



QUALYS®

QUALYS Investor Day

Philippe Courtot, Chairman and CEO
Sumedh Thakar, Chief Product Officer
Amer Deeba, Chief Commercial Officer
Melissa Fisher, CFO

New York City, November 17th, 2016

Today's Schedule

08:30 - 09:00am EST	Check-in
09:00 - 09:20 am EST	Introduction by Philippe Courtot, Chairman and CEO
09:20 - 10:00am EST	Presentation and Product Demo by Sumedh Thakar, Chief Product Officer
10:00 - 10:15am EST	Break
10:15 - 10:35am EST	Presentation by Amer Deeba, Chief Commercial Officer
10:35 - 11:00am EST	Presentation by Melissa Fisher, Chief Financial Officer
11:00 - 11:20am EST	Presentation by Mark Butler, Chief Information Security Officer at Fiserv
11:20 - 11:30am EST	Break
11:30 - 12:00pm EST	Lunch and Q&A
12:00 – 1:00pm EST	Mingle with Qualys Management



Safe Harbor

This presentation includes forward-looking statements within the meaning of the federal securities laws. Forward-looking statements generally relate to future events or our future financial or operating performance. Forward-looking statements in this presentation include, but are not limited to, the following list:

- our business and financial performance and expectations for future periods, including the rate of growth of our business and market share gains;
- trends related to the diversification of our revenue base;
- our ability to sell additional solutions to our customer base and the strength of demand for those solutions;
- our plans regarding the development of our technology and its expected timing;
- our expectations regarding the capabilities of our platform and solutions;
- the anticipated needs of our customers;
- our strategy, the scalability of our strategy, our ability to execute our strategy and our expectations regarding our market position;
- the expansion of our platform and our delivery of new solutions;
- the expansion of our partnerships and the related benefits of those partnerships;
- our ability to effectively manage our costs; and
- our expectations for existing and new MSSPs, which are multi-year contracts at fixed prices.

Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks include those set forth in our filings with the Securities and Exchange Commission, including our latest Form 10-Q and 10-K. The forward-looking statements in this presentation are based on information available to us as of today, and we disclaim any obligation to update any forward-looking statements, except as required by law.

We also remind you that this presentation will include a discussion of GAAP and non-GAAP financial measures. The non-GAAP financial measures are not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP. A reconciliation of the non-GAAP financial measures discussed in this presentation to the most directly comparable GAAP financial measures is included in the appendix of this presentation.





QUALYS[®]

2017 The Year of Consolidation in Security

Philippe Courtot, Chairman and CEO

QLYS Investor Day, November 17th 2016, New York, NY

2017 The Year of Consolidation in Security

Key Drivers

How Well is Qualys Positioned?

What we Want to Achieve in 2017



Key Drivers

Multiple Drivers are at Play

Evolving Threat Landscape

Computing Shift to the Cloud

Regulatory Environment

Spend Consolidation

Change
Ahead



How Well is Qualys Positioned?

Impressive Customer Base



Blue Chip Global Customers Base

60% of the Forbes Global 100 and 24% of the Forbes Global 2000

9,200+ Customers

8 of top 10 in Software

8 of top 10 in Technology

8 of top 10 in Biotechnology

8 of top 10 in Retail

7 of top 10 in Banking

7 of top 10 in Media

6 of top 10 in Telecommunications

6 of top 10 in Chemical

6 of top 10 in Car Manufacturing

5 of top 10 in Business Services



Based on Forbes Global 2000 Classification



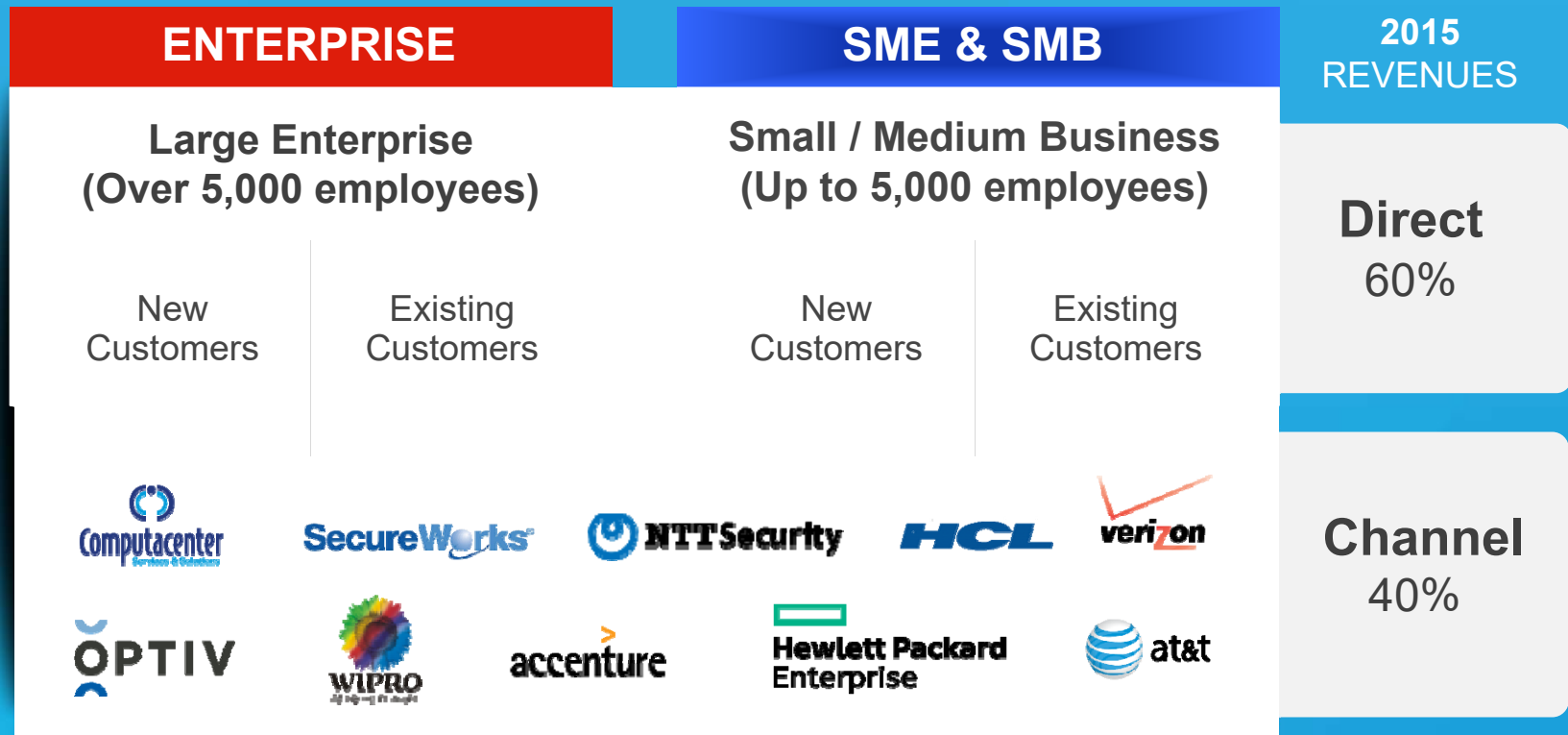
How Well is Qualys Positioned?

Impressive Customer Base
Scalable Go-to-Market Model



Scalable Go-to-Market Model

Market Segmentation & Key Strategic Partners



How Well is Qualys Positioned?

Impressive Customer Base

Scalable Go to Market

True Extensible Cloud Platform



True Extensible Cloud Platform

Consolidates 10+ on-premise Solutions



3B
Scans

100B
Detections

1T
Security
Datapoints
Annually



Disruptive Cloud Agent Platform

Continuous Security Across On-Premise, Endpoints
and Elastic Cloud Environments

Lightweight 3Mb
Agents

Centrally managed
and self-updating



Beam-up info
in real-time

Delta-based
approach



Now Adding Passive Scanning

Enriching and Correlating the Data We Collect

Analyzing network
traffic a new
cloud-sensor type



Correlating it with
the information
we already have



Impressive Suite of New Services

2016 Releases

Cloud Agents Platform (CAP)

ThreatPROTECT (TP)

Security Assessment
Questionnaires (SAQ)

Web Application Firewall
(WAF 2.0)



2017 Releases

File Integrity Monitoring (FIM)

Detection of Indication
of Compromises (IOC)

Digital Certificate
Management (CERT)

Patch Management (PM)

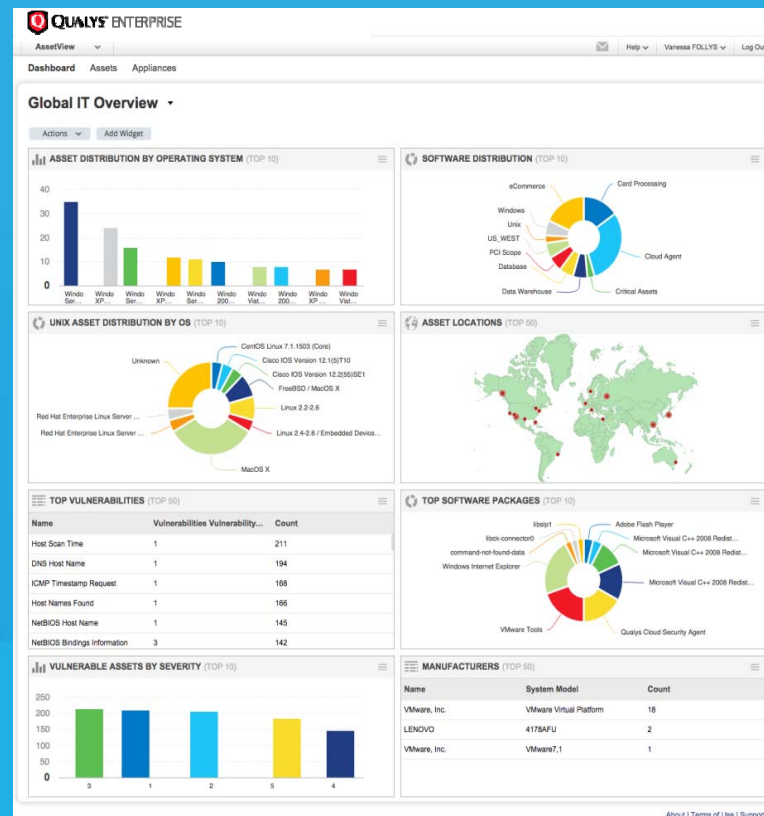


AssetView Brings 2s Visibility Across Millions of IT Assets Provides Customizable, Dynamic Dashboards

Instant query
across million
of IT assets

Unified
assets' view

Dynamic and
customizable
dashboards



Vulnerability
Risk Analysis
dashboard

Synchronization
with Splunk,
ServiceNow
& Others



How Well is Qualys Positioned?

Impressive Customer Base

Key Strategic Partners

True Cloud Platform

Impressive Engineering Capabilities



Impressive Engineering Capabilities

Extensible Cloud Platform

Unique Organizational Structure

Indian Operation (Pune)



How Well is Qualys Positioned?

Impressive Customer Base

Key Strategic Partners

True Cloud Platform

Impressive Engineering Capabilities

Global Presence



Qualys Global Presence

Expanding our Sales Capacity

Customers	Countries	Data Centers	Private Clouds	Locations
9,200+	137	5*	30	27



* Data centers include the one upcoming in India
Note: Marked are Qualys locations.



How Well is Qualys Positioned?

Impressive Customer Base

Key Strategic Partners

True Cloud Platform

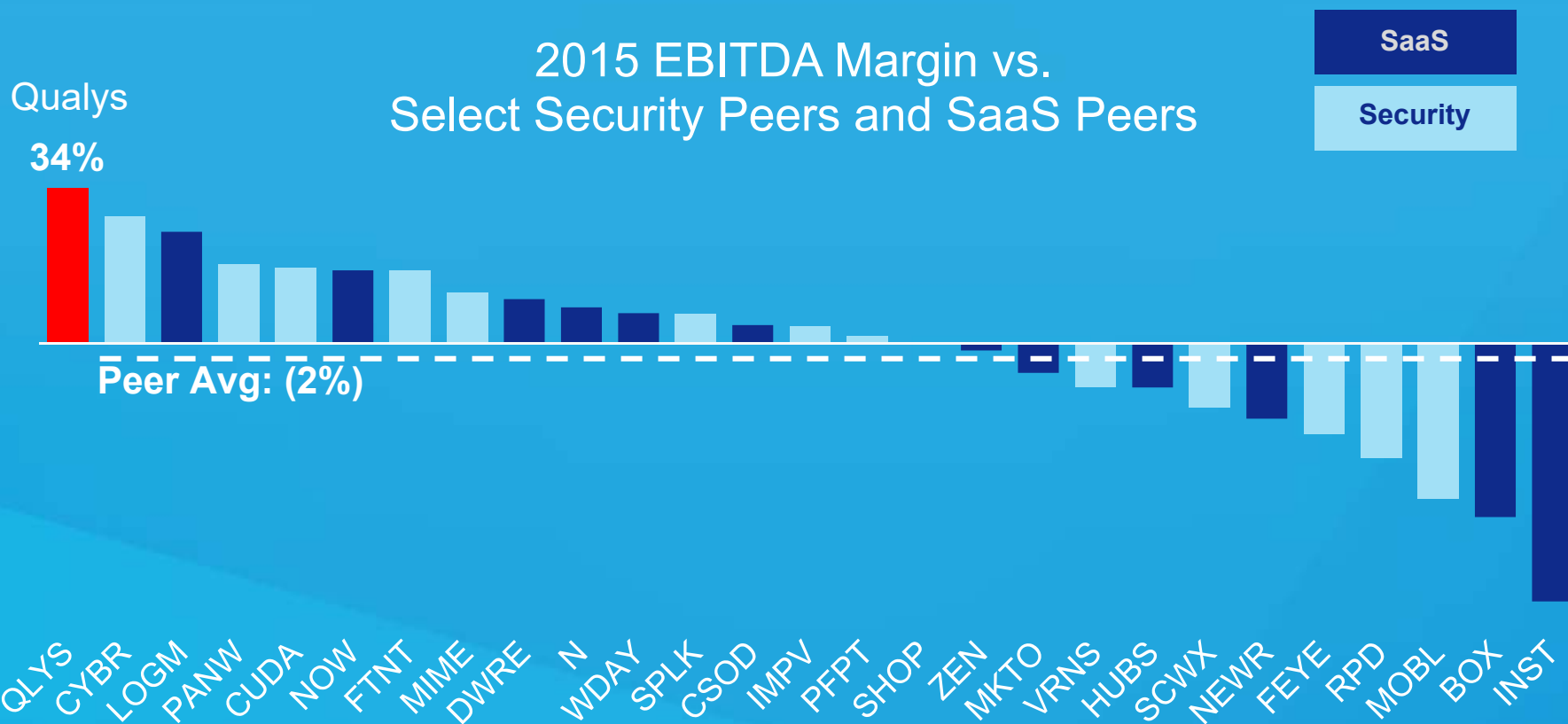
Impressive Engineering Capabilities

Global Presence

Industry Leading Profitability



Industry-Leading Margins and Scalable Business Model



* Source: JPMorgan



What We Want to Achieve in 2017

Continue Investing for Growth
(Balanced Approach)

Elevate our Messaging

Reach out to CIOs



Qualys Cloud Platform

Unique Benefits

Provides 2s visibility across ALL global IT assets

Provides continuous view of their security & compliance posture, across on-premise, endpoints and elastic cloud environments

Identifies those assets that have been already compromised or suspicious

Drastically reduce IT and IT security spend





QUALYS[®]

Thank You
pcourtot@qualys.com





QUALYS®

Qualys Cloud Platform New Extensions & Services Roadmap

Sumedh Thakar, Chief Product Officer

QLYS Investor Day, November 17th 2016, New York, NY



Agenda

2016 Cloud Platform Updates

Live Demos

2017 New Services Roadmap



Global Visibility in a Perimeter-less World



On Premise



Endpoints



Cloud



Interconnected Systems

Hybrid Infrastructure – Single Pane of Glass Visibility

Application
Web servers



Application
Database



Application Cloud
Admin Console



Qualys Real-Time Security Sensors

Coverage Across All Type of Infrastructure

 Physical	 Virtual	 Cloud	 Cloud Agents	 Passive	 API
Legacy data centers Corporate infrastructure Continuous security and compliance scanning	Private cloud infrastructure Virtualized Infrastructure Continuous security and compliance scanning	Commercial IaaS & PaaS clouds Pre-certified in market place Fully automated with API orchestration Continuous security and compliance scanning	Light weight, multi-platform On premise, elastic cloud & endpoints Real-time data collection Continuous evaluation on platform for security and compliance	Passively sniff on network Real-time device discovery & identification Identification of APT network traffic Extract malware files from network for analysis	Integration with Threat Intel feeds CMDB Integration Log connectors

Agentless + Agent Based + Passive



Qualys Extensible Cloud Platform

Sensors



Physical



Virtual



Cloud Agents



Cloud



Passive



API



Data Analytics



Incidence Response



Malware Infections



Vulnerabilities



Policy Configuration issues



Missing Patches



Web Applications Vulnerabilities

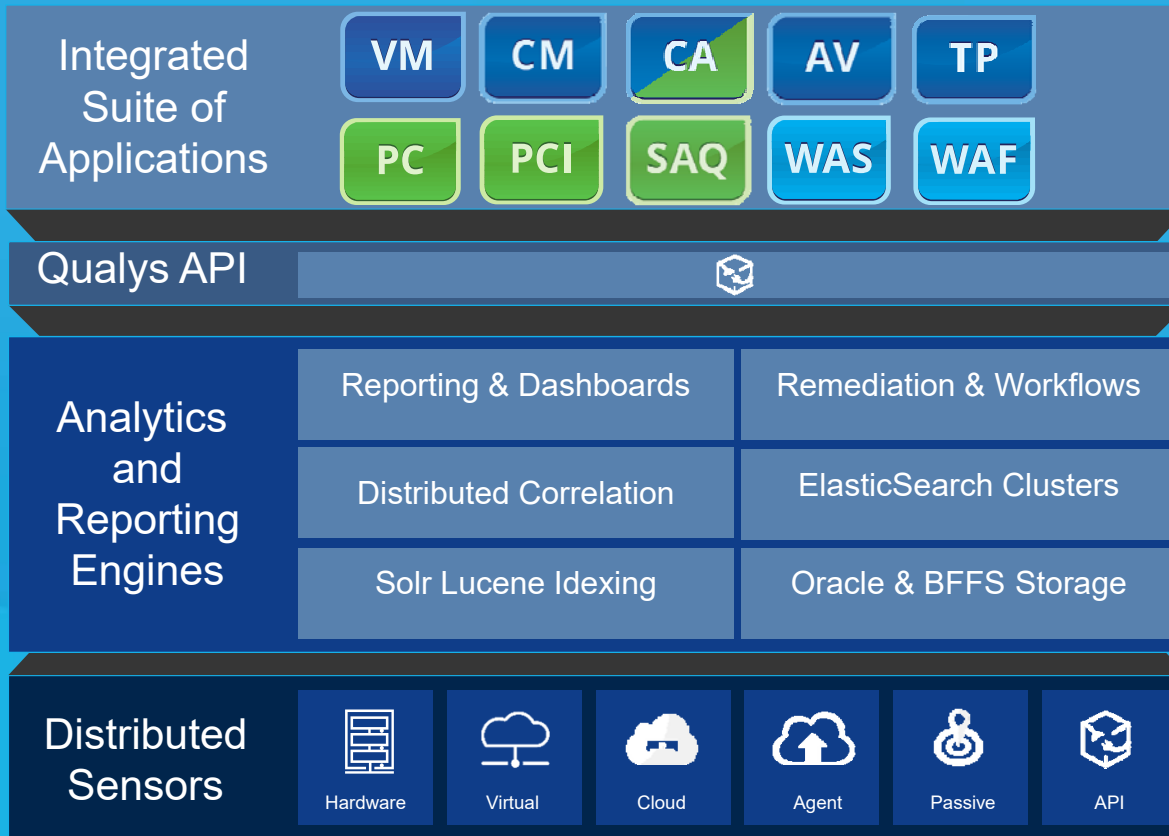


SSL Certificate Audit



Scalable Cloud Platform

Key New Extensions



3B
Scans

100B
Detections

1T
Security
Datapoints
Annually



Qualys Private Cloud Platform

Data Sovereignty/DOD

Qualys Security Platform in a Box

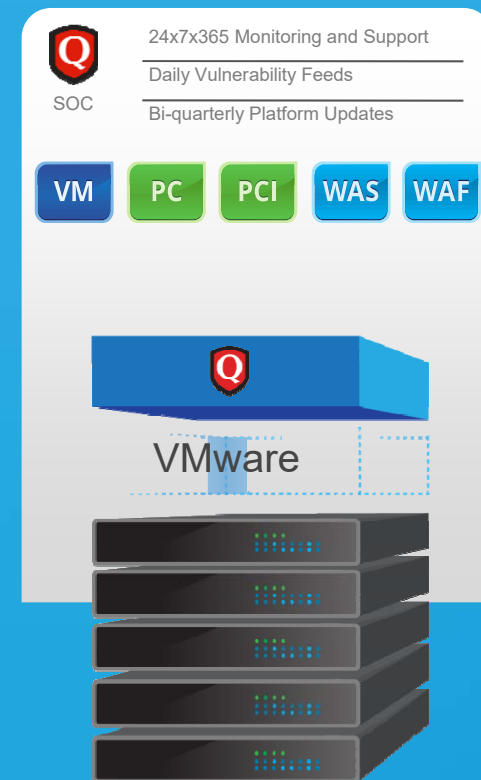
Deployed within customer or partner datacenters to maintain data sovereignty

Same codebase as shared platform

Hardware, virtualized or AWS versions

Fully or Partially managed by Qualys

FedRAMP Certified



Qualys Private Cloud Platform Appliance (PCP-A)

Small & Medium Enterprises

Scale up to 30K VM/30K PC/3K WAS

Leveraging container technology

Managed by Qualys



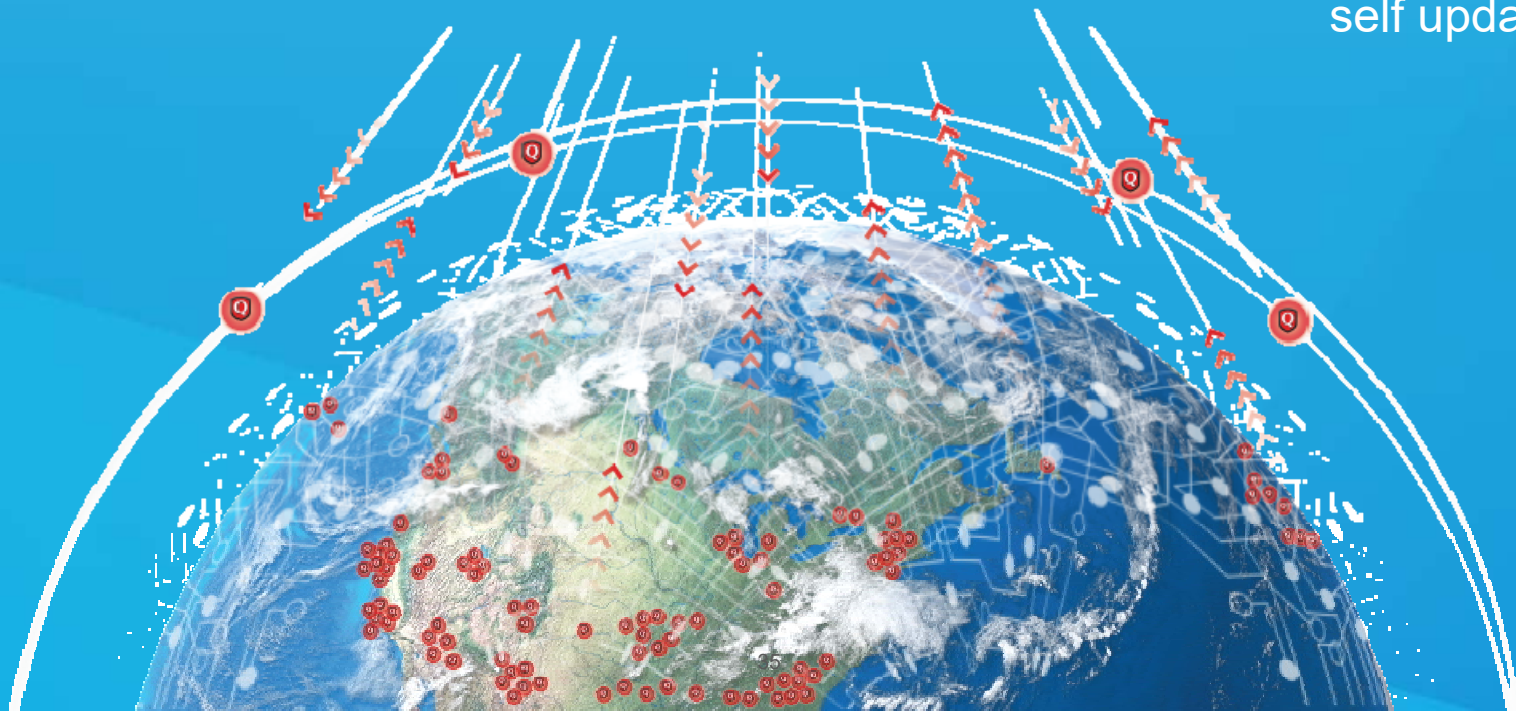
Cloud Agent Platform

Lightweight agent (3MB) for on-premise servers, dynamic cloud environments and endpoints



Secure scalable architecture for millions of devices

Centrally managed, self updating



Cloud Agent Platform

Versatile Capabilities

Query endpoint data instantly with AssetView

Real-time asset inventory

Vulnerability Management

Policy Compliance

File Integrity Monitoring

Indicator of Compromise Detection

Patch Deployment



Passive Network Analysis

Centrally Managed and Self-Updating Sensor

Plug into switch mirroring port

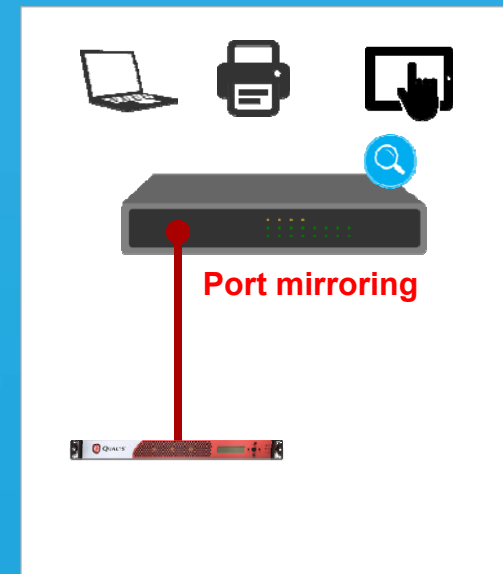
Discover every IPv4, IPv6 and web app

OS Fingerprinting

Identify ports and protocols used

Discover Applications & Services on device

Profile device type based on traffic pattern



2016 Deliverables

AssetView (AV)

ThreatPROTECT (TP)

Linux & Mac Agent GA

ServiceNow CMDB Sync

Splunk TA

PCP-A

FEDRAMP

WAS SmartScan

Azure Agent & Scanner

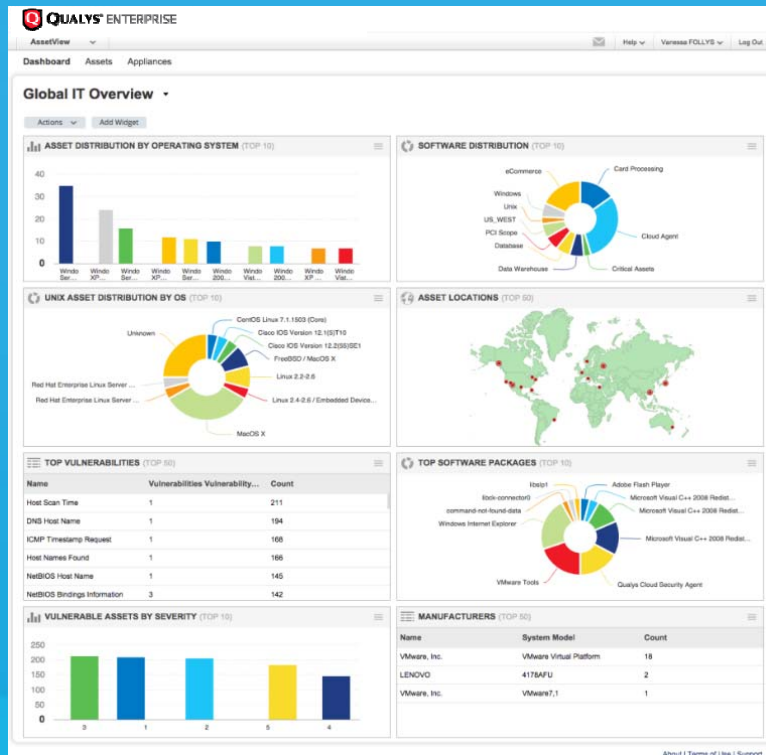
Security Assessment

Questionnaire (SAQ)

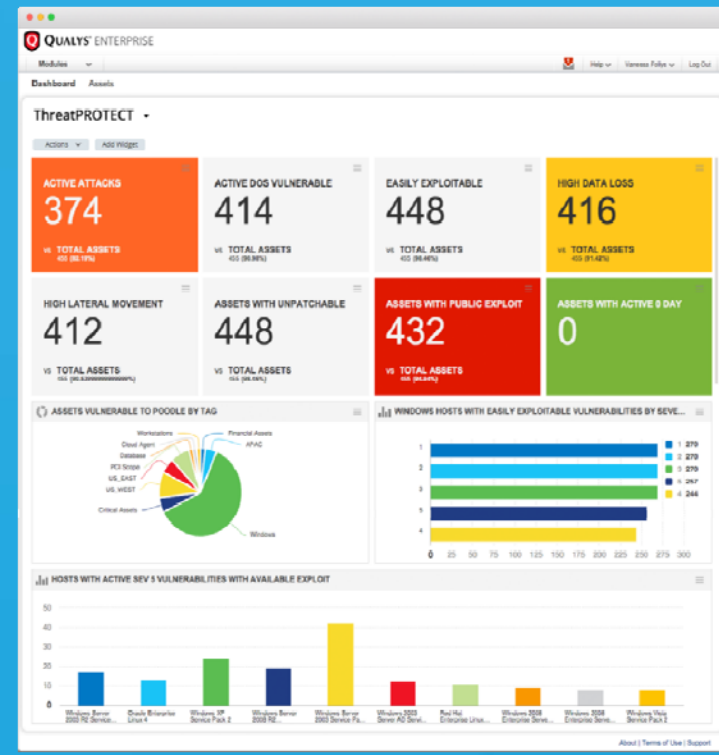


Demo

Actionable Threat Intelligence



AssetView



ThreatPROTECT



2016-17 Enhancement & Roadmap

Q4 16

WAF Reinvented

Q1 17

File Integrity Monitoring

IOC Detection

SSL View



Q2 17

Patch Deployment

Passive Network

Analyzer

Q3 17

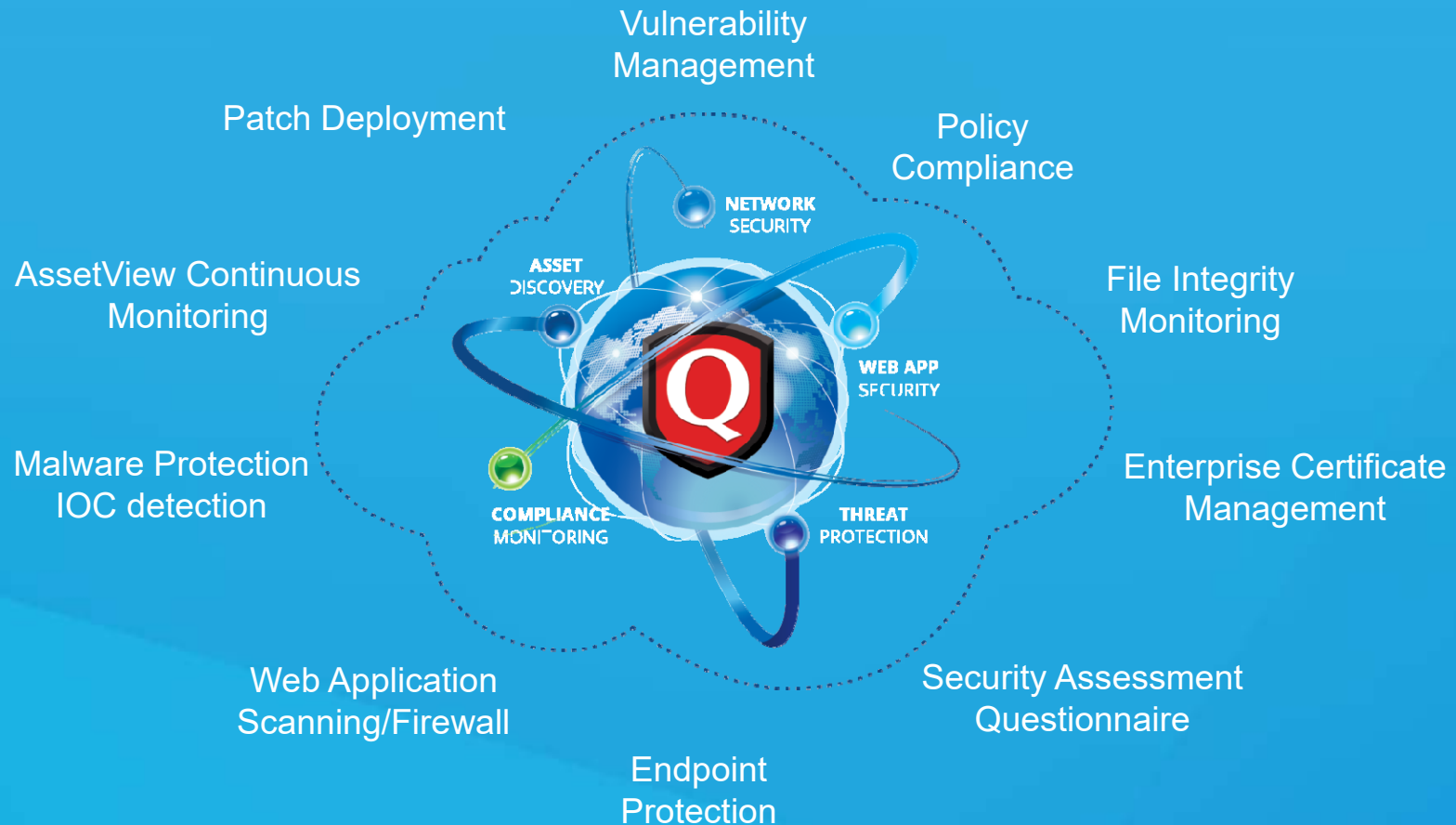
CloudView 360

Note: Dates represent Beta.



Single Platform Multiple Solutions

Cloud-Based Architecture for a Perimeter-less World





QUALYS[®]

Thank You
sthakar@qualys.com





QUALYS®

Global Go-to-Market Strategy & Execution

Amer Deeba, Chief Commercial Officer

QLYS Investor Day, November 17th 2016, New York, NY

Platform Enables Cost-Effective Service to All Customer Segments



ENTERPRISE

Enterprise Suite

5,000+
Employees

SME

Express Suite

250 – 5,000
Employees

SMB

Express Lite Suite

Below 250
Employees

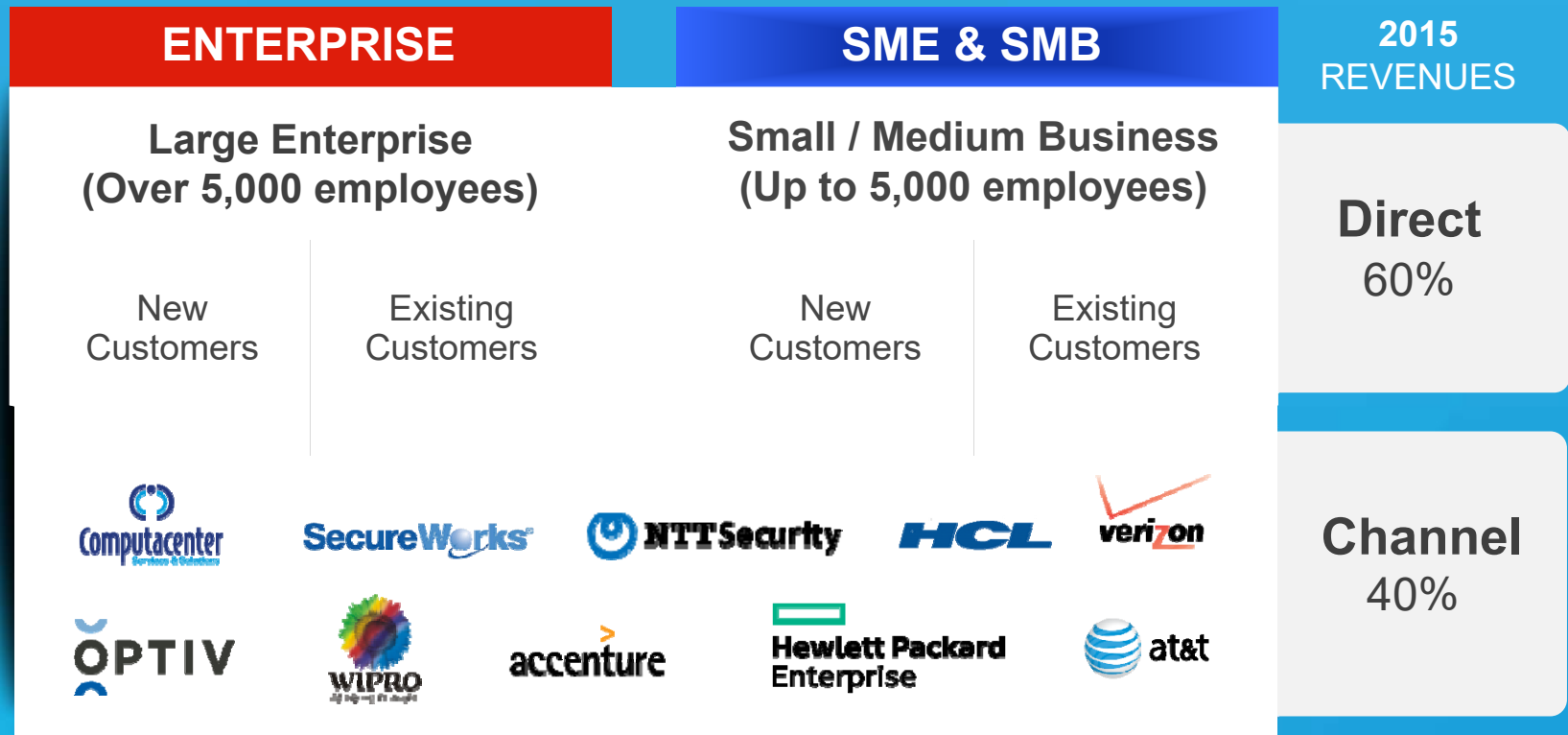
Consultants

Consultant Suite

Consultant
Groups



Scalable, Global and Balanced Sales Model



High-Margin Recurring Revenue with No Capex

Highly Attractive to Partners

MSSPs
Telcos

Outsourcing
Providers

VAS
Resellers

Consultant
Auditors



MSSPs and Telcos

Instantly expands their MSS offerings

Zero CAPEX

Higher margins recurring services



Global Outsourcing Providers

Uniquely supports their cloud-based business model

Zero CAPEX

Higher margin recurring services



Compatible across public clouds and co-located datacenters

Accessed remotely from delivery locations

Leading Outsourcers and Service Providers



Value Added Service Resellers

Security Consulting Firms are moving to Managed Services



Zero CAPEX

Higher margin recurring services

Over 600 VAS Partners Worldwide



Consultants and Auditors

Leverage the
Qualys Cloud
Platform for client
engagements and
reporting

Supports
Internet-connected
or air-gap
environments



Over 1600 Consultants Worldwide

Building
mindshare

Higher
margin
recurring
Services



SaaS Platform Enables Cost-Effective Marketing Through Try and Buy

AssetView

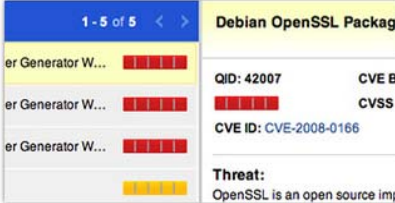


AssetView interface showing asset inventory for Dell. The interface includes a search bar with filters for manufacturer and operating system. A pie chart displays the distribution of assets by manufacturer: Dell Precision M480 (67), Dell Precision M680 (46), and 3000 Series (22).

Free service for Asset Inventory and CMDB integrations

Connects security with IT

FreeScan

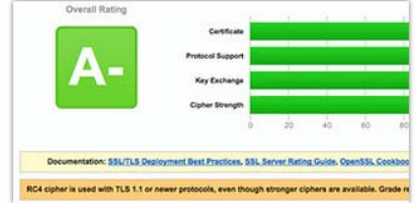


FreeScan interface showing a security scan result for Debian OpenSSL Package. The interface displays a list of vulnerabilities with severity indicators (red and yellow bars). The top result is for CVE-2008-0166, with a threat level of 'OpenSSL is an open source imp'.

FreeScan generates 25% of leads inflow

Free tool to test drive all Qualys' services

SSL Labs



SSL Labs interface showing an overall rating of A-. The interface displays a bar chart for Certificate, Protocol Support, Key Exchange, and Cipher Strength. The overall rating is A-.

Most popular SSL/TLS Test on the Internet

250K unique users and over 400K tests per month



Customer and Partner Case Studies



Hi-Tech
Scalability



Healthcare
Breadth



Global
MSSP - 1



Global
MSSP - 2



Market Leading Software Company



Problem We Solved	Replaced legacy security and compliance tools
Initial Deployment	2004: Pilot for Internet-facing devices
Growth	2009: Expanded to internal scanning 2012: Deploying Web Application Scanning (WAS) 2015: Global MSA, 3 PCPs
Today	Vulnerability Management (VM & CAP) 2,000,000 IPs weekly, WAS covering 2,000 web applications and Policy Compliance for 200,000 IPs



Leading US Healthcare Organization



Problem We Solved	Helped them build very successful vulnerability and web application scanning and remediation program.
Initial Deployment	2010: Small deployment of 513 VM IPs and 2 scanners.
Growth	2011: Expanded VM to 75,000 IPs 2012: Expanded VM to 130,000 IPs 2013: Started WAS with 100 Apps 2016: Expanded WAS to 350 Apps
Today	Covering VM and WAS globally and looking to expand into 8,000 retail stores. Results visible to the board. Started pilot for PC and CAP.



Global MSSP - 1



Problem We Solved	Addressed scalability issues created by internally built solution using a competing product
Initial Deployment	2011: Transitioned to Qualys as the core security and compliance platform
Growth	Qualys enabled launch of several new service offerings with minimal investment for VM, PCI, PC and WAS.
Today	Refocused resources on selling and delivering services. Prepaid annually for the entire renewal base. Looking to deliver new services: CAP, TP, SAQ.



Global MSSP - 2



Problem We Solved	Outdated VM, PCI and policy compliance offering
Initial Deployment	2016: Transitioned to Qualys as the core security and compliance platform to deliver MSS VM and PC services
Growth	Qualys enabled immediate transition of existing customer base and upsell opportunities.
Today	Refocused resources on selling and delivering VM and PC services integrated with MSS offering.





QUALYS[®]

Thank You
adeeba@qualys.com





QUALYS[®]

Financial Highlights and Business Model

Melissa Fisher, Chief Financial Officer

QLYS Investor Day, November 17th 2016, New York, NY

Investment Highlights

Leading SaaS Security and
Compliance Solutions Cloud Platform

Uniquely Positioned to Capitalize
on Move to Cloud *and* Stack Consolidation

Multiple Levers of Recurring
Revenue Growth

Industry-Leading Profitability



Overview of Qualys



Diversified, High Margin SaaS Subscription Business

SaaS Subscription Model

Annual subscriptions, paid in advance

Subscriptions charged to deferred revenues and amortized over term

Average contract length 1.1 years

Large Global Customer Base, 9200+

Diversified, high penetration of Forbes Global 1000

Serving SMB to Enterprise

No customer concentration risk

SaaS
Model

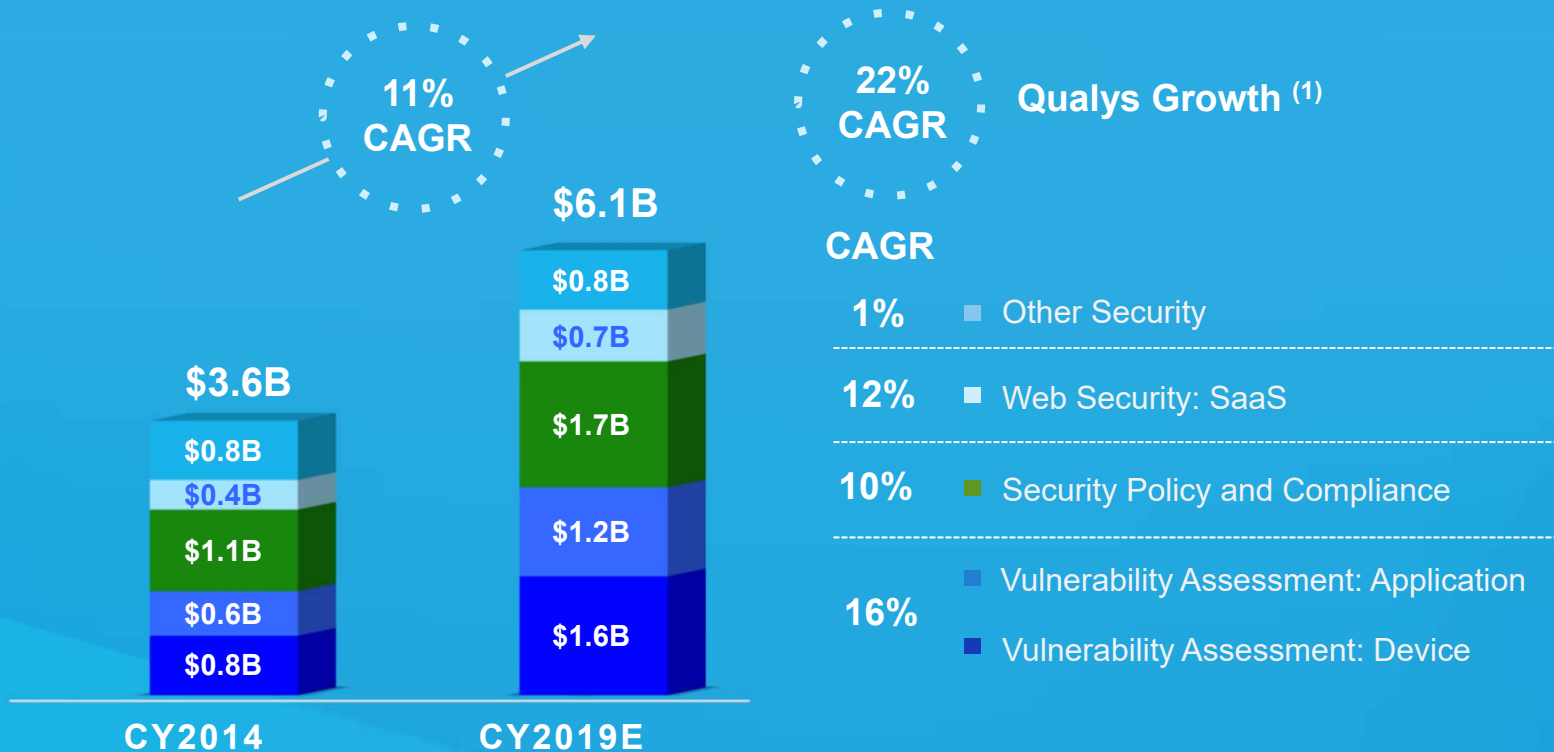
Balanced Go to Market

58% Direct / 42% Channel Q3 YTD revenue mix



Large Market Opportunity

Qualys is gaining share



Qualys's Current Total Addressable Market

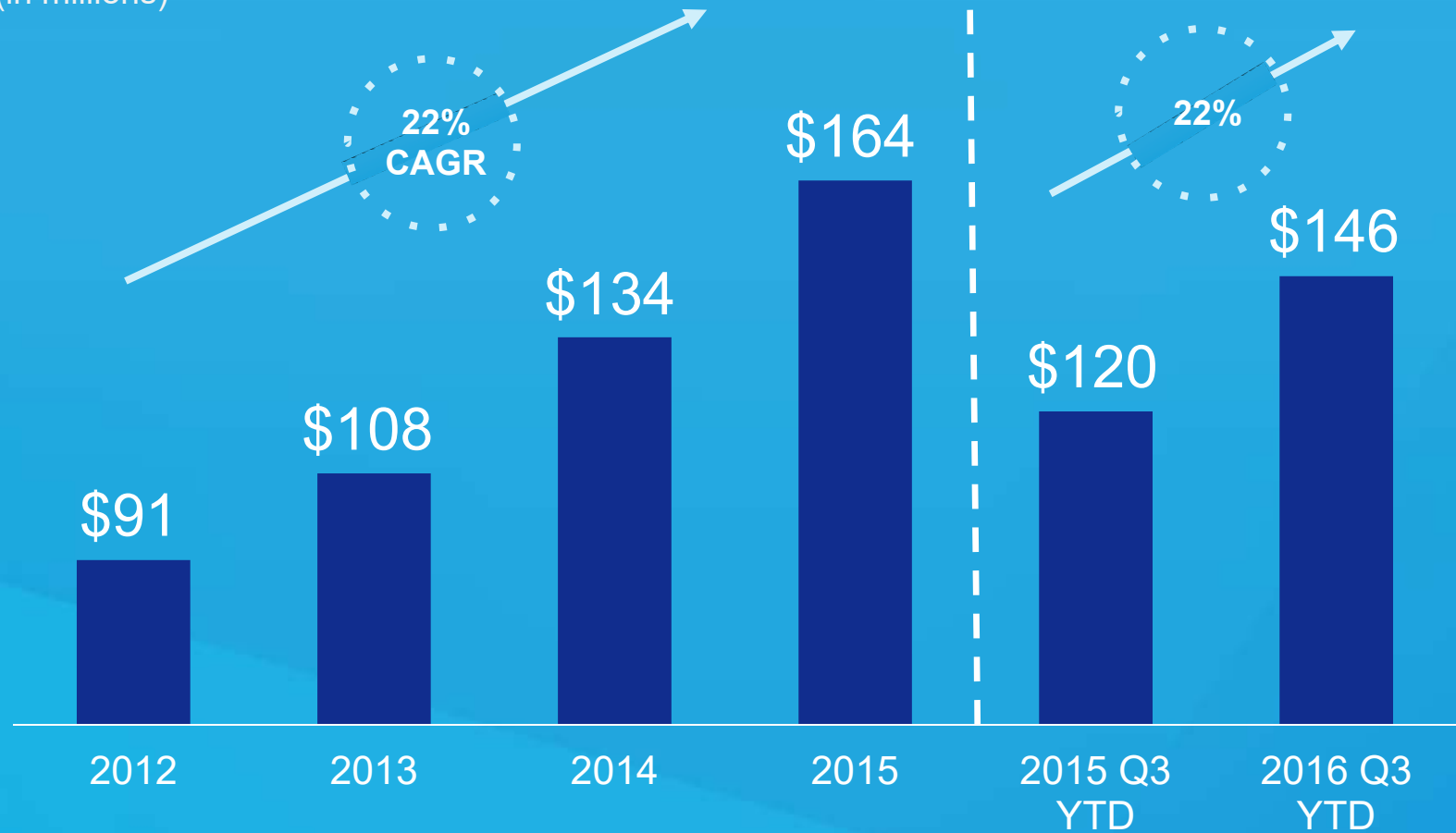
(1) Q3 FY15 YTD Revenue to Q3 FY16 YTD Revenue Growth
Source: IDC



Strong Organic Revenue Growth

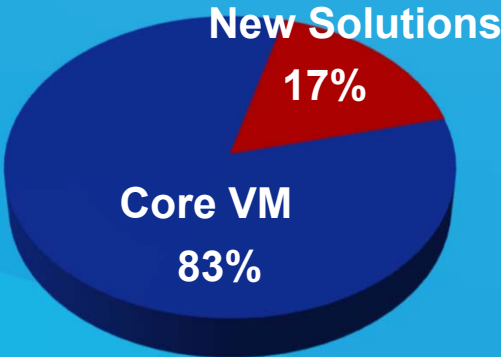
Outperforming market and gaining share

(in millions)

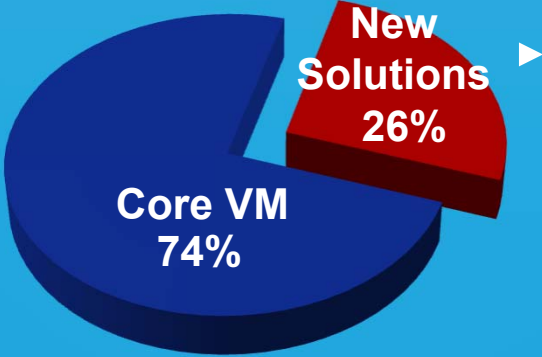


New Solutions Now 26% of Revenues

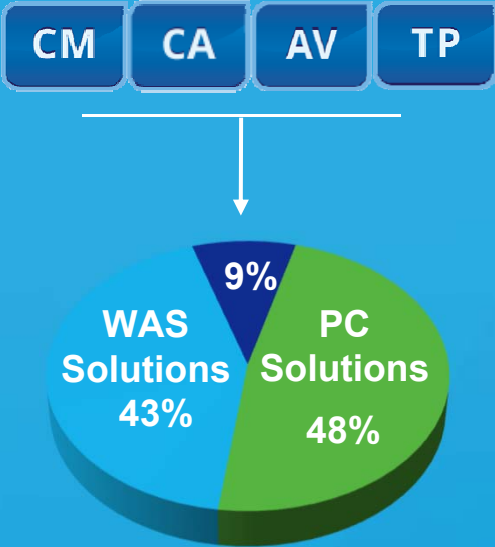
2013 Q3
YTD
REVENUES



2016 Q3
YTD
REVENUES



Other VM Solutions



Note: Core VM includes VM and PCP; Other VM Solutions include CM, CA for VM, AV, and TP; PC Solutions include PCI, CA for PC, and SAQ; WAS Solutions include WAS and WAF; scanners & pro-rata credits allocated based on revenues

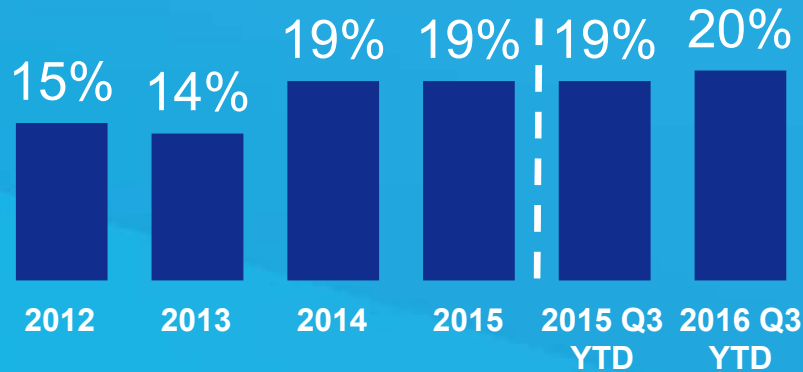


Qualys Solutions Continue to Grow 20%+

New VM-related solutions contributing to VM growth

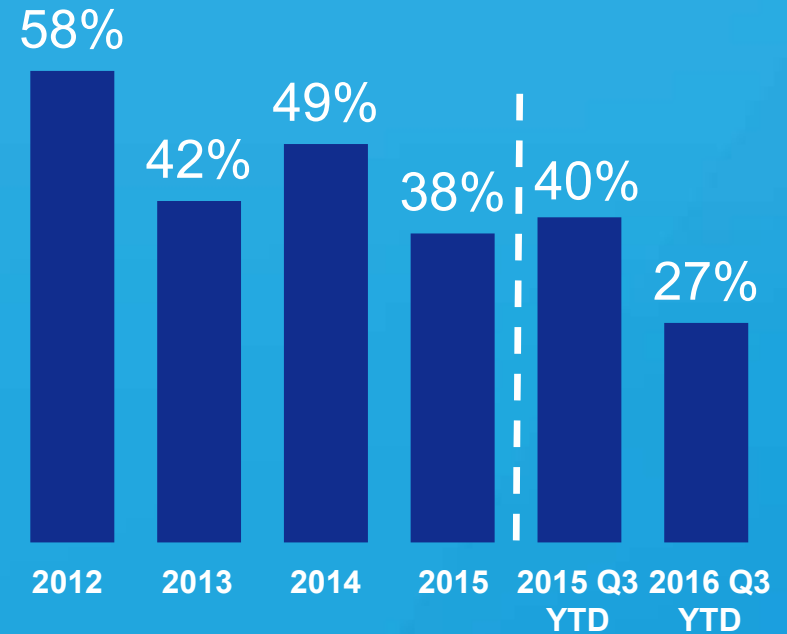
% Year-over-Year Revenue Growth

VM Solutions*



Year	2012	2013	2014	2015	2015 Q3 YTD	2016 Q3 YTD
% share of total revenues	86%	83%	80%	77%	77%	76%

Other Security Solutions*



Year	2012	2013	2014	2015	2015 Q3 YTD	2016 Q3 YTD
% share of total revenues	14%	17%	20%	23%	23%	24%

*VM Solutions include VM, PCP, CM, CA for VM, AV, and TP; Other Security Solutions include PC, PCI, CA for PC, SAQ, WAS and WAF; scanners and pro-rata credits allocated based on revenues

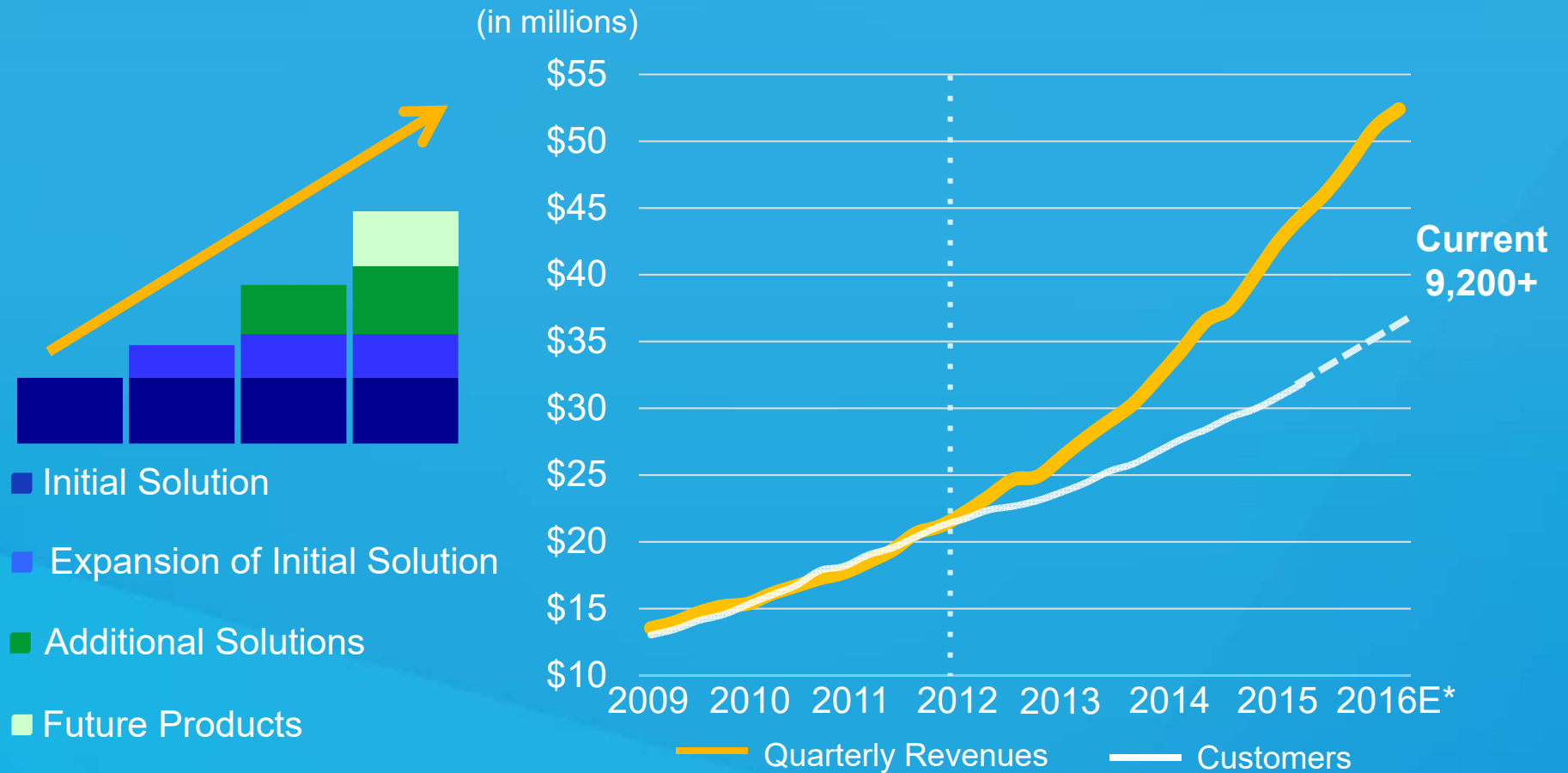


Multiple Levers of Recurring Revenue Growth



Powerful Land and Expand Model

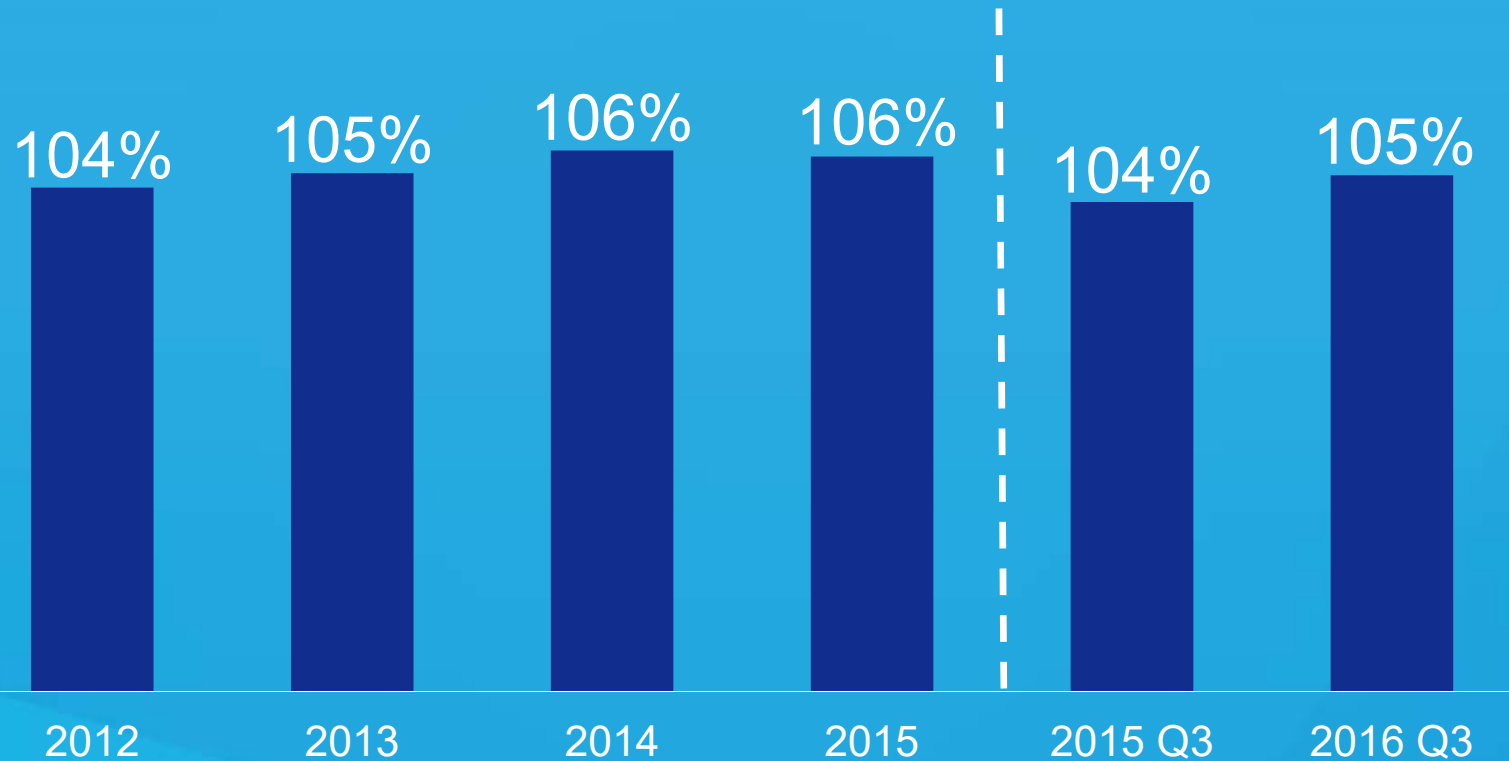
Quarterly Revenues vs. Customers



Note: 2016E reflects mid-point of revenue guidance



Strong Net Dollar Expansion Rates



Note: Net dollar expansion rate is calculated by dividing implied monthly recurring revenues at the end of the respective period of customers who were also customers at the end of the one year ago period by the implied monthly recurring revenues, for that same customer base, at the end of the one year ago period. We define implied monthly recurring revenues as the total amount of recurring revenues contractually committed to, under each of our customer contracts over the entire term of the agreement, divided by the number of months in the term of the agreement. 2016 Q3 net dollar expansion rate excludes all deals from the MSSP with whom we signed a new arrangement in February 2016



Significant Opportunity Remains to Grow Customer Base

Qualys Only 3% of Global Enterprise Market



Global Enterprise Company Count
37K

Qualys Only 1% of Global SMB & SME Market



Global SMB & SME Company Count
1.4M

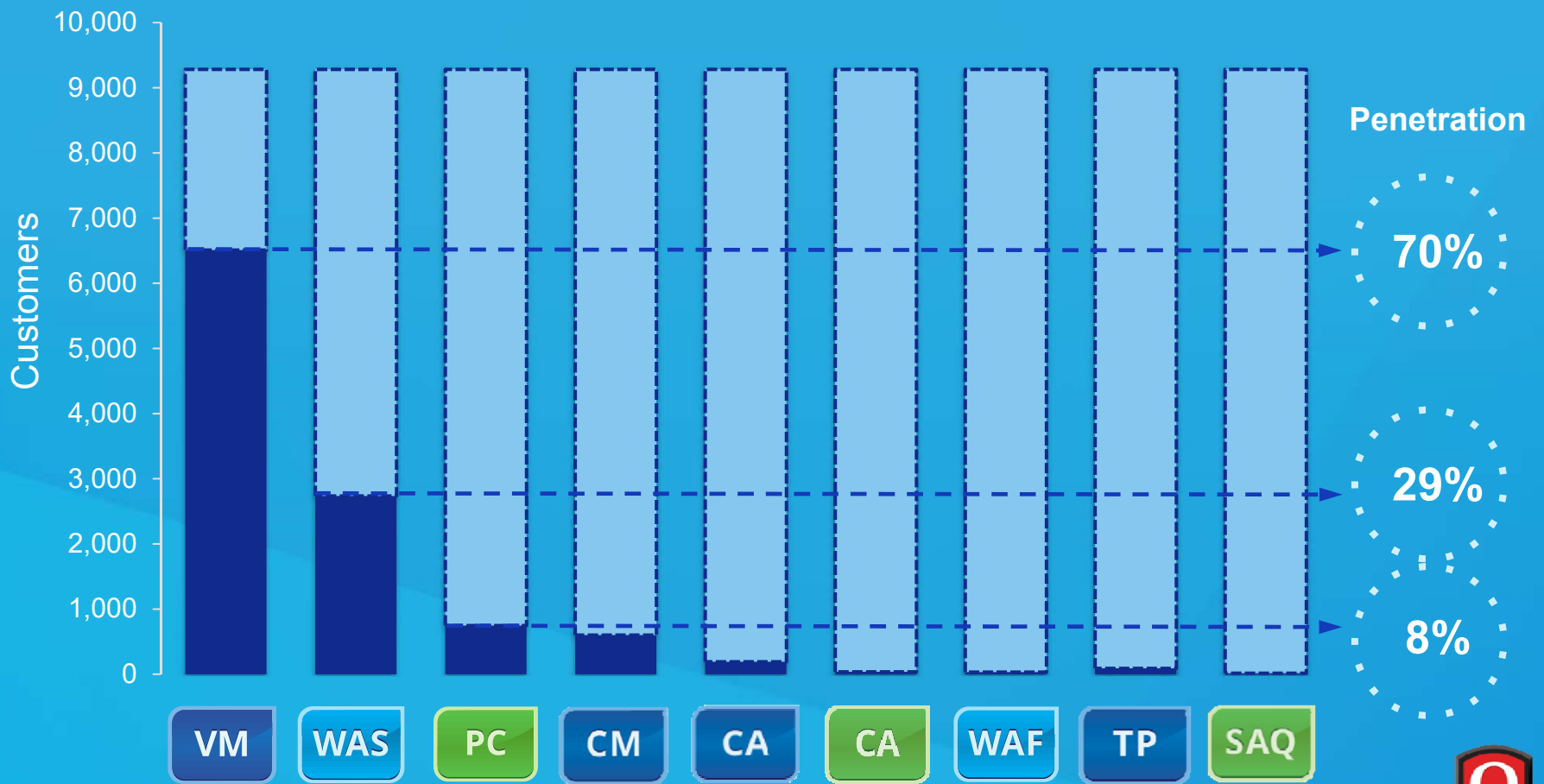
Note: Global Enterprise Company Count includes companies with more than 5,000 employees or more than \$1B in LTM revenues; Global SMB & SME Company Count includes companies with less than 5,000 employees and more than \$1M but less than \$1B LTM revenues

Source: Capital IQ



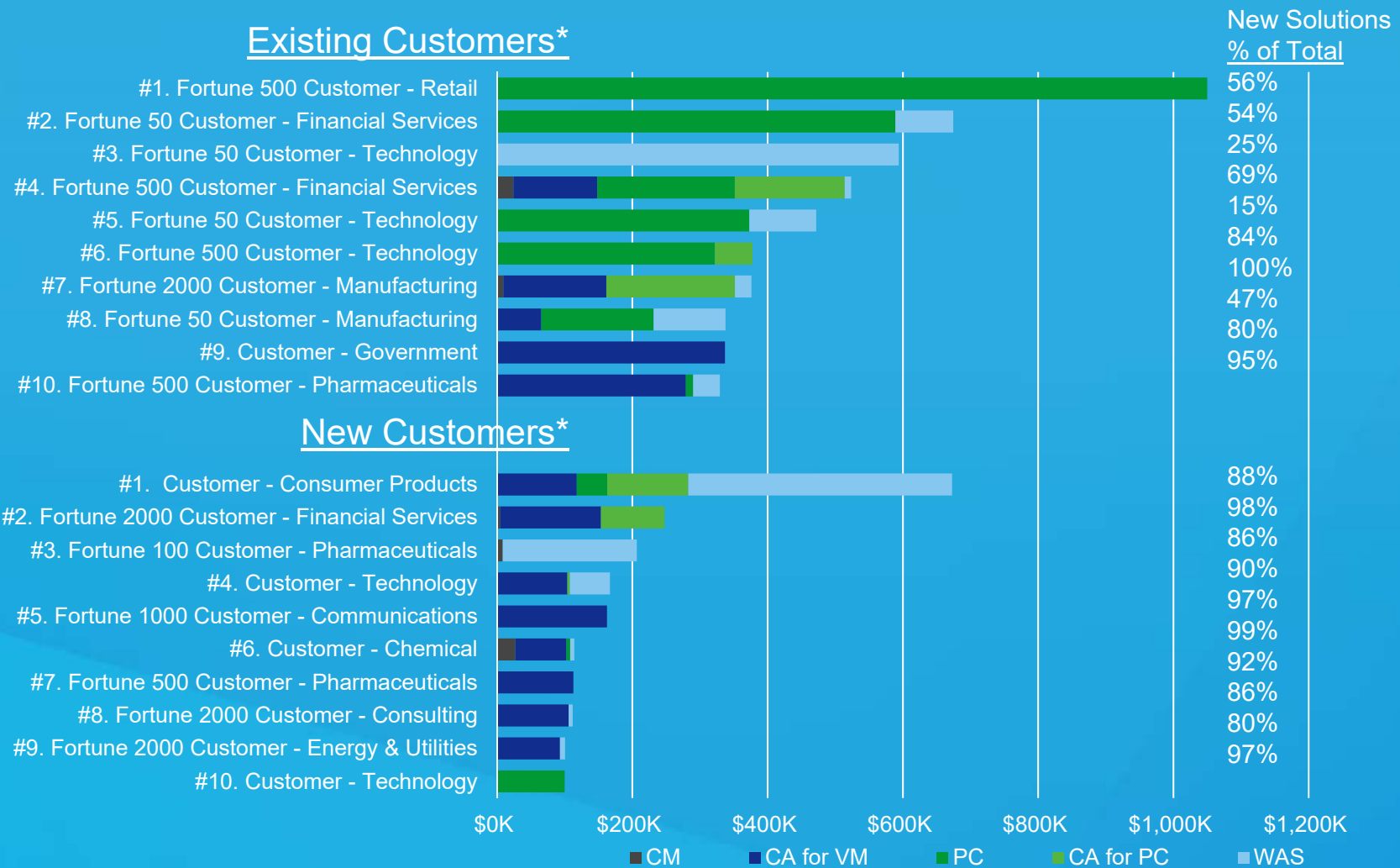
Significant Opportunity Remains for Upsell in the Installed Base

Customers with subscription to respective Qualys products as of Q3 2016



Strong Momentum with Newer Solutions

Based on 2016 Q3 LTM Bookings



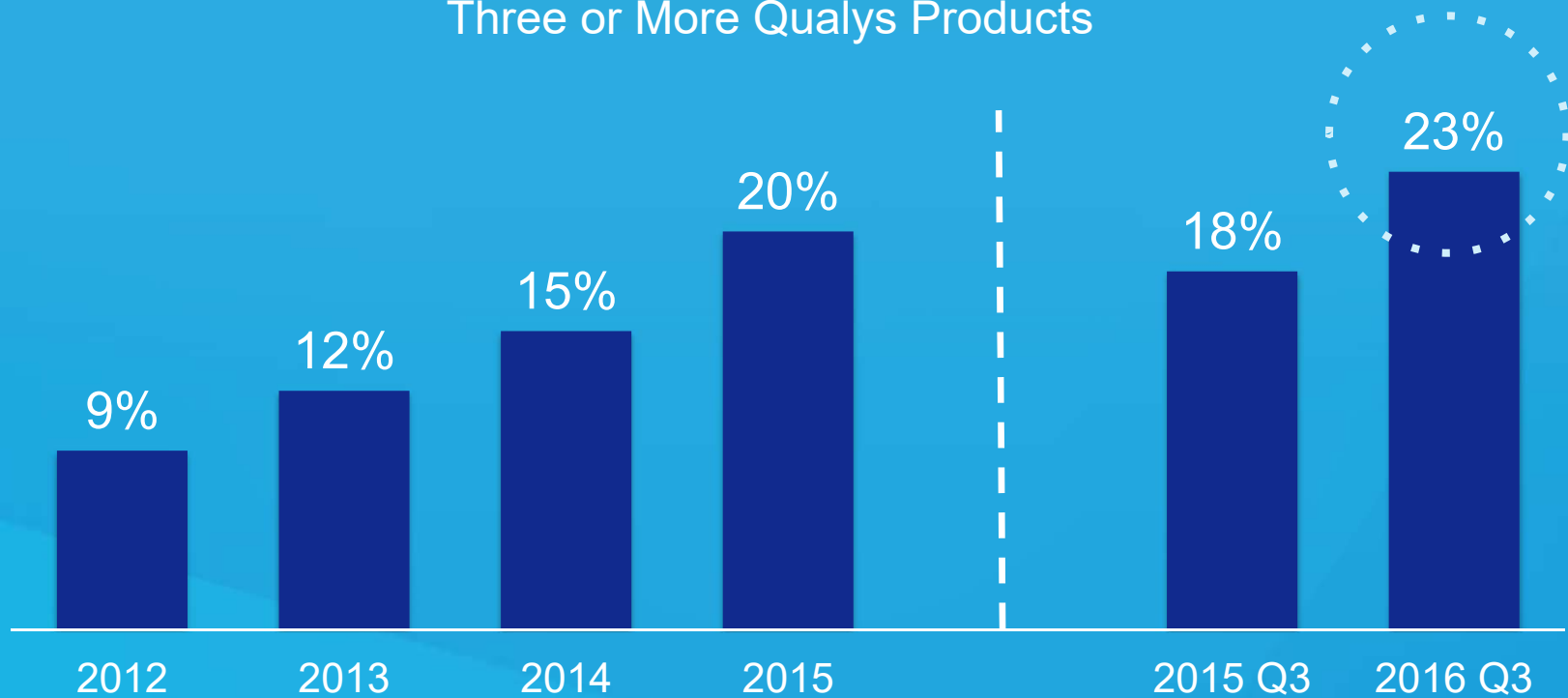
*Represents top 10 existing and new customers with the biggest new solution bookings for the period 2016 Q3 LTM



Platform Adoption Increasing

% of Enterprise customers with 3+ Qualys products has doubled in the last 3 years

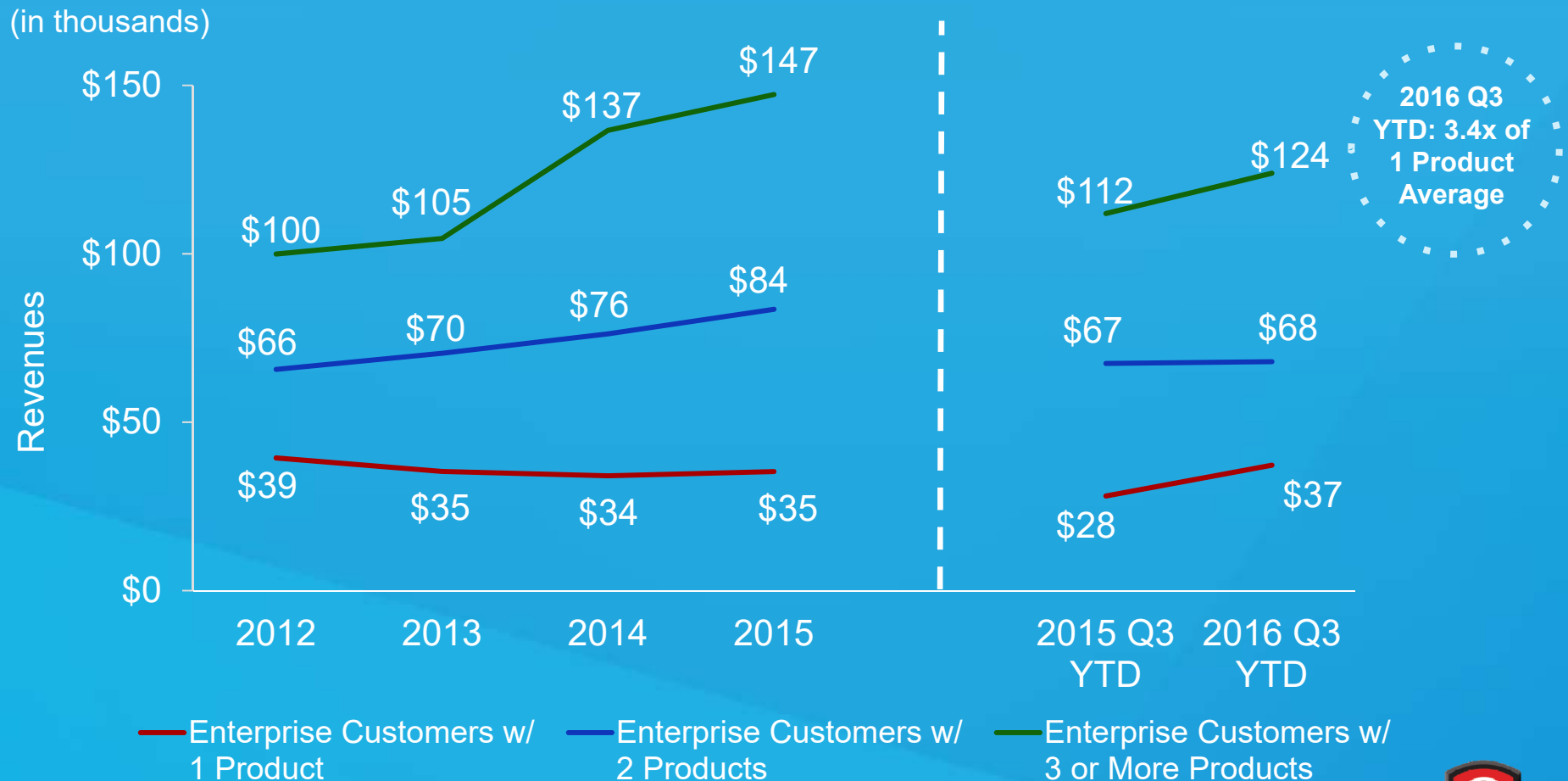
Percent of Enterprise Customers with Three or More Qualys Products



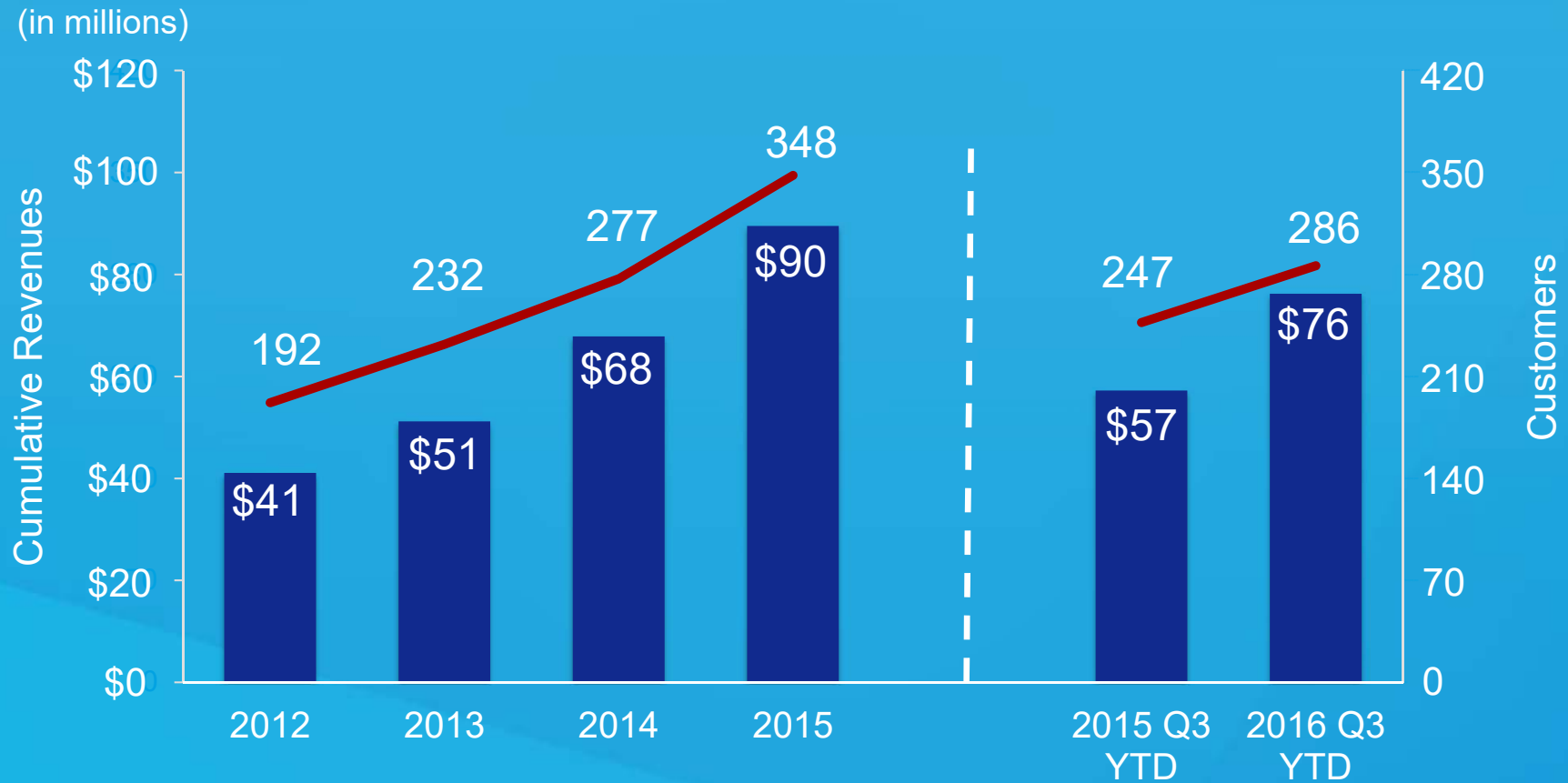
Note: PCI excluded in the product count for Enterprise customers because it's bundled with Vulnerability Management



Enterprise Customers with 3+ Products Spend More Than 3x 1-Product Customers



Increasing Number of Customers with Average Spend >\$100K



Note: Customer Count is defined as customers with greater than \$100K average spend in the given period

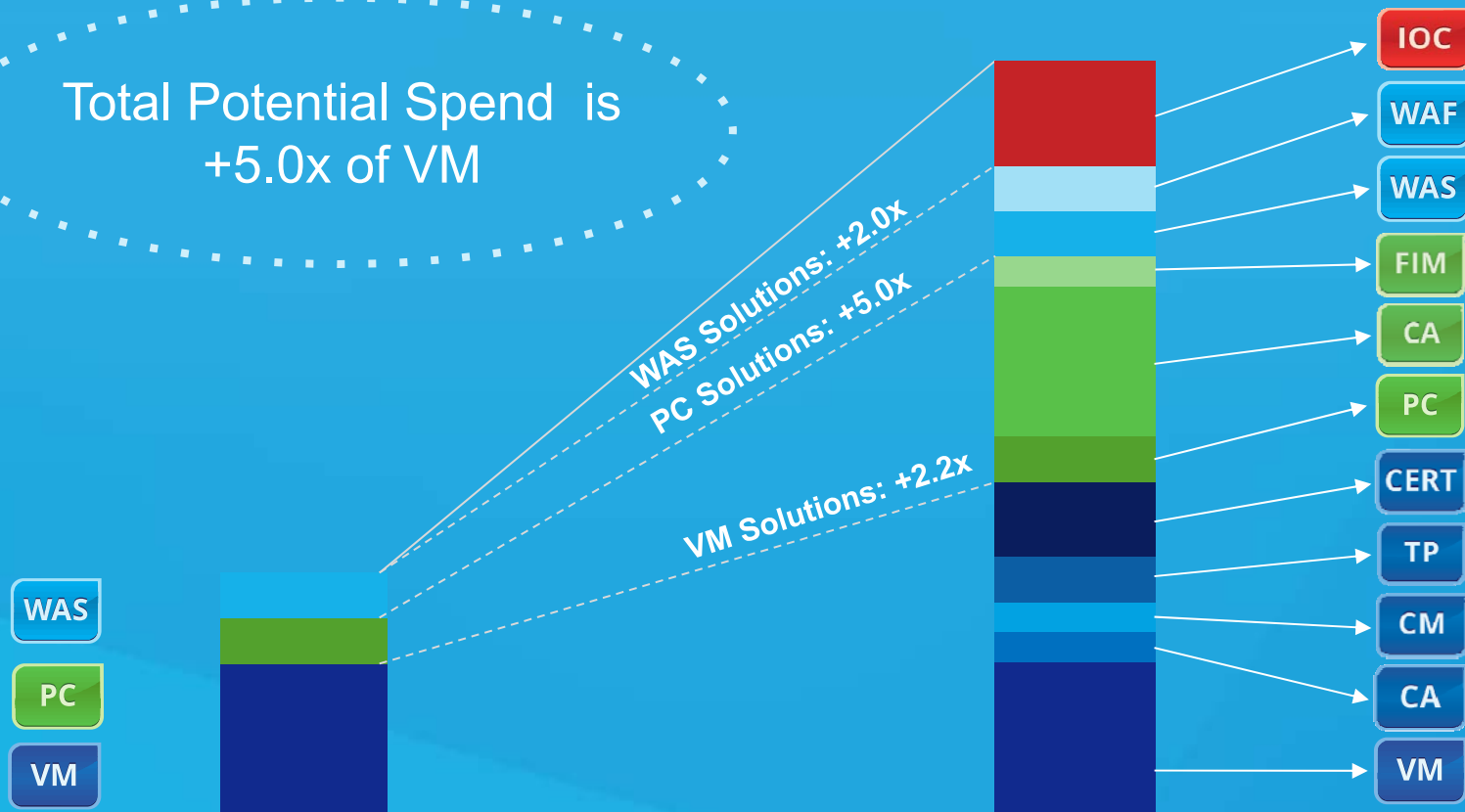


New Solutions Meaningfully Expand Potential Spend per Customer

Qualys 2015

Qualys Future

Total Potential Spend is
+5.0x of VM



Note: Excludes PCP, AV, PCI, SAQ, PAS, and PM

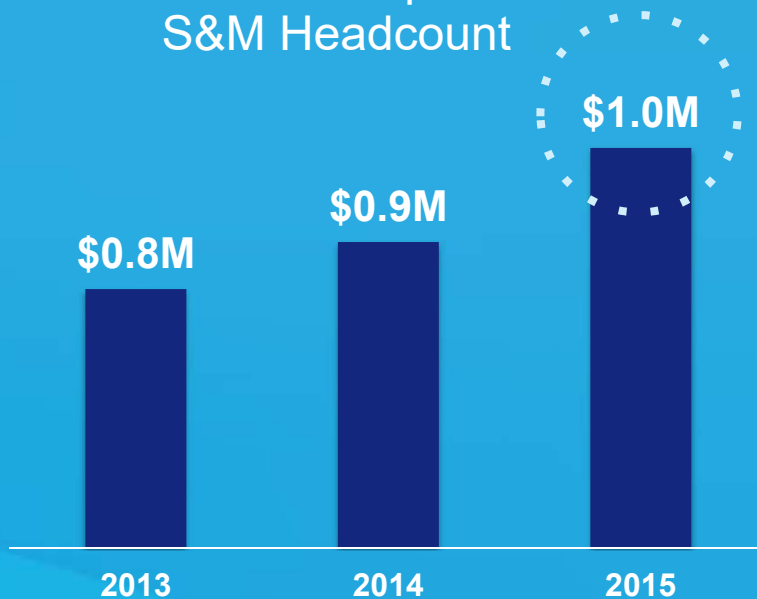


Scalable Operational Model



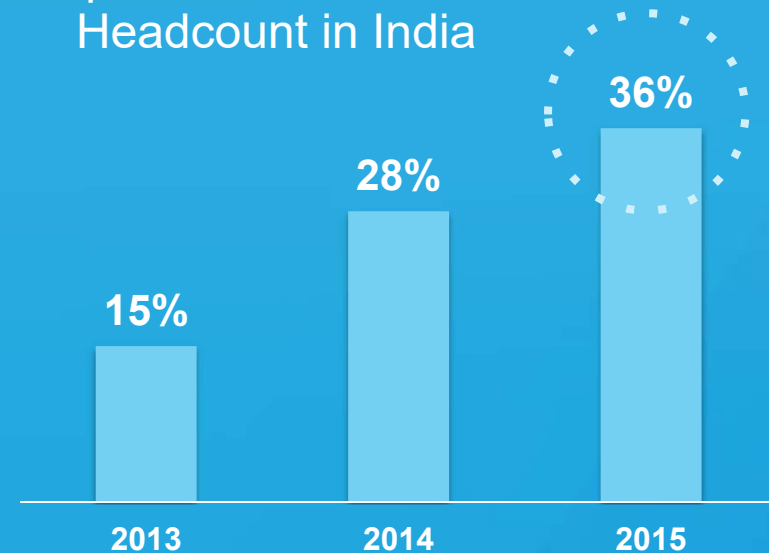
Platform Enables Scalable Operational Model

Revenue per S&M Headcount



High Sales Leverage

% of Customer Support, Operations, and R&D Headcount in India

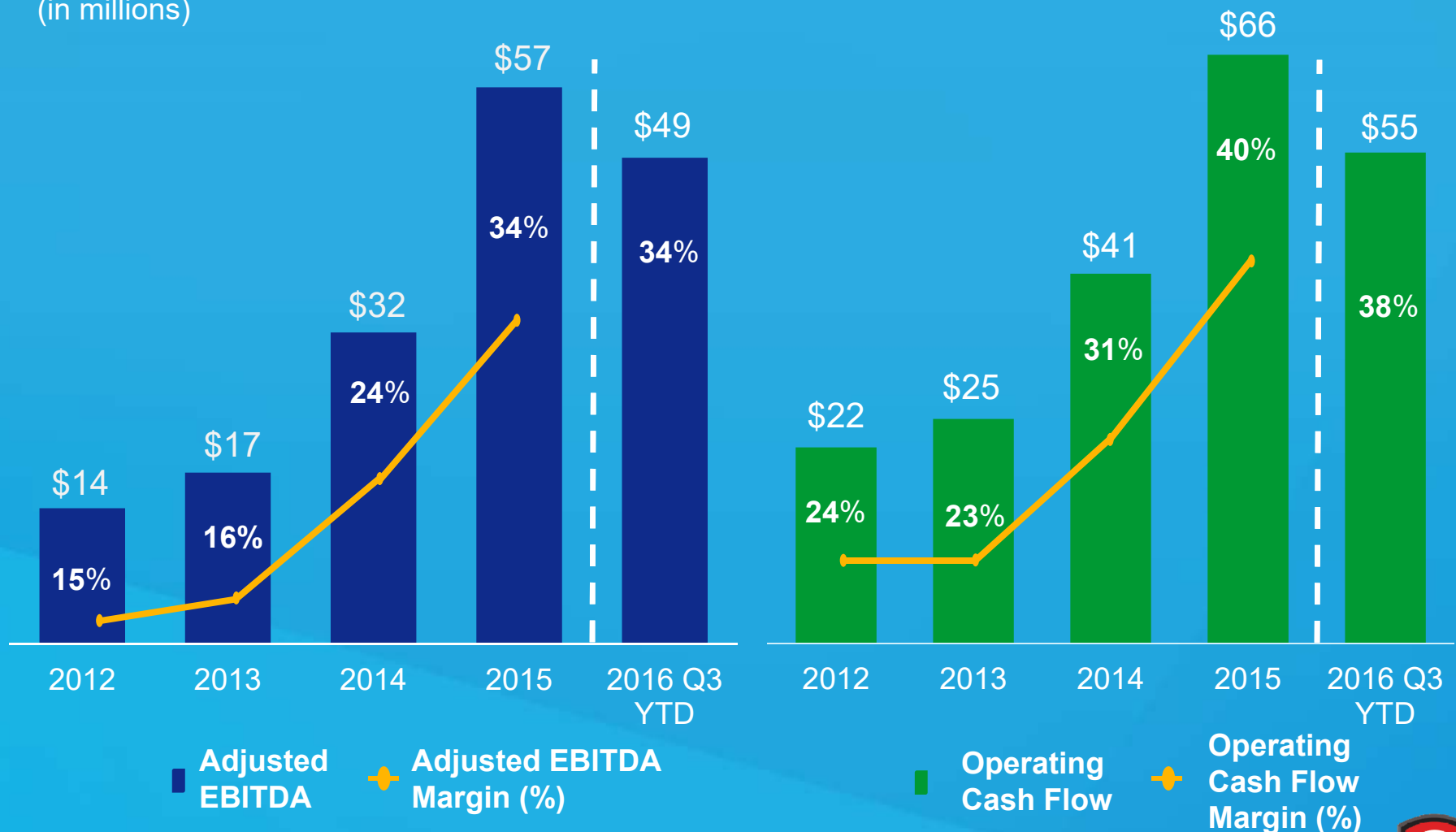


Leveraging Low Cost Geos



Increasing Adjusted EBITDA & Operating Cash Flow

(in millions)



Reaffirming Q4 2016 and FY2016 Guidance

Q4 2016

Revenue in the range of \$51.9 to \$52.9 million

GAAP EPS in the range of \$0.06 to \$0.08 per diluted share

Non-GAAP EPS in the range of \$0.16 to \$0.18 per diluted share

FY2016

Revenue in the range of \$197.6 million to \$198.6 million

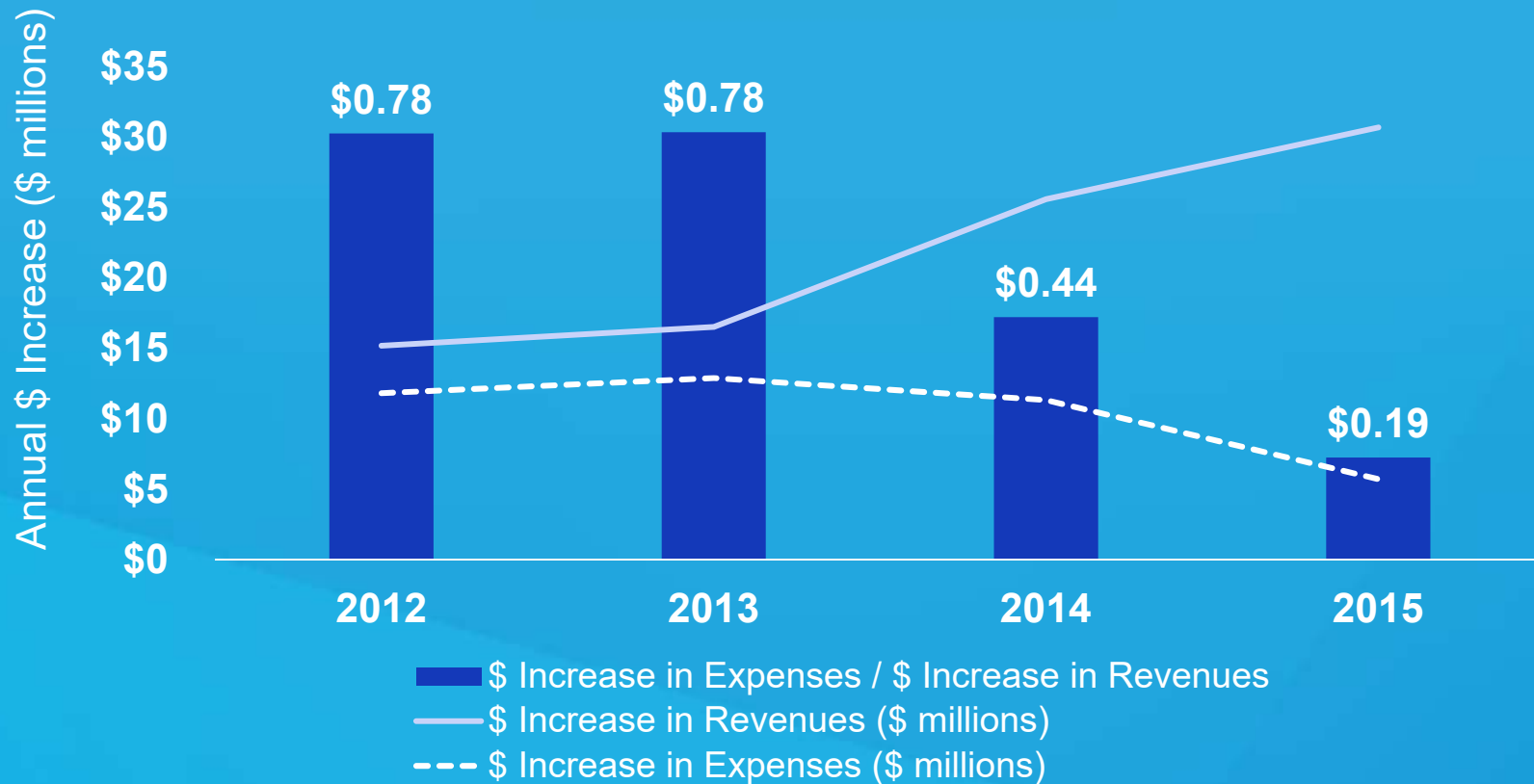
GAAP EPS in the range of \$0.41 to \$0.42 per diluted share

Non-GAAP EPS in the range of \$0.79 to \$0.80 per diluted share



Qualys Model Offers Significant Operating Leverage When Solutions Scale

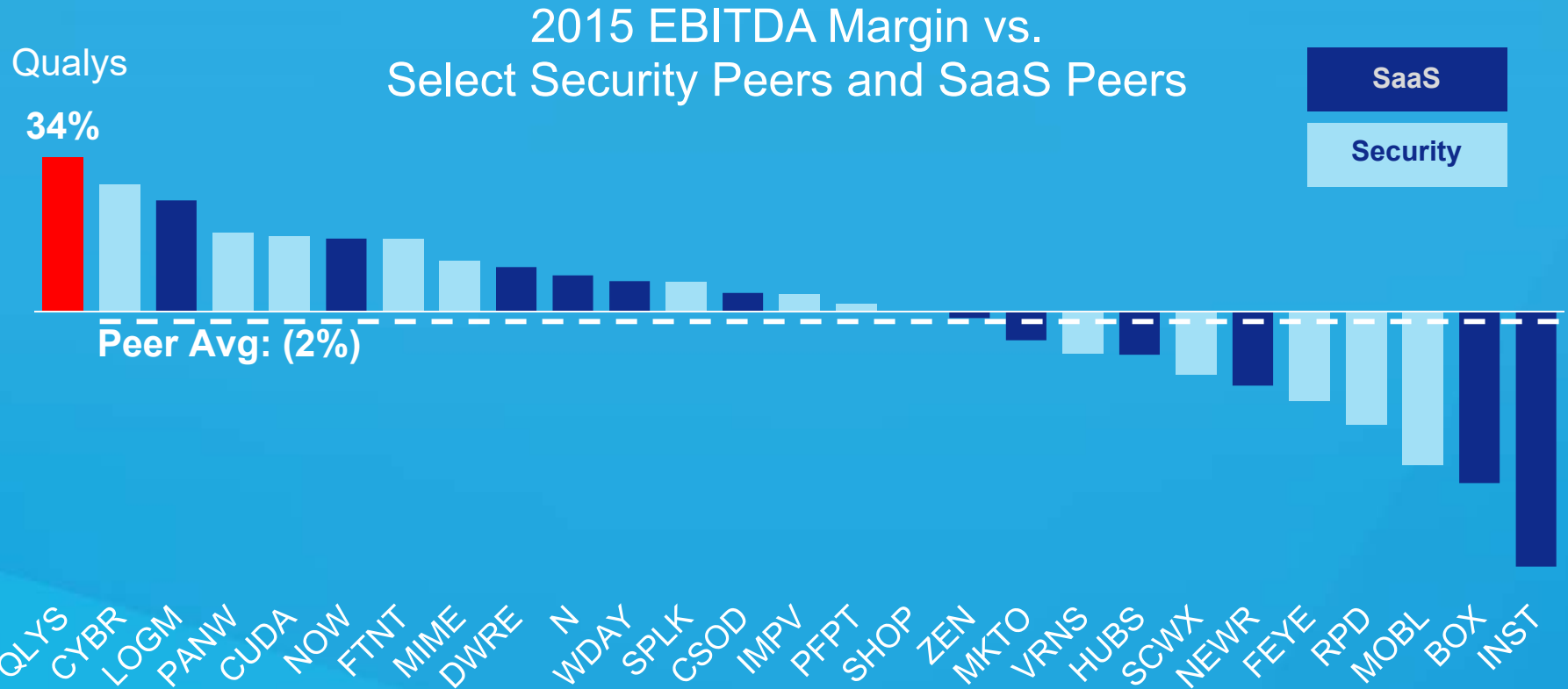
Incremental Expenses Per \$1.00 of Incremental Revenues



Note: Expenses = Revenues - EBITDA



Industry-Leading Margins



Source: JPMorgan



Summary

Leading SaaS security and compliance solutions cloud platform

Uniquely positioned to leverage the adoption of cloud technology and stack consolidation

Multiple drivers of recurring revenue growth

Scalable profitable business model with industry-leading margins





QUALYS[®]

Thank You
mfisher@qualys.com



Appendix



Qualys Integrated Cloud Suite

VM Vulnerability Management

PCI PCI Compliance

WAS Web Application Scanning

CM Continuous Monitoring

PC Policy Compliance

WAF Web Application Firewall

AV AssetView

SAQ Security Assessment Questionnaire

CERT Certification: SSL Scanning

TP ThreatPROTECT

FIM File Integrity Monitoring

PAS Passive Scanning

CA Cloud Agent

IOC Indication of Compromise

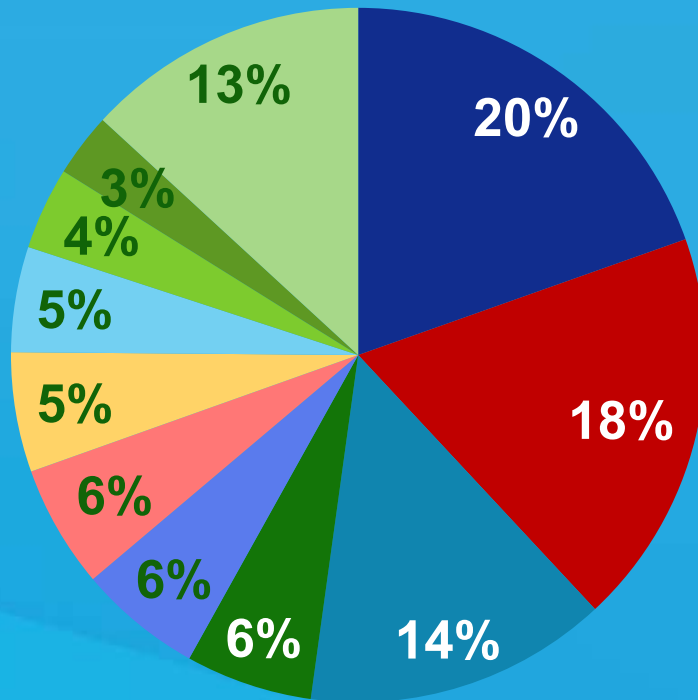
PM Patch Management



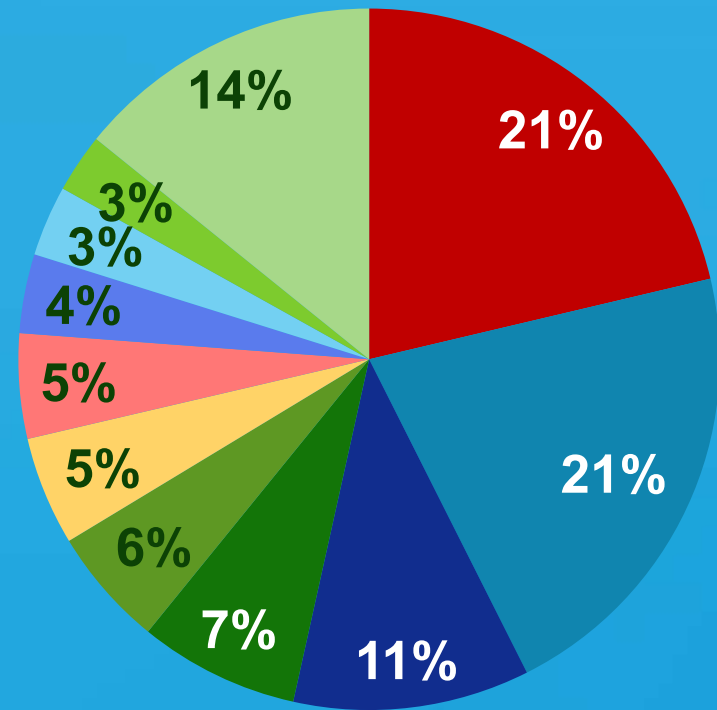
Diverse Customer Base

By Industry

2016 Q3 Customers



2016 Q3 YTD Revenues



■ Financial Services
■ Insurance
■ Government

■ Technology
■ Manufacturing
■ Media & Communication

■ Services
■ Healthcare
■ Education

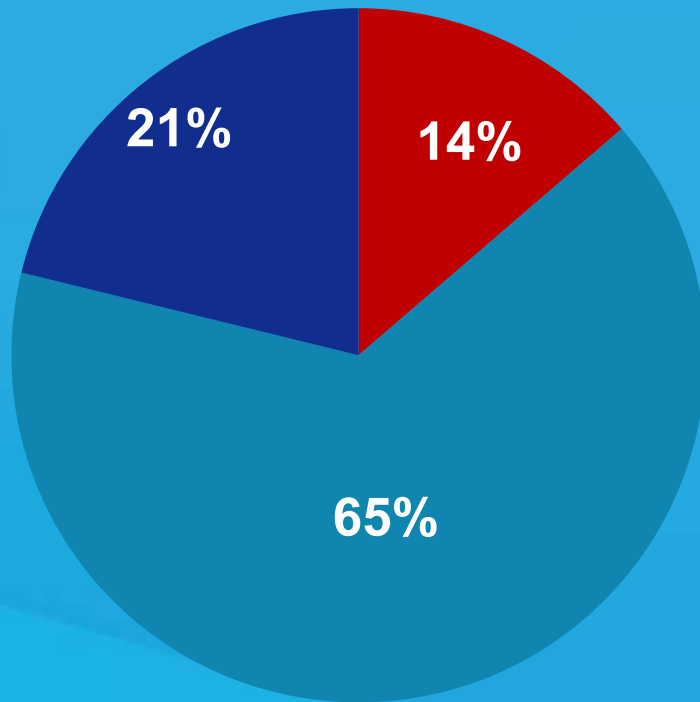
■ Retail
■ Other



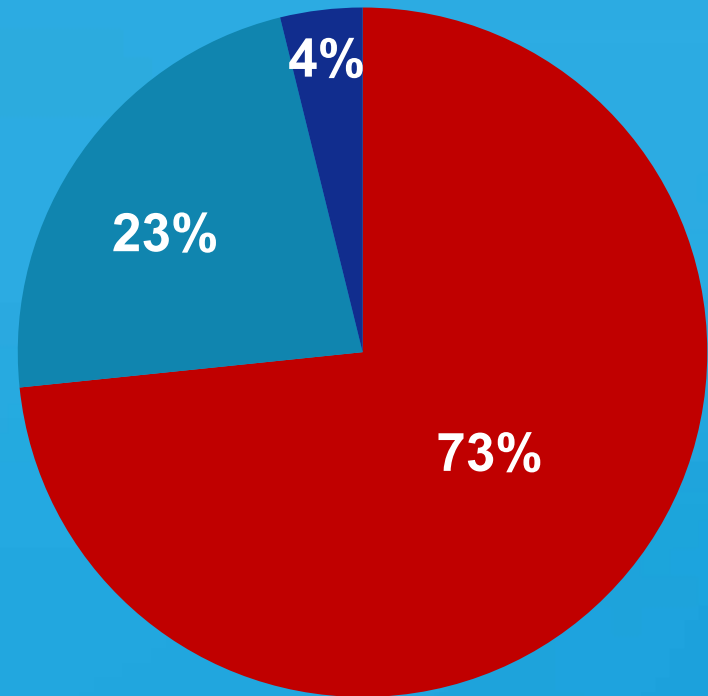
Diverse Customer Base

By Customer Type

2016 Q3 Customers



2016 Q3 YTD Revenues



■ Enterprise ■ SME ■ SMB

Note: Pie chart percentages may not sum to 100% due to rounding



Reconciliation of Adjusted EBITDA

(in thousands)	9M 2016	2015	2014	2013	2012	Q1 '16	Q2 '16	Q3 '16
Net Income	13,317	15,865	30,244	1,541	2,221	4,783	3,538	4,996
Other (income) expenses, net	(438)	286	634	268	425	(168)	(40)	(230)
Provision for (benefit from) income taxes	8,417	8,655	(21,631)	500	358	2,982	2,214	3,221
Depreciation and amortization of property and equipment	12,035	13,974	11,504	9,195	6,895	3,724	3,885	4,426
Amortization of intangible assets	329	386	393	417	446	110	109	110
Stock based compensation	15,122	17,494	10,549	5,506	3,452	4,697	5,322	5,103
One-time tax related expense	716	---	---	---	---	---	716	---
Adjusted EBITDA	49,498	56,660	31,693	17,427	13,797	16,128	15,744	17,626



Non-GAAP Financial Measures

In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, Qualys monitors operating measures of non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP net income, and non-GAAP net income per diluted share. In computing these non-GAAP financial measures, Qualys excludes the effects of stock-based compensation expense and non-recurring expenses.

We have not reconciled non-GAAP net income per diluted share guidance to GAAP net income per diluted share because we do not provide guidance on the various reconciling cash and non-cash items between GAAP net income and non-GAAP net income (i.e., stock-based compensation and non-recurring expenses). The actual dollar amount of reconciling items in the fourth quarter and full year 2016 is likely to have a significant impact on the Company's GAAP net income per diluted share in the fourth quarter and full year 2016, respectively. Accordingly, a reconciliation of the non-GAAP net income per diluted share guidance to the corresponding non-GAAP net income per diluted share is not available without unreasonable effort.

Beginning in 2015, due to the recognition of deferred tax assets in 2014 and in order to provide a more complete picture of recurring core operating business results, the Company's non-GAAP net income and non-GAAP net income per diluted share include tax adjustments required to achieve the effective tax rate on a non-GAAP basis, which could differ from the GAAP effective tax rate. The Company believes the non-GAAP effective tax rate, which is 36% in 2016, is a reasonable estimate under its global operating structure. The Company intends to re-evaluate the non-GAAP effective tax rate on an annual basis. However, it may adjust this rate during the year to take into account events or trends that it believes materially impact the estimated annual rate. The non-GAAP effective tax rate could be subject to change for a number of reasons, including but not limited to, significant changes resulting from tax legislation, material changes in geographic mix of revenues and expenses and other significant events.

