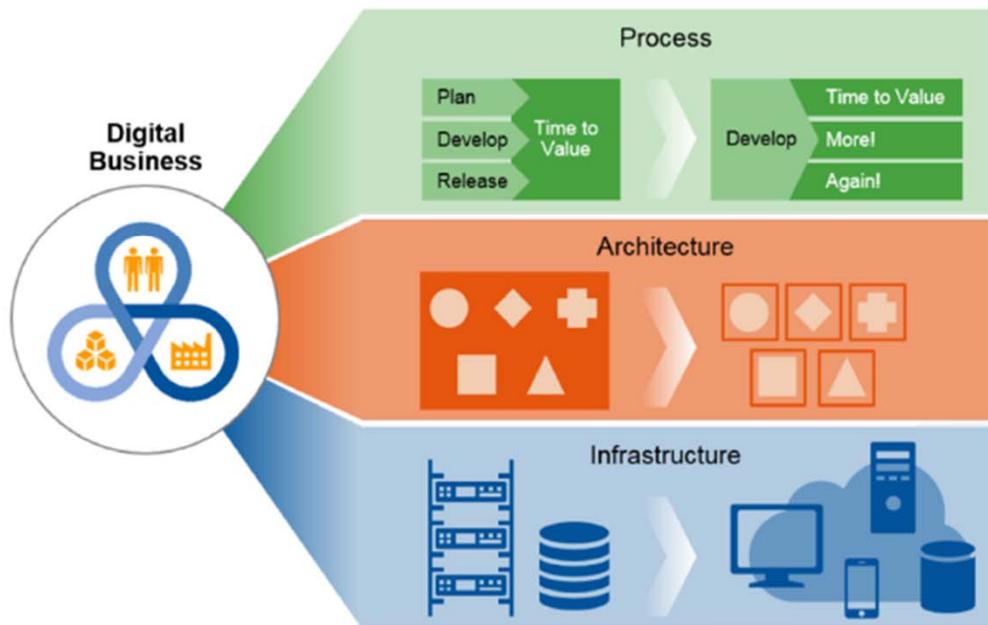


2016



# Digital transformation increases complexity

Modern application development increases complexity, optimizes for agility, speed and scale of digital business



Source: Gartner (March 2016)

## Imperative: DevOps

- Rapid, collaborative design
- Continuous integration, testing, and delivery
- High automation

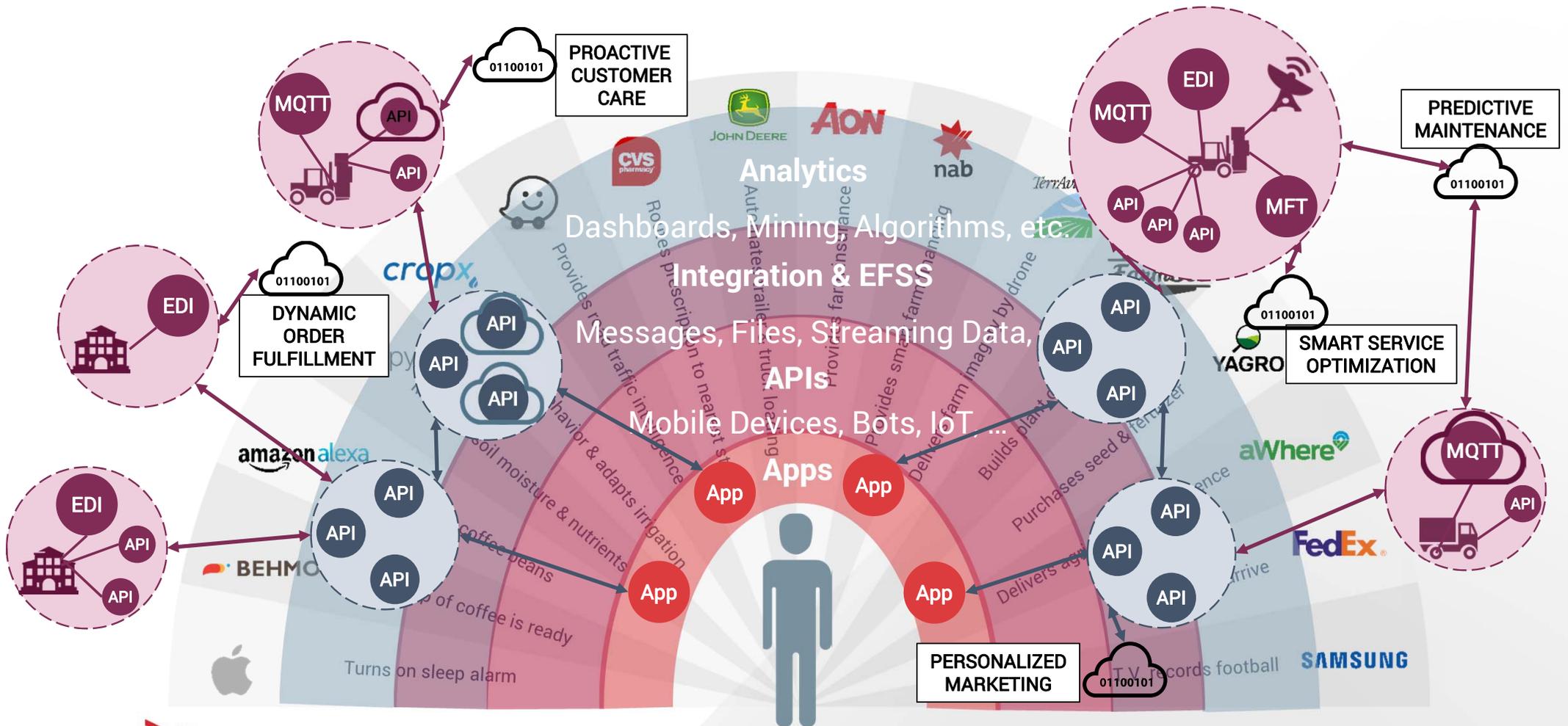
## Imperative: Microservices

- Containerization
- Complete isolation
- Event-driven, server-less

## Imperative: Cloud

- Support any client interface
- Run anywhere
- Pay as you go
- Consume on demand

# Customer Experience Network (CXN)



# 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

# Leveraging industry-leading products

## API Management Plus

Open up data and engage developers to innovate new experiences

## Decision Insight

Analyze service levels and adoption with real-time, predictive insights

## Axway Appcelerator

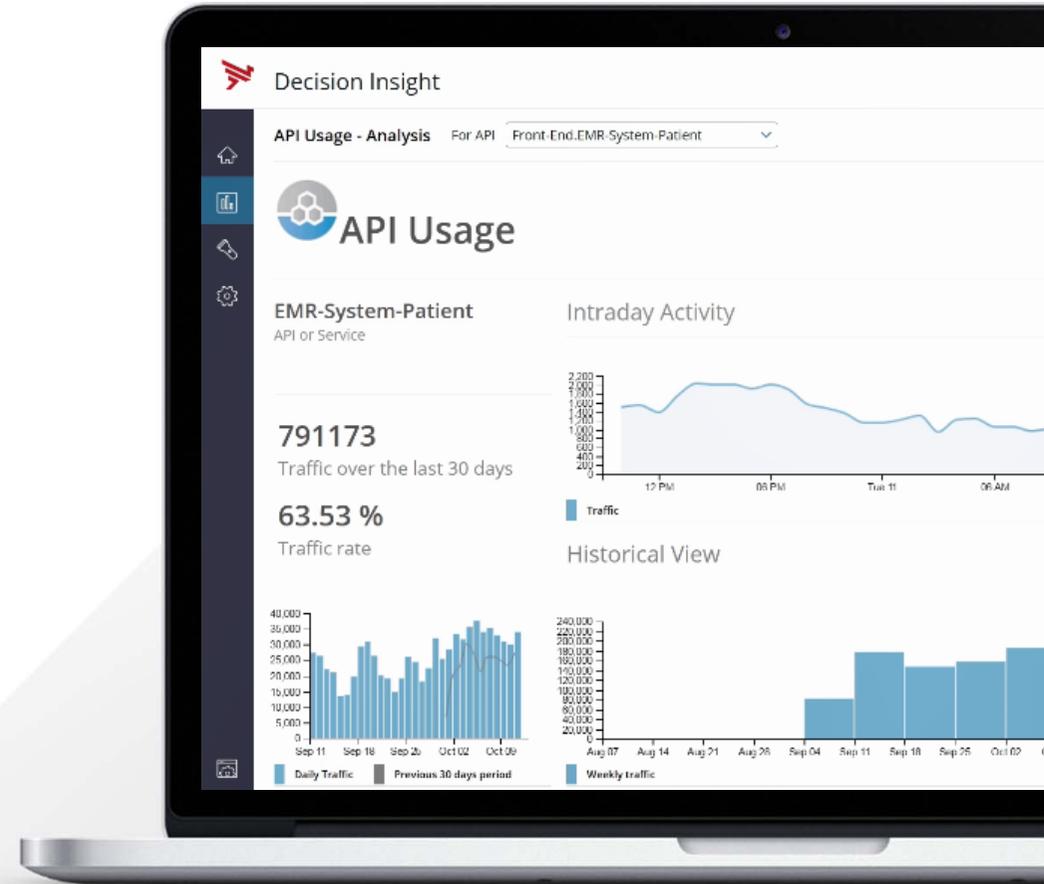
Build beautiful apps that delight users with a seamless digital journey

## SecureTransport / B2Bi, CG/CFT

Secure and consolidate file transfers and streamline B2B processes

## Axway Syncplicity

Secure Enterprise File Sync and Share



# Industry analyst recognition

**Leader**  
Full Life Cycle API Management

**Leader**  
Applications Services Governance

**Leader**  
On-Premises Application Integration Suites



**Leader**  
API Management Solutions



Ovum  
TMT intelligence | informa

**Champion**  
MFT Vendor Landscape



**Strong Performer**  
API Management Solutions, Q4 2016

**Strong Performer**  
Mobile Development Platforms, Q4 2016



**Leader**  
Pharmaceutical Track and Trace Software

**Leader**  
B2B Integration Gateway Software



**Leader**  
API Security Management Solutions

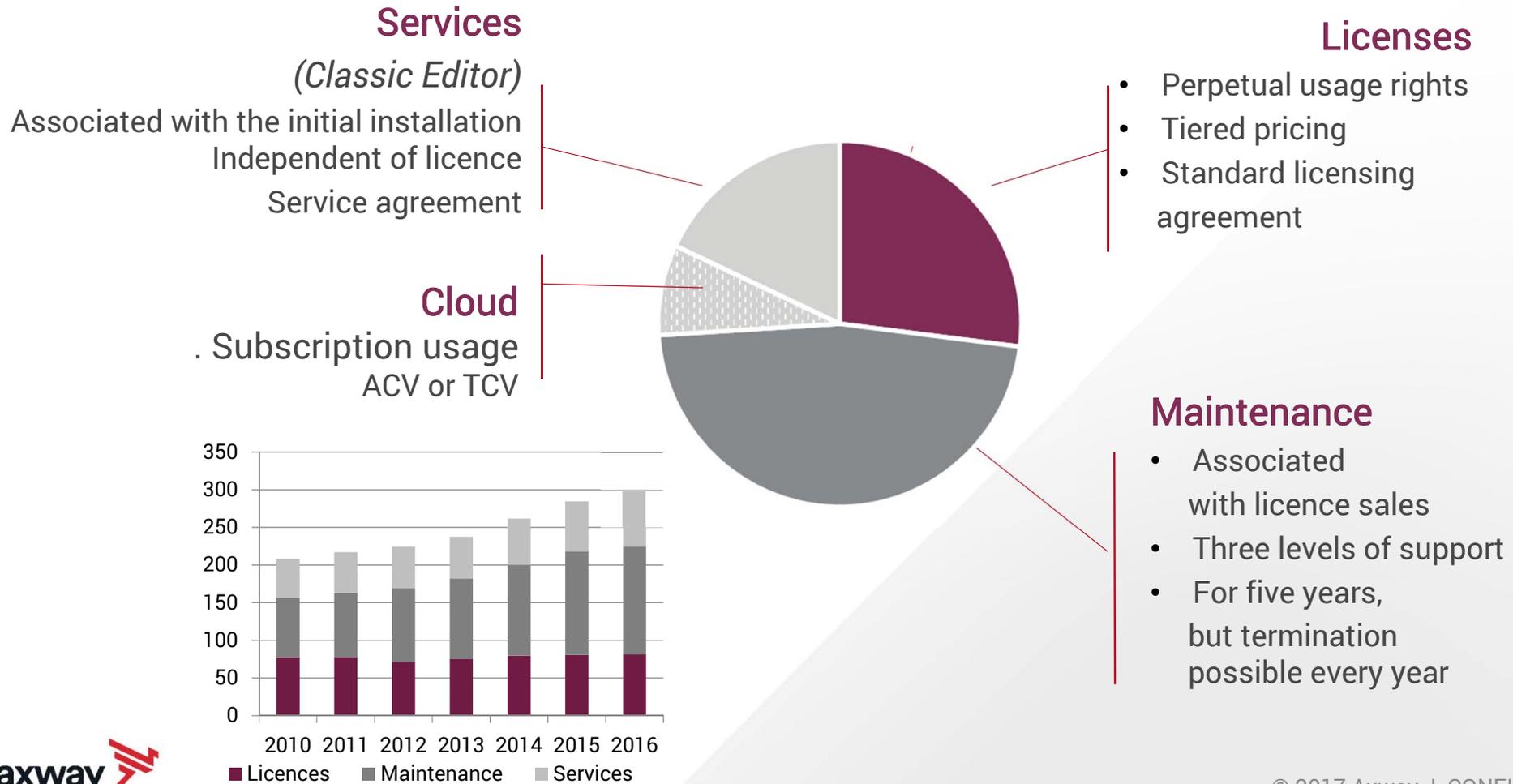




# Axway Business Model

A Catalyst for transformation

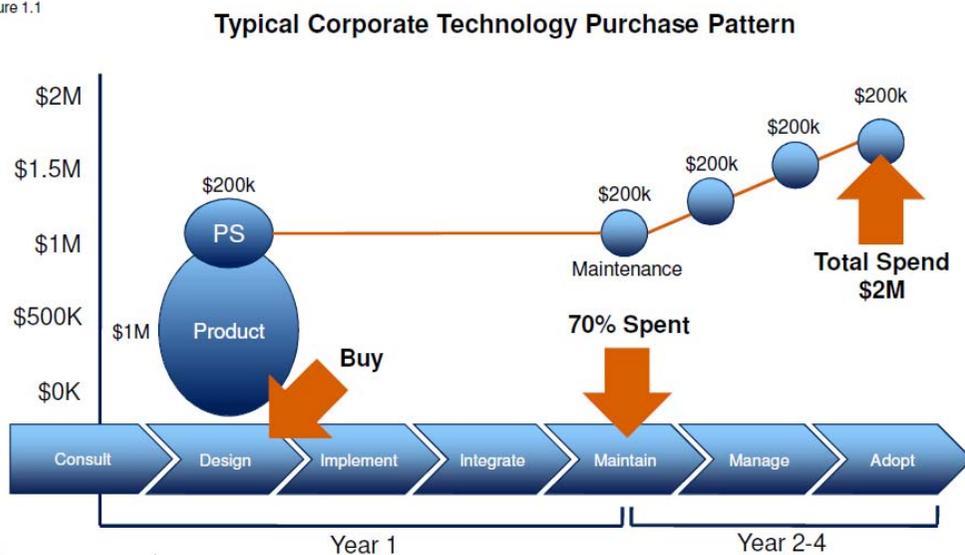
# Axway Business Model: 4 sources of revenue in 2017



# Business Model transformation

## Traditional Model – Upfront Sales

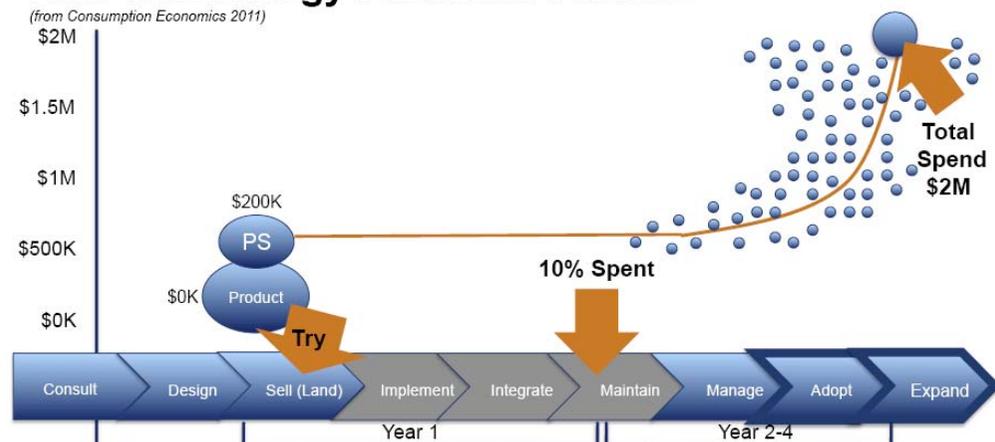
Figure 1.1



## New Model – Long Tail Sales

### New Technology Purchase Pattern

(from Consumption Economics 2011)



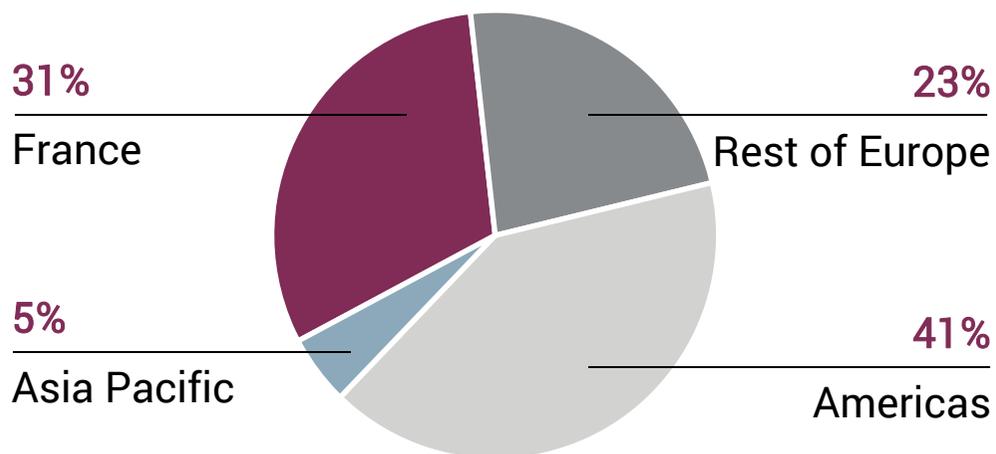
TSW SERVICE TRANSFORMATIONS

42 | #TSIA

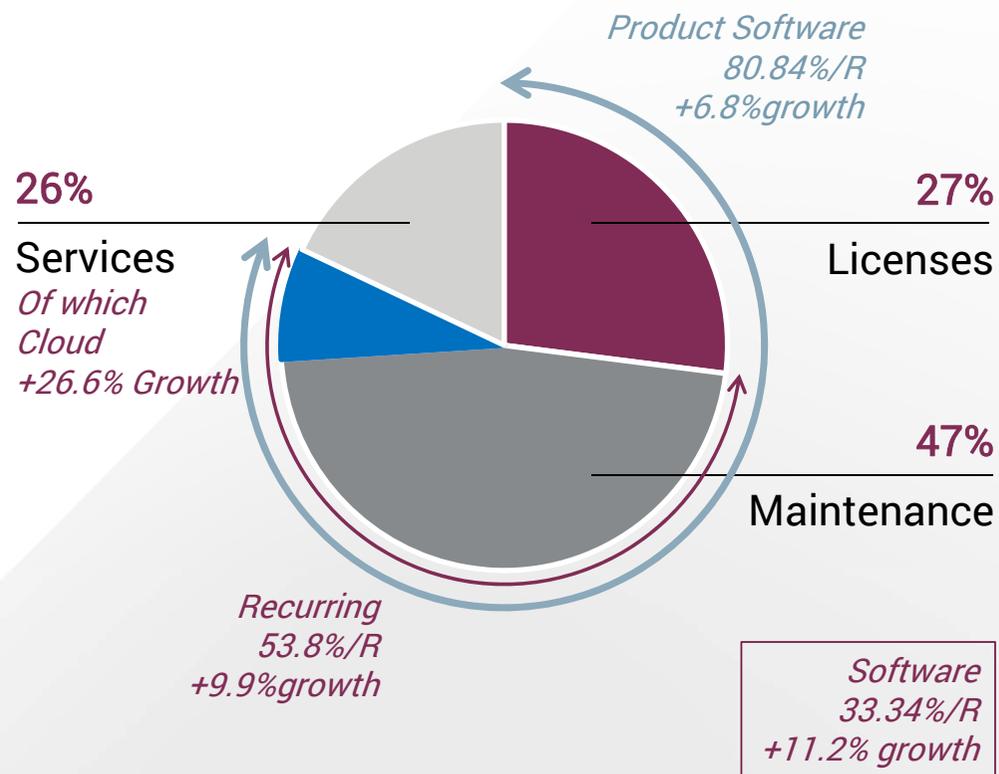
© 2013 Technology Services Industry Association

# Balanced and resilient business model FY 2016

## By Region

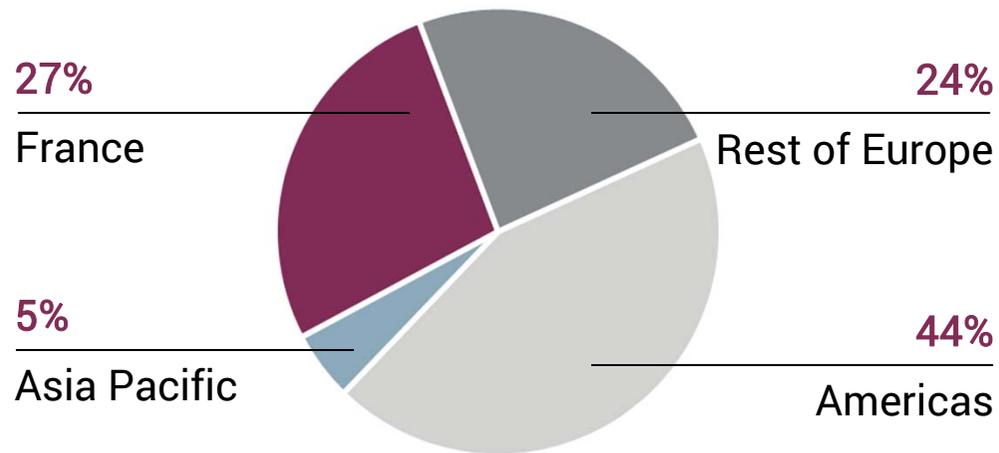


## By Activity

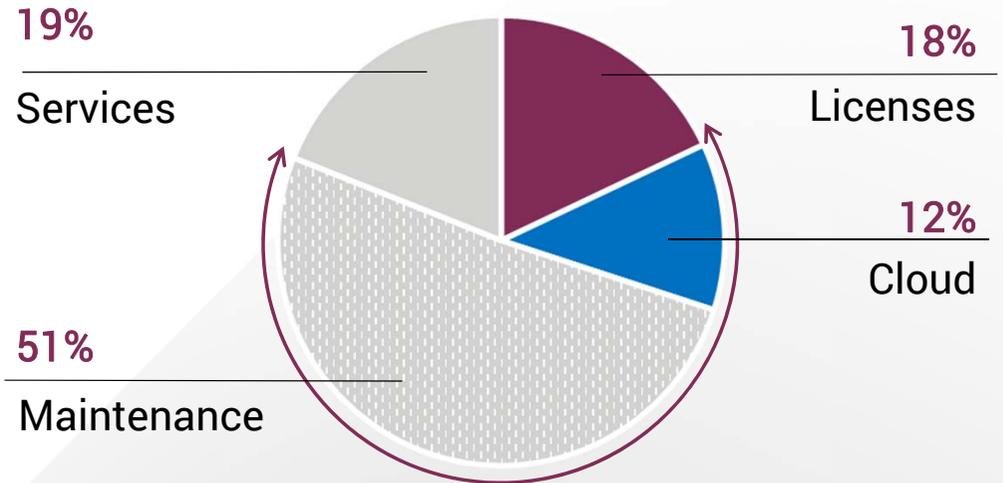


# Balanced and resilient business model HY 2017

## By Region



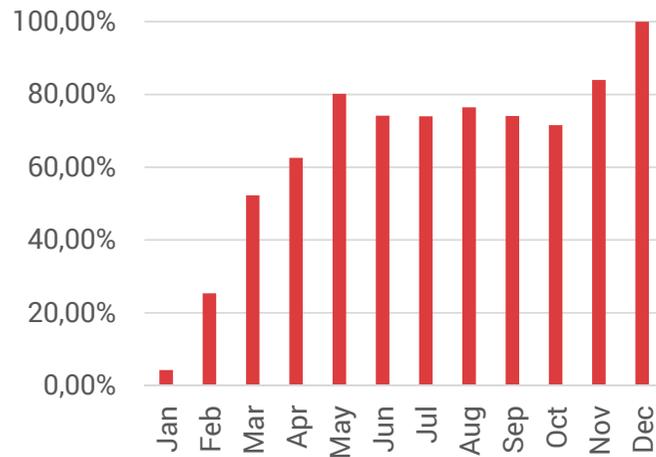
## By Activity



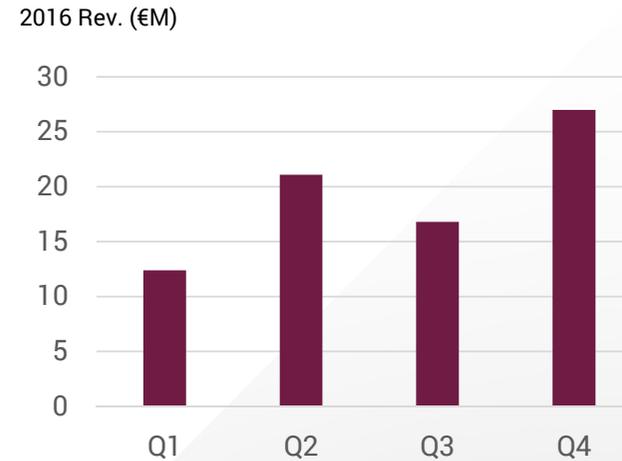
*Recurring Revenue up 5.6%  
representing 63% of Total Revenue*

# Axway Cash generation profile (FY 2016)

## Cash life cycle (cumulative)



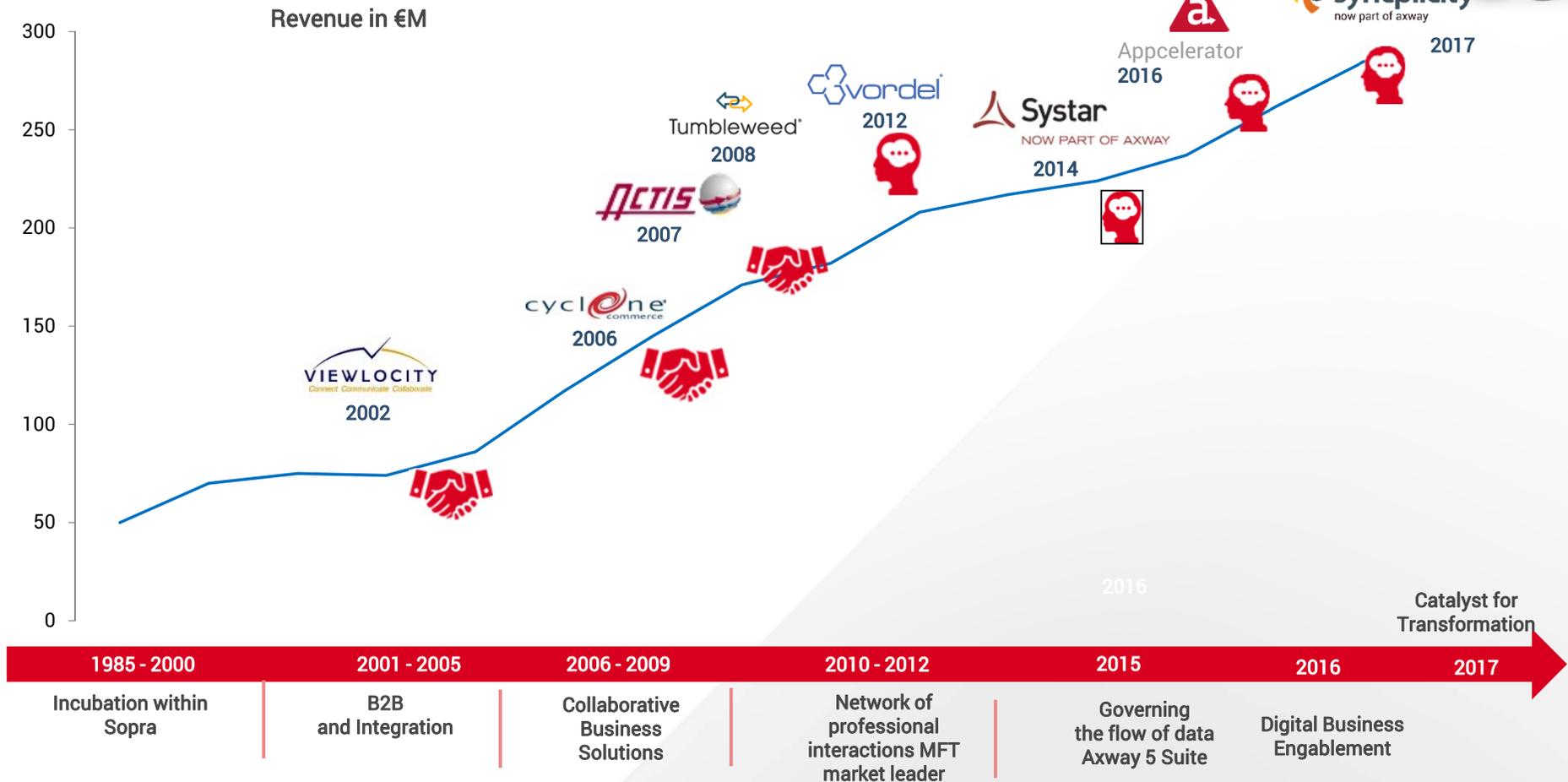
## Software Business Cycle



## 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



# Business Model

## Business Metrics



# License Metrics FY 2016 *(versus 2015)*

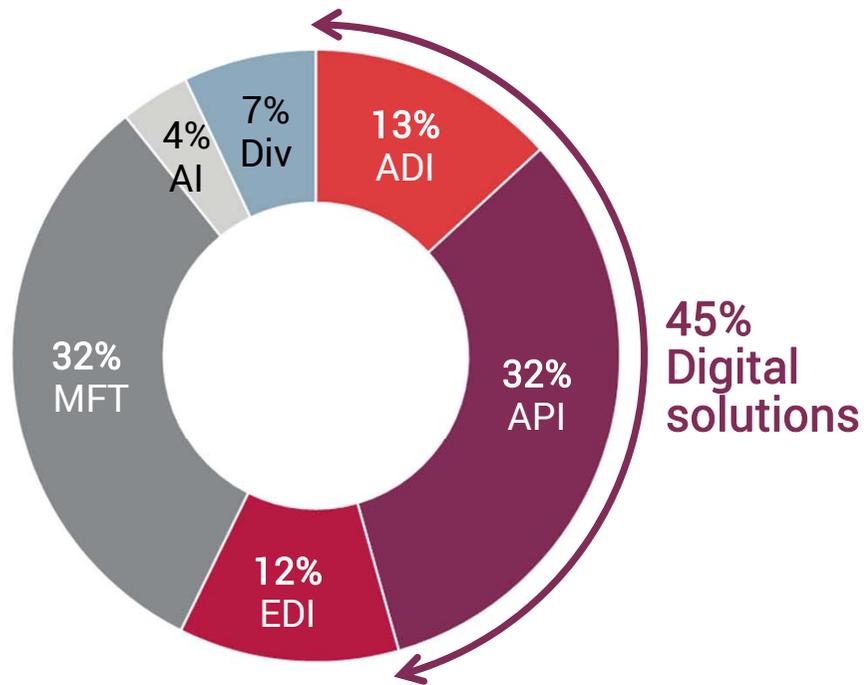
Digital Licenses	45%		
Nb Deals	~1967		
Share of Tiers 1 business			
Share of nb. of deals:	3.2%		
Share of total amount:	46.6%		
Share of indirect business partner:	24%		
Share of New business (€):	10.3%		
Average Sale Price			
ASP Tiers 1	~571K€		
ASP Tiers 2 (< 250 k€)	~104€		
ASP Tiers 3 (< 50 k€)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

# License Metrics HY 2017 (versus HY 2016)

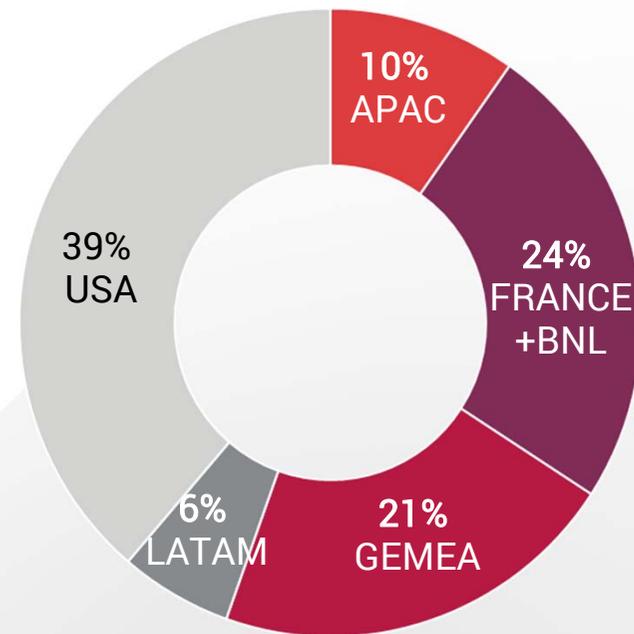
Digital Licenses	43%	
Nb Deals	~724	
Share of Tiers 1 business		
Share of nb. of deals: 15	2.0%	
Share of total amount:	27.6%	
Share of indirect business partner:	17.2%	
Share of New business (€):	10.5%	
Average Sale Price		
ASP Tiers 1	~451K€	
ASP Tiers 2 (< 250 k€)	~102€	
ASP Tiers 3 (< 50 k€)	~9K€	

# License Pipe (July 2017)

## By Technology

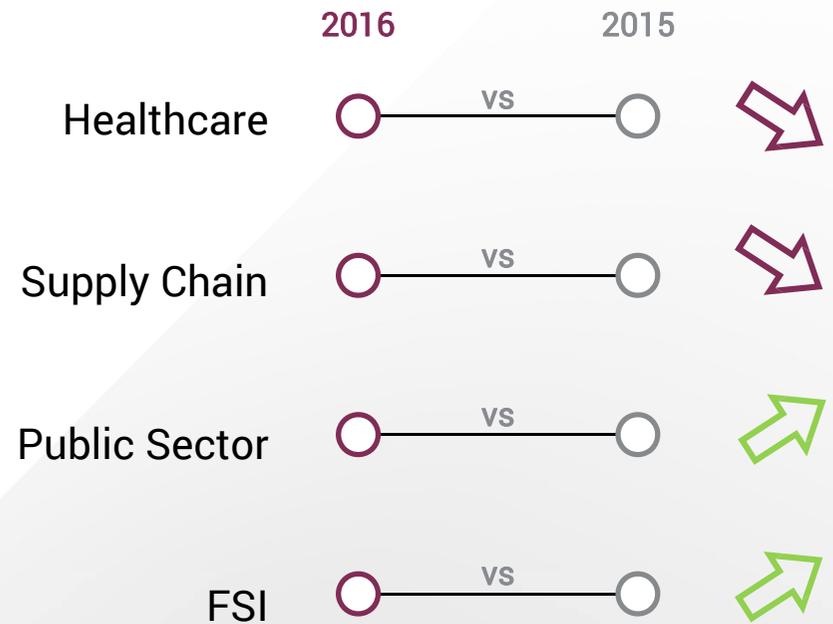
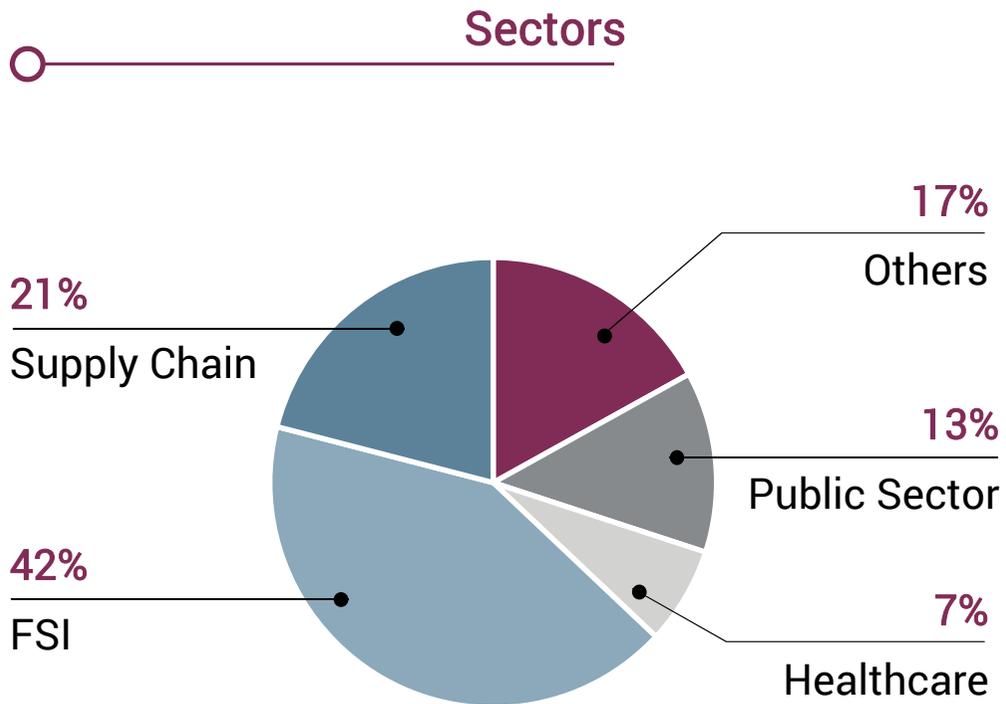


## By Region



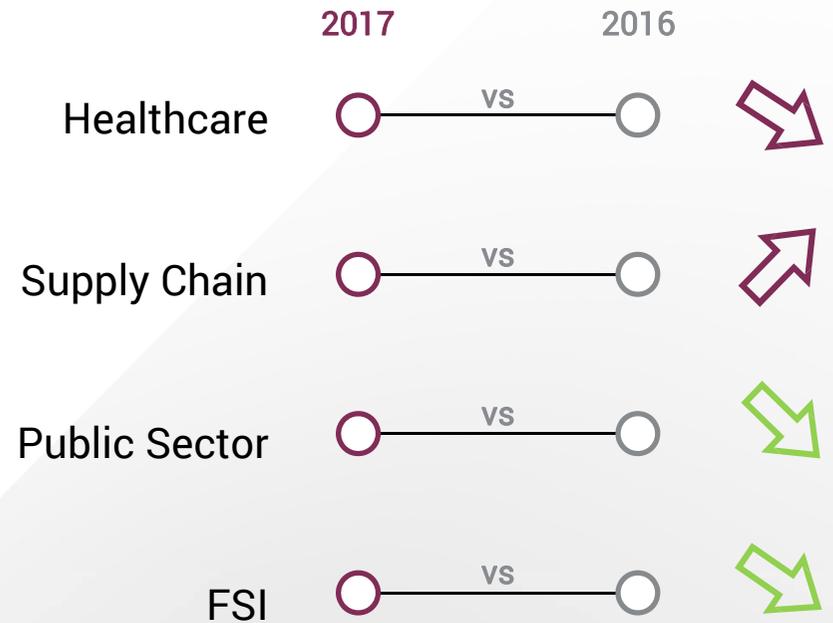
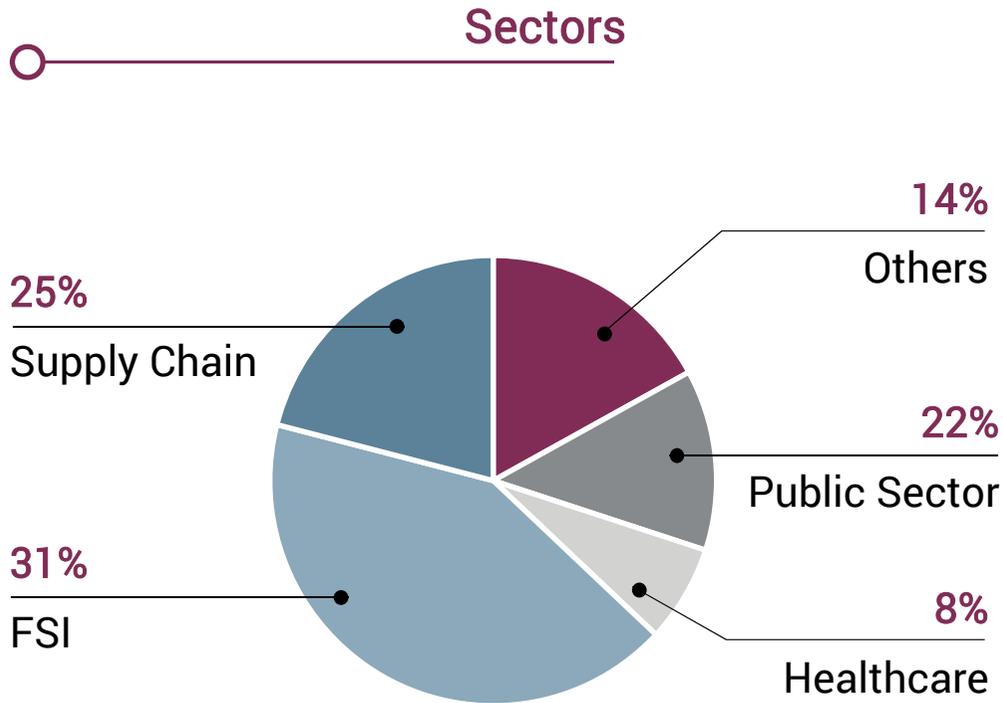
# License Metrics FY 2016

## Share of verticals in License revenues

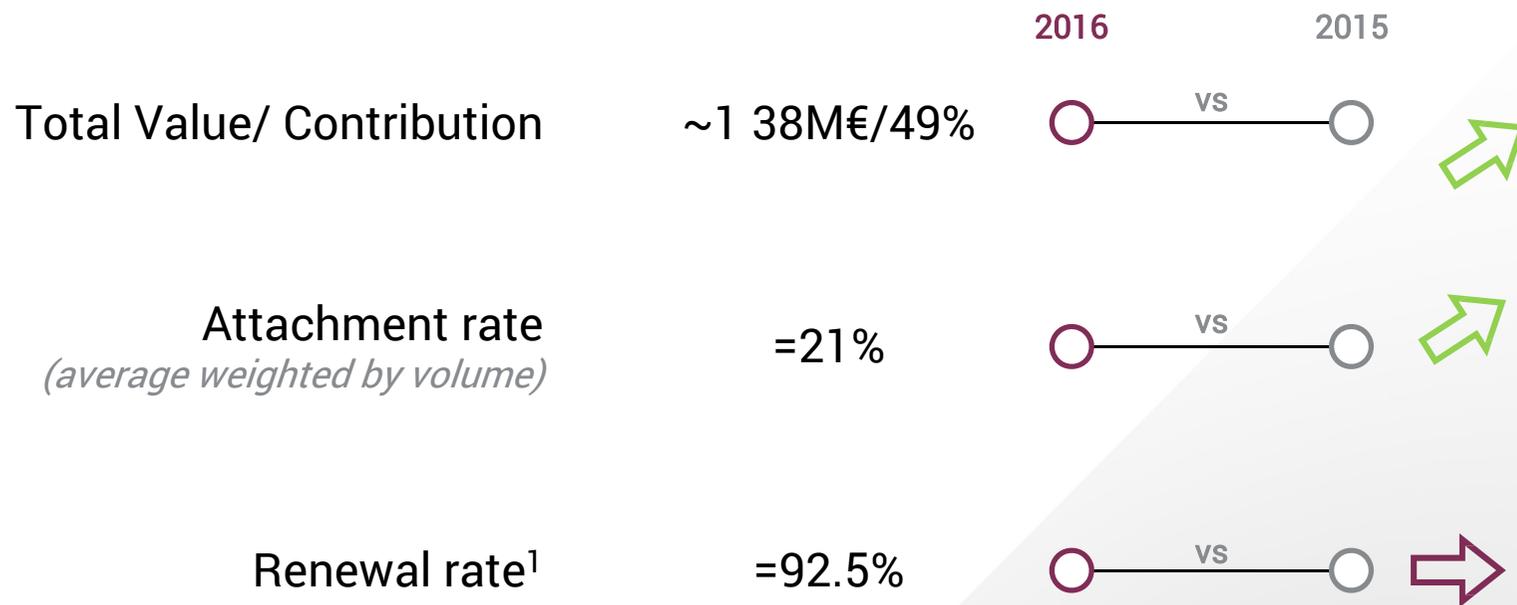


# License Metrics HY 2017 (vs HY 2016)

## Share of verticals in License revenues

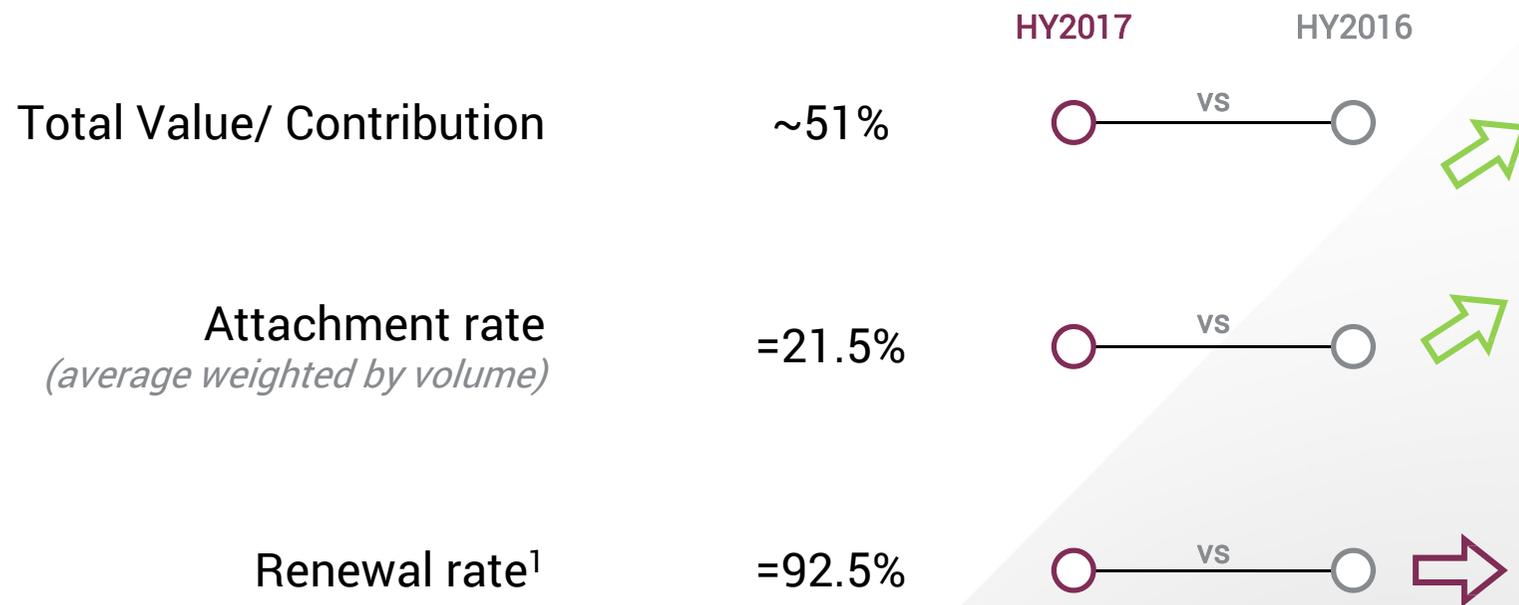


# Maintenance Metrics FY 2016 (vs 2015)



(1) This percentage represents full year revenue impact

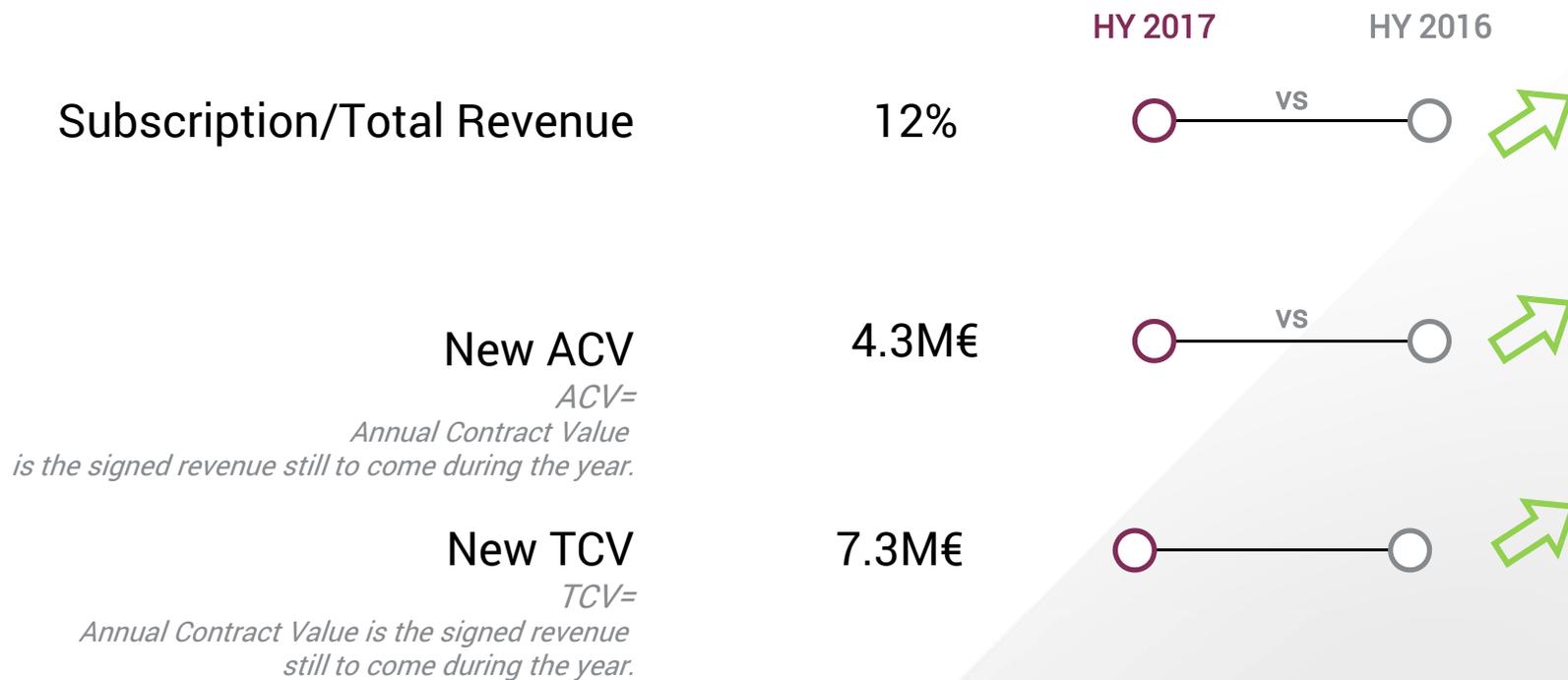
# Maintenance Metrics HY 2017 (vs HY 2016)



(1) This percentage represents full year revenue impact

# Cloud Metrics HY 2017(vs HY 2016)

14.8%  
Organic  
growth



(1) This percentage represents full year revenue impact

# Cloud References, New Clients & Upsell



Country	USA	Industry	Government	Solution	Syncplicity	NEW
Country	USA	Industry	Manufacturing, Retail, Electronics	Solution	Axway Cloud B2B Service	NEW
Country	USA	Industry	US Federal Government	Solution	Axway Cloud MFT Service Rnw.	Renewal





# Financial Results Full-Year 2016



# 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
<b>Revenue :</b>			
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
<b>Total Revenue :</b>	<b>301.1</b>	<b>284.6</b>	<b>261.6</b>
<b>Costs of sales:</b>			
Product Revenue	23.7	23.2	21.9
Services	63.0	63.2	57.0
<b>Total Costs of sales :</b>	<b>86.6</b>	<b>86.4</b>	<b>78.9</b>
<b>Gross profit:</b>	<b>214.4</b>	<b>198.3</b>	<b>182.6</b>
<i>as a % of Revenue</i>	<i>71.2%</i>	<i>69.7%</i>	<i>69.8%</i>
<b>Operating expenses :</b>			
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
<b>Total operating expenses :</b>	<b>163.7</b>	<b>153.8</b>	<b>143.0</b>
<b>Profit on operating activities</b>	<b>50.8</b>	<b>44.5</b>	<b>39.7</b>

# 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
<b>Profit on operating activities</b>	<b>50.8</b>	<b>44.5</b>	<b>39.7</b>
<i>as a % of Revenue</i>	16.9%	15.6%	15.2%
Stock option related expenses	(1.1)	(0.6)	(0.8)
Amortization of intangible assets	(7.9)	(6.0)	(5.3)
<b>Profit from recurring operations</b>	<b>41.8</b>	<b>37.9</b>	<b>33.6</b>
<i>as a % of Revenue</i>	13.9%	13.3%	12.8%
Other income and expenses	(6.7)	(10.5)	(2.3)
<b>Operating profit</b>	<b>35.1</b>	<b>27.4</b>	<b>31.3</b>
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)
<b>Net Profit</b>	<b>31.5</b>	<b>27.9</b>	<b>26.7</b>
<i>as a % of Revenue</i>	10.5%	9.8%	10.2%
Basic net earnings per share (in Euro)	<b>1.51</b>	<b>1.35</b>	<b>1.29</b>

# 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
<b>ASSETS</b>			
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
<b>Non-current assets</b>	<b>402.7</b>	<b>347.5</b>	<b>331.1</b>
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
<b>Current assets</b>	<b>155.2</b>	<b>141.0</b>	<b>147.6</b>
<b>TOTAL ASSETS</b>	<b>557.8</b>	<b>488.6</b>	<b>478.7</b>

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

# 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

*In millions of euros*

	31/12/16	31/12/15	31/12/14
<b>Equity at Opening of Period</b>	<b>340.6</b>	<b>298.5</b>	<b>258.4</b>
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
<b>Equity at End of Period</b>	<b>374.8</b>	<b>340.6</b>	<b>298.5</b>

# Cash Flow statement

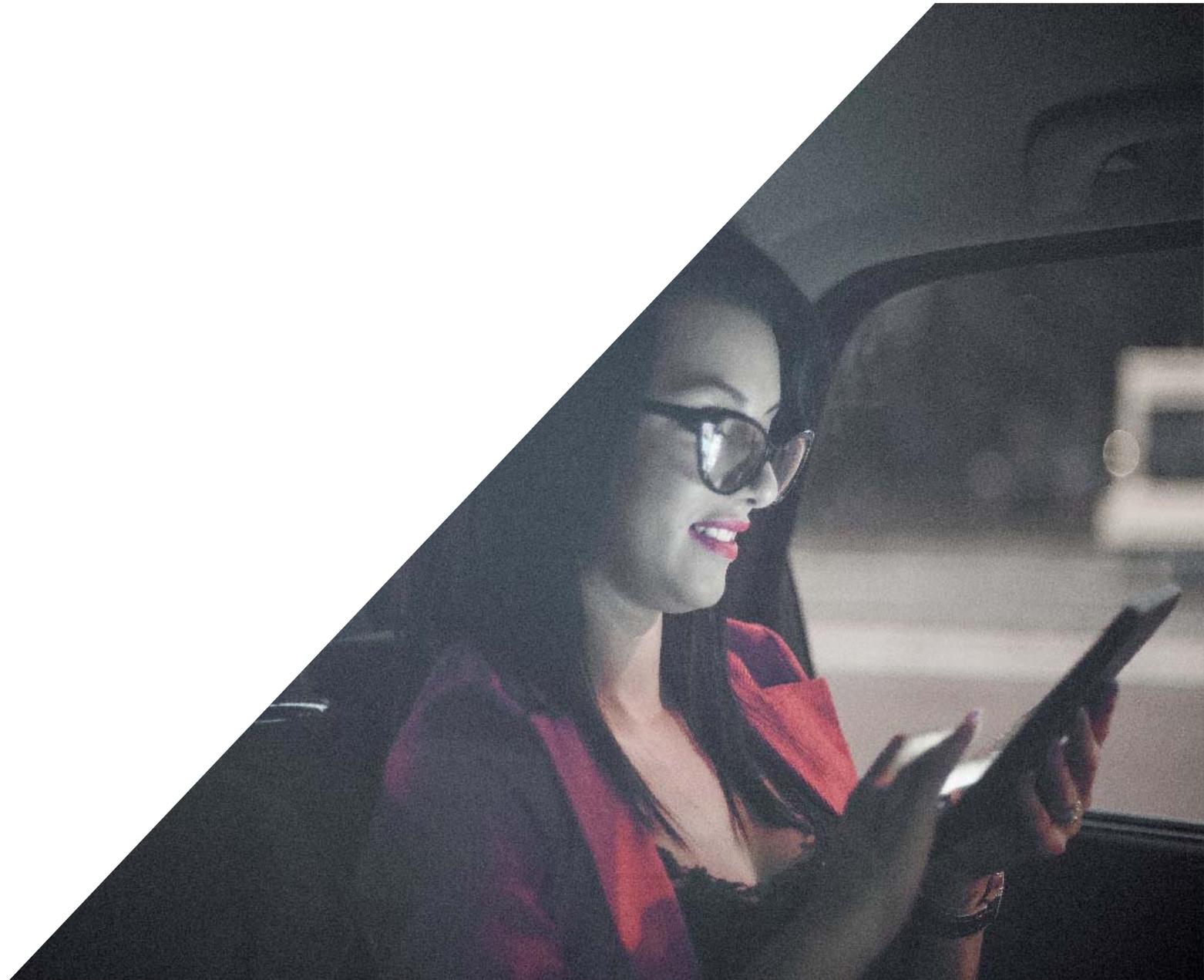
- Working Capital Requirements – positive improvement in 2014 and 2015 with monetization of certain assets and improvement in DSO. 2016 Change finished at -5,9 M€
- Free cash for 2016 is 27.9 M€ versus 44.5 M€ for 2015

*In millions of euros*

	FY 2016	FY 2015	FY 2014
<b>Net profit for the period</b>	<b>31.5</b>	<b>27.9</b>	<b>26.7</b>
Net charges to amortizations, depreciations and provisions	8.5	13.8	8.3
Other income and expense items	3.5	(1.1)	0.2
<b>Cash from operations after cost of net debt and tax</b>	<b>43.5</b>	<b>40.6</b>	<b>35.2</b>
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)
<b>Net cash from operating activities</b>	<b>38.4</b>	<b>49.6</b>	<b>47.3</b>
<b>Net cash used in investing activities</b>	<b>(57.3)</b>	<b>(5.2)</b>	<b>(54.4)</b>
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)
<b>Net cash from (used in) financing activities</b>	<b>26.0</b>	<b>(46.1)</b>	<b>(1.2)</b>
Effect of foreign exchange rate changes	0.8	1.1	3.7
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>7.8</b>	<b>(0.7)</b>	<b>(4.6)</b>
Opening cash position	43.9	44.6	49.2
<b>CLOSING CASH POSITION</b>	<b>51.7</b>	<b>43.9</b>	<b>44.6</b>



# Latest financial publication



# Income statement (1/2)

- Continue to see impact of shifting business model with license revenue decrease and cloud increase
- Gross Profit as a 66.9% of revenue dropped with falling license revenue, Cloud margin up to 38% and service margin increased to 13% as well
- R&D continued to grow in support of our growing portfolio and new Platform launch and Syncplicity products

*In millions of euros*

	HY 2017	HY 2016	FY 2016
<b>Revenue :</b>			
Licenses	25.0	37.4	81.3
Cloud	17.2	9.0	19.1
Maintenance	73.5	70.2	143.0
Total Product Revenue	115.7	116.6	243.4
Services	27.1	28.0	57.7
<b>Total Revenue :</b>	<b>142.8</b>	<b>144.7</b>	<b>301.1</b>
<b>Costs of sales:</b>			
License and Maintenance	13.2	12.5	23.7
Cloud	10.6	6.5	12.7
Services	23.5	25.5	50.3
<b>Total Costs of sales :</b>	<b>47.3</b>	<b>44.4</b>	<b>86.6</b>
<b>Gross profit:</b>	<b>95.5</b>	<b>100.3</b>	<b>214.4</b>
<i>as a % of Revenue</i>	66.9%	69.3%	71.2%
<b>Operating expenses :</b>			
Sales and marketing	42.7	42.2	81.9
Research and development	31.5	27.0	53.3
General and administrative	15.2	14.8	28.4
<b>Total operating expenses :</b>	<b>89.5</b>	<b>84.0</b>	<b>163.7</b>
<b>Profit on operating activities</b>	<b>6.0</b>	<b>16.3</b>	<b>50.8</b>

# Income statement (2/2)

- Profit on Operating Activities finished at 4.2%, a drop from 11.3% in HY 2016
- Increase in intangible amortization relates to assets from Syncplicity
- Net Profit finish at 2.6 M€ or 0,12€ per share, similar to S1 2015 and 2014

*In millions of euros*

	HY 2017	HY 2016	FY 2016
<b>Profit on operating activities</b>	<b>6.0</b>	<b>16.3</b>	<b>50.8</b>
<i>as a % of Revenue</i>	4.2%	11.3%	16.9%
Stock option related expenses	(0.5)	(0.2)	(1.1)
Amortization of intangible assets	(4.5)	(3.8)	(7.9)
<b>Profit from recurring operations</b>	<b>1.0</b>	<b>12.3</b>	<b>41.8</b>
<i>as a % of Revenue</i>	0.7%	8.5%	13.9%
Other income and expenses	(1.3)	(1.5)	(6.7)
<b>Operating profit</b>	<b>(0.4)</b>	<b>10.7</b>	<b>35.1</b>
Cost of net financial debt	(0.0)	(0.2)	(0.4)
Other financial revenues and expenses	0.5	0.9	0.5
Income taxes	2.5	(0.5)	(3.7)
<b>Net Profit</b>	<b>2.6</b>	<b>11.0</b>	<b>31.5</b>
<i>as a % of Revenue</i>	1.8%	7.6%	10.5%
Basic net earnings per share (in Euro)	<b>0.12</b>	<b>0.53</b>	<b>1.51</b>

# Simplified balance sheet (1/2)

- Goodwill and intangibles increased from the acquisition of Syncplicity
- Cash balance ended at 27,1 M€ for 30 June 2017
- With our drop in Trade Receivables, our DSO finished at 51 days, down from 78 days at 30 June 2016

<i>In millions of euros</i>	30/06/17	30/06/2016	31/12/16
<b>ASSETS</b>			
Goodwill	339.8	279.9	288.8
Intangible assets	61.1	52.3	49.8
Property, plant and equipment	14.9	8.5	14.5
Other non-current assets	52.1	53.3	49.6
<b>Non-current assets</b>	<b>467.8</b>	<b>394.1</b>	<b>402.7</b>
Trade receivables	48.7	69.9	78.2
Other current assets	28.5	23.6	25.3
Cash and cash equivalents	27.1	41.7	51.7
<b>Current assets</b>	<b>104.2</b>	<b>135.2</b>	<b>155.2</b>
<b>TOTAL ASSETS</b>	<b>572.1</b>	<b>529.4</b>	<b>557.8</b>

# Simplified balance sheet (2/2)

- 45 M\$ of borrowings under 125 M€ RCF at 30 June 2017, additional debt outside RCF
- Current liabilities includes 84.5 M€ of deferred income in June 2017 versus 86.9 M€ in June 2016

*In millions of euros*

	30/06/2017	30/06/2016	31/12/16
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Share capital	42.4	41.6	42.0
Capital reserves and results	310.1	296.8	332.8
<b>Total shareholders' equity</b>	<b>352.5</b>	<b>338.4</b>	<b>374.8</b>
Financial debt - long-term portion	53.5	31.9	35.5
Other non-current liabilities	20.7	14.8	10.3
<b>Non-current liabilities</b>	<b>74.2</b>	<b>46.7</b>	<b>45.7</b>
Financial debt - short-term portion	5.9	2.9	3.7
Deferred Revenues	84.5	86.9	74.5
Other current liabilities	55.0	54.5	59.1
<b>Current liabilities</b>	<b>145.4</b>	<b>144.3</b>	<b>137.3</b>
<b>TOTAL LIABILITIES</b>	<b>219.6</b>	<b>191.0</b>	<b>183.0</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>572.1</b>	<b>529.4</b>	<b>557.8</b>

# Change in Equity

- Due to the USD/Euro conversion rate movement at balance sheet ending date a significant translation adjustment was recorded in June 2017 on the conversion of the foreign balance sheets to Euros

*In millions of euros*

	30/06/2017	30/06/2016	31/12/2016
<b>Equity at Opening of Period</b>	<b>374.8</b>	<b>340.6</b>	<b>340.6</b>
Profit for the period	2.6	11.0	31.5
Other comp. income statement items	-0.2	-0.2	0.2
Share-based payments	0.5	0.2	1.0
Dividends	-8.5	-8.3	-8.3
Capital increase	2.8	0.2	3.4
Actuarial gains and losses	0.1	-0.1	0.5
Other changes	3.7	-2.6	-0.2
Translation differential	-23.3	-2.5	6.1
<b>Equity at End of Period</b>	<b>352.5</b>	<b>338.4</b>	<b>374.8</b>

# Cash Flow statement

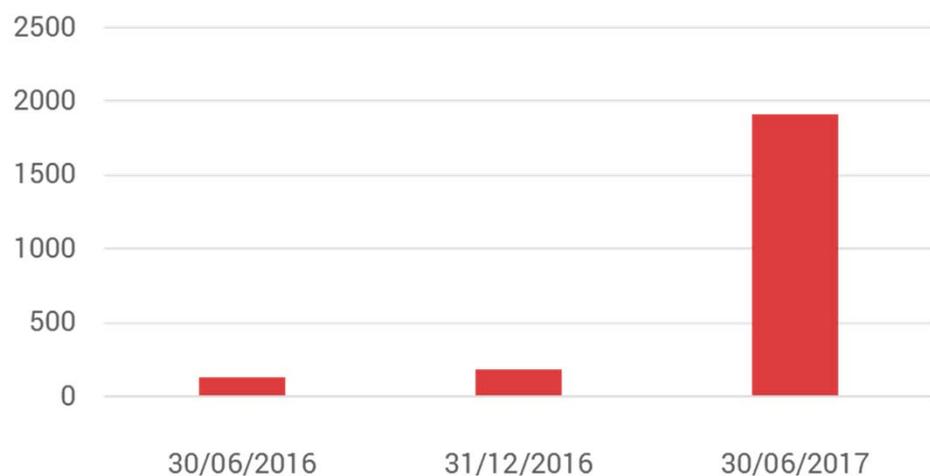
- Working Capital Requirements (BFR) – positive improvement in HY 2017 of 16.5 M€ which was used to pay off our Appcelerator draw under our RCF
- Free cash for HY 2017 is 19.0 M€ versus 17.4 M€ for HY 2016

*In millions of euros*

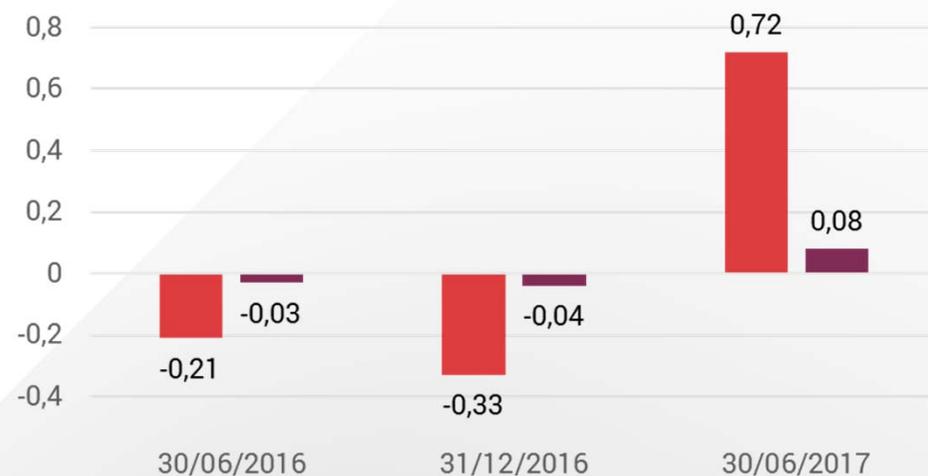
	HY 2017	HY 2016	FY 2016
<b>Net profit for the period</b>	<b>2.6</b>	<b>11.0</b>	<b>31.5</b>
Net charges to amortizations, depreciations and provisions	6.3	2.8	10.0
Other income and expense items	0.6	-	1.9
<b>Cash from operations after cost of net debt and tax</b>	<b>9.6</b>	<b>13.8</b>	<b>43.5</b>
Changes to operating working capital requirements	16.5	8.7	(5.9)
Costs of net financial debt	0.0	0.2	0.4
Income tax paid net of accrual	(4.1)	(0.6)	0.5
<b>Net cash from operating activities</b>	<b>22.0</b>	<b>22.0</b>	<b>38.4</b>
<b>Net cash used in investing activities</b>	<b>(60.4)</b>	<b>(50.4)</b>	<b>(57.3)</b>
Proceeds on shares issued	2.8	0.1	3.4
Dividends paid	(8.5)	-	(8.3)
Change in loan	19.0	24.8	31.3
Net interest paid	(0.0)	(0.2)	(0.4)
Other changes	(0.2)	(0.2)	(0.1)
<b>Net cash from (used in) financing activities</b>	<b>13.1</b>	<b>24.6</b>	<b>26.0</b>
Effect of foreign exchange rate changes	(1.1)	(0.6)	0.8
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(26.4)</b>	<b>(4.4)</b>	<b>7.8</b>
Opening cash position	51.7	43.9	43.9
<b>CLOSING CASH POSITION</b>	<b>25.3</b>	<b>39.5</b>	<b>51.7</b>

# Financial structure – Covenants HY 2017

- Financial covenants met in all periods. Net bank debt for 2017 is 28,8 M€
- Our main covenant is the leverage ratio: Net debt/EBE  $\leq 3$  (0,72 at June 30, 2017)
- The 125 M€ credit line is extended to mid-2021 and approximately 85 M€ is available



EBE/Costs of Debt  
(covenant >5)



Net Debt/EBE  
(covenant <3)

Net Debt/Retained Earnings  
(Covenant <1)



# Corporate Profile

A Catalyst for transformation

# Axway shareholder structure

30/06/2017

21,168,021 SHARES OUTSTANDING

34,274,819 VOTING RIGHTS



## Concerted action

- 57.14% of the shares
- 64.73% of the voting rights

# Governance



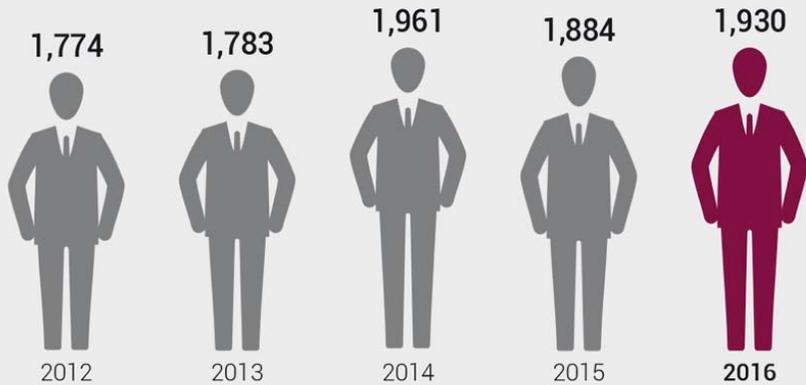
French-American management:  
8 top managers coming from the  
software industry and historical  
corporate management

**Jean-Marc Lazzari**  
Chief Executive Officer



- **Strengthened Governance**
- **Board of Directors**  
comprising 13 members, of which 7 are independent members
- Pierre Pasquier Chairman
- Kathleen Clark-Bracco Vice Chairman
- **Compliance** with the Middledenext Code of Corporate Governance

# Human Resources Axwegians

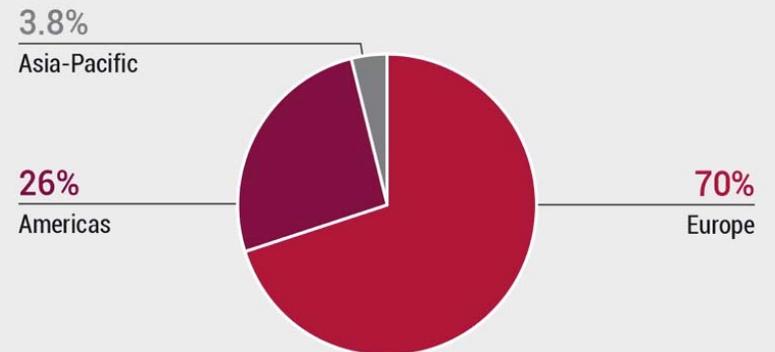


 **40.3 years**  
old on average

 **26%**  
women

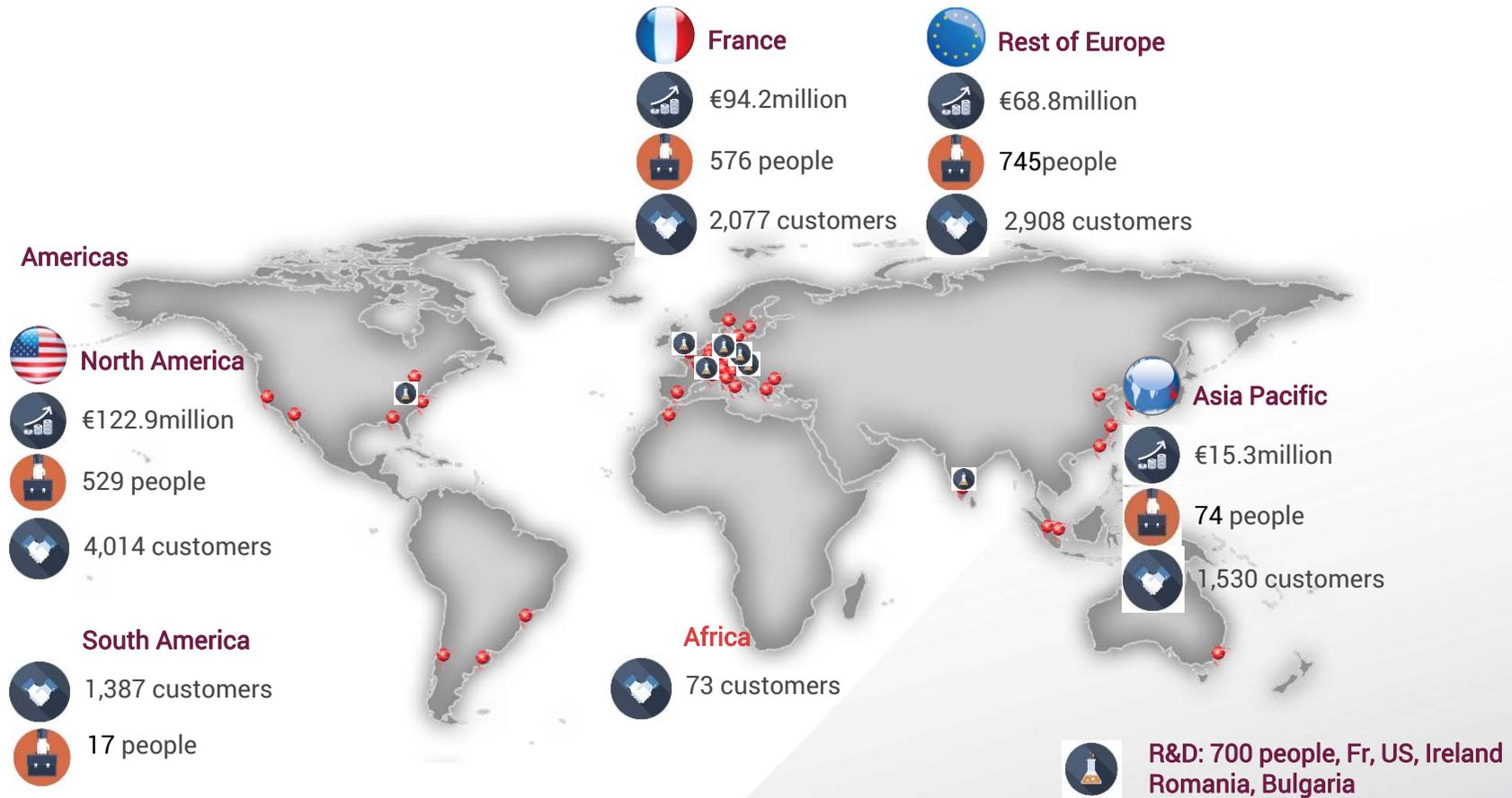
 **317**  
new employees  
including  
**64%** Europe,  
**30%** North America

## Breakdown of workforce by location



**1,941** At 30 June 2017

# 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  
 1941 employees (30/06/2017)

# Corporate Social Responsibility

## Organizations & Labels

- Global Compact



- EcoVadis label for customers



- Sub-contractor & purchasing policy
- Annual Gaïa evaluation for investors



## Governance

- Board members:
  - 63% independent
  - 36% women
  - 95% attendance rate meeting

## HR Responsibility

- 1,286 Axwagians trained
- 23714 hours
- 7,367 training sessions



## CSR Report

Download

[http://www.investors.axway.com/sites/default/files/csr\\_report\\_extract\\_registration\\_document\\_axway\\_2016\\_0.pdf](http://www.investors.axway.com/sites/default/files/csr_report_extract_registration_document_axway_2016_0.pdf)

## Environmental Responsibility

- Digital customer journey
- Full digital internal exchanges/paperless
- 90% virtual servers
- Transportation policy



axway 

**Perspective**

# FY 2017 Outlook

Keep focusing  
on our strategic  
ambition

Continue Axway  
Transformation

Stable  
FY Revenue

FY ROA  
over  
13%

# Thank you

Presentation available on:

[www.investors.axway.com/en](http://www.investors.axway.com/en)

Mobile App: Axway IR available  
on Apple store & Android



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Investor Relations  
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# APM Definition

- 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.
- ACV: Annual Contract Value is the signed revenue still to come during the year.
- TCV: Total contract value, represents the full value of a customer contract. It includes both recurring for the duration of the contracted period and one-time payments.