



QUALYS®

Investor Presentation

Philippe Courtot, Chairman and CEO

Melissa Fisher, CFO

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.



Investment Highlights

Leading SaaS Security and
Compliance Solutions Cloud Platform

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

Multiple Levers of Recurring
Revenue Growth

Industry-Leading Profitability



Qualys Cloud Platform

Provides continuous view of global IT assets
and their security & compliance posture

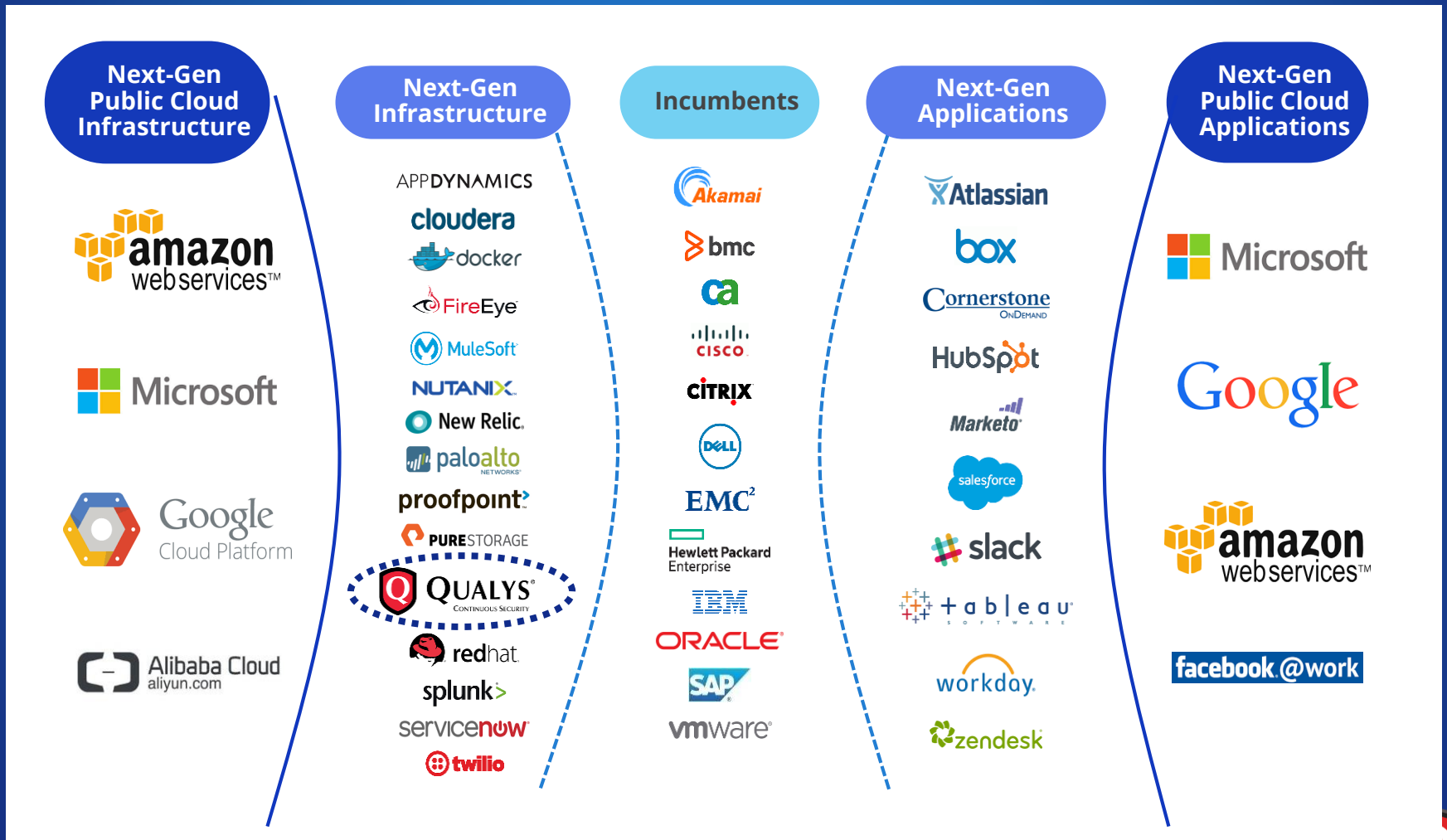
Consolidates 10+ enterprise
security & compliance
solutions and more to come...

ALL centrally managed,
self updating and natively
sharing information

Drastically reducing
infrastructure, operational
and maintenance costs



Qualys: The Next-Gen Security Platform

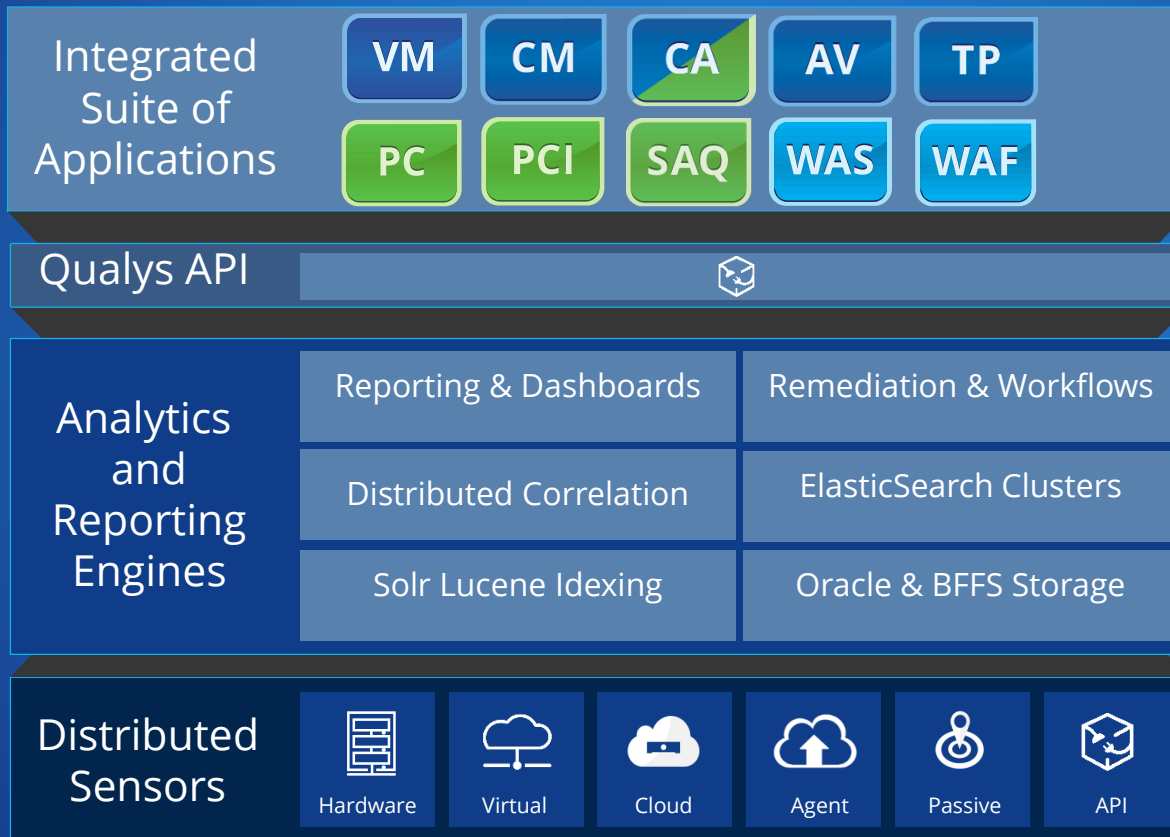


* Source: Morgan Stanley



True Extensible Cloud Platform

Consolidates 10+ on-premise solutions



3B
Scans

100B
Detections

1T
Security
Datapoints
Annually



Global Infrastructure

Currently processing 3 billion scans
and indexing 9 billion data points

Millions of Scans per Year



Public Clouds
US and EU

Private Clouds
**Physical and
Virtual**



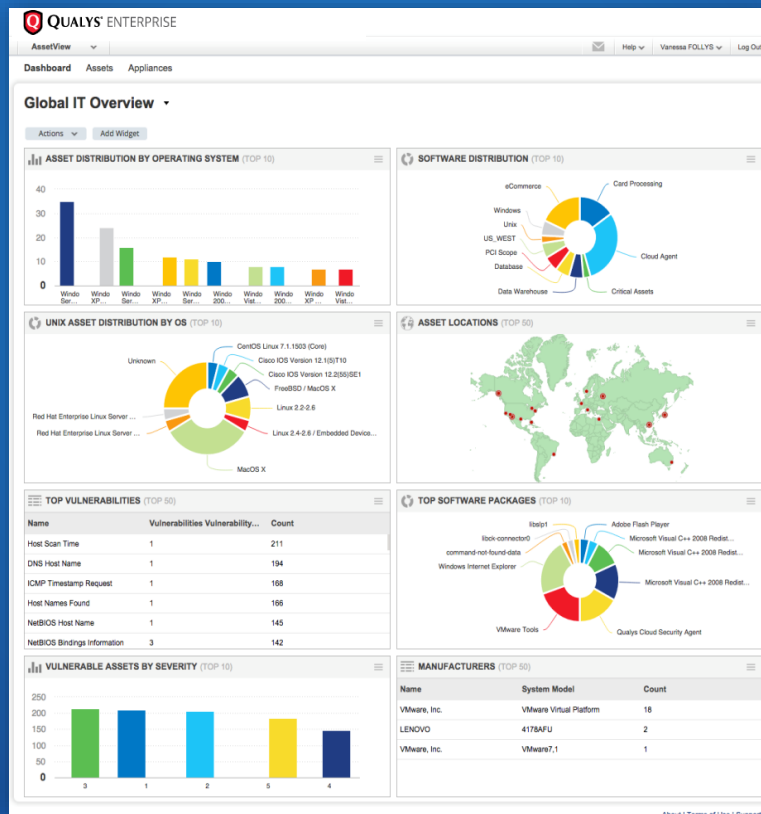
AssetView brings 2s visibility across millions of IT assets

Provides customizable, dynamic dashboards

Instant query across millions of IT assets

Unified assets' view

Dynamic and customizable dashboards



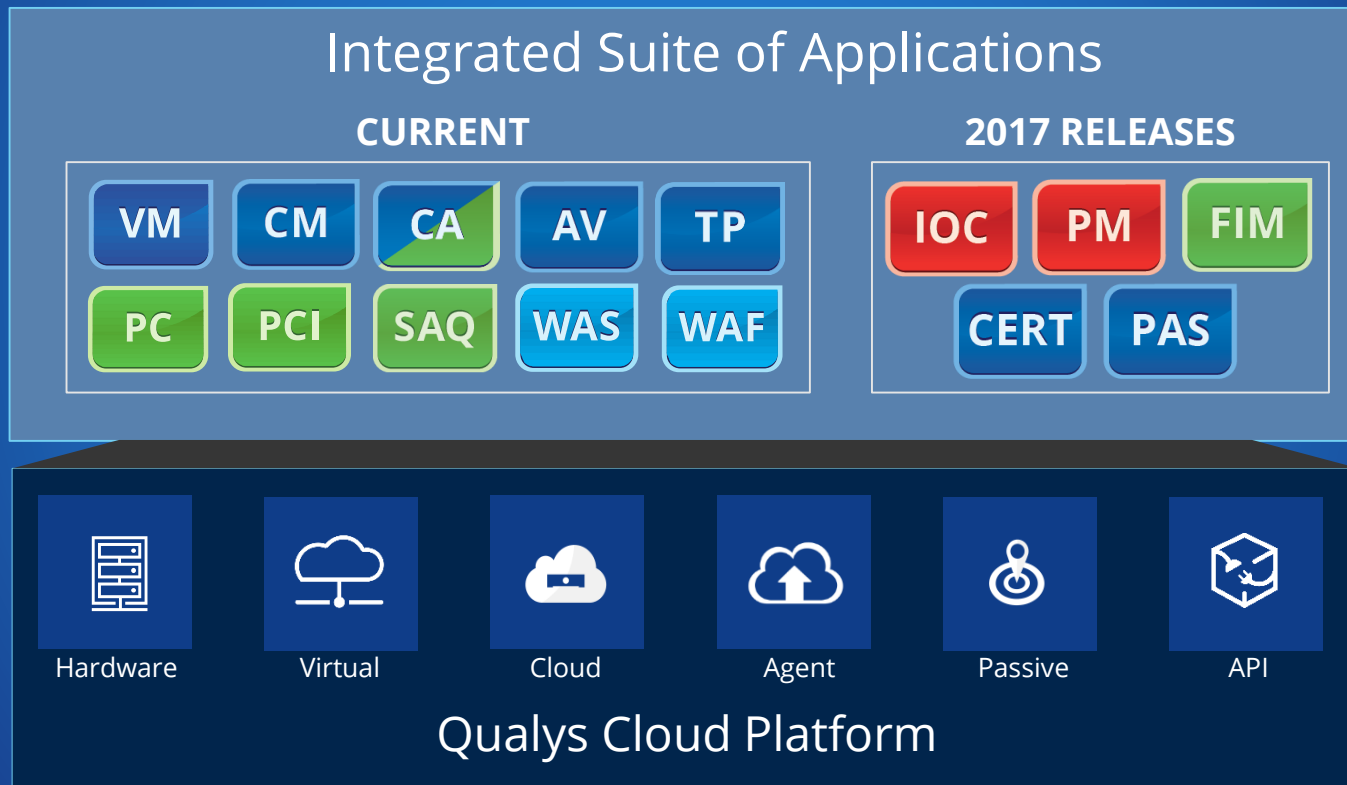
Vulnerability Risk Analysis dashboard

Synchronization with Splunk, ServiceNow & others



More new solutions coming

New solutions will increase TAM
and potential share of wallet



Organic platform enables vendor and stack consolidation

Vulnerability Management		
Policy Compliance	 	 
Web Application Security	 	  

New services to come

New Services	 				
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Blue Chip Global Customers Base

70% of the Forbes Global 50 and 25% of the Forbes Global 2000 standardized on Qualys

9,300+ Customers

9 of top 10 in Major Banks

9 of top 10 in Software

8 of top 10 in Consumer Discretionary

8 of top 10 in Consumer Staples

8 of top 10 in Technology

6 of top 10 in Healthcare

6 of top 10 in Telecommunications

5 of top 10 in Energy & Utilities

5 of top 10 in Industrial & Materials

5 of top 10 in Insurance



Based on Forbes Global 2000 Classification



Qualys Global Presence

Expanding our sales capacity

Customers	Countries	Data Centers	Private Clouds	Locations
9,300+	137	5	30	27

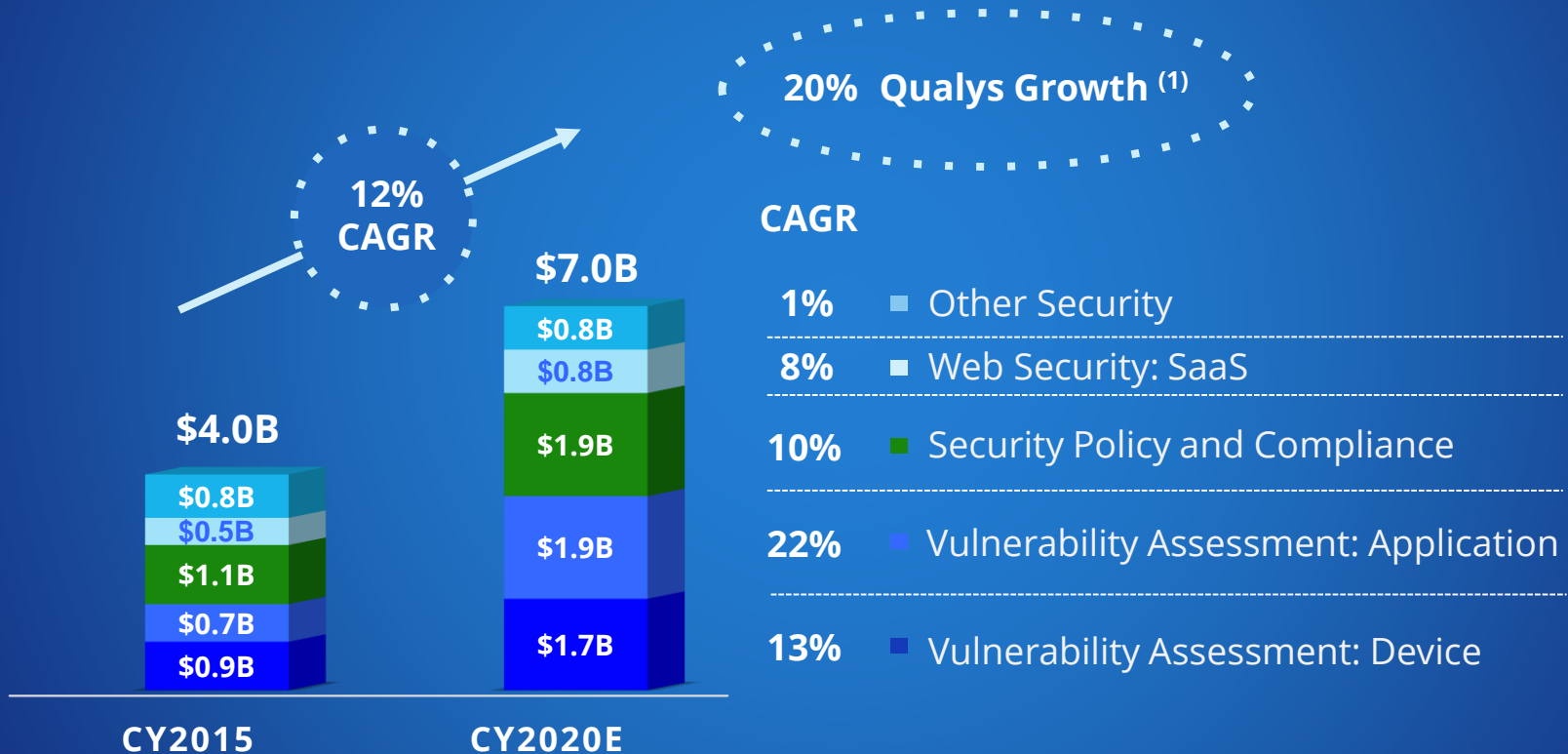


Note: Marked are Qualys locations.



Large Market Opportunity

Qualys has taken the #1 market-share position over IBM and HP in the \$1.6-billion-dollar Vulnerability Assessment Market



Qualys' Current Total Addressable Market

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



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

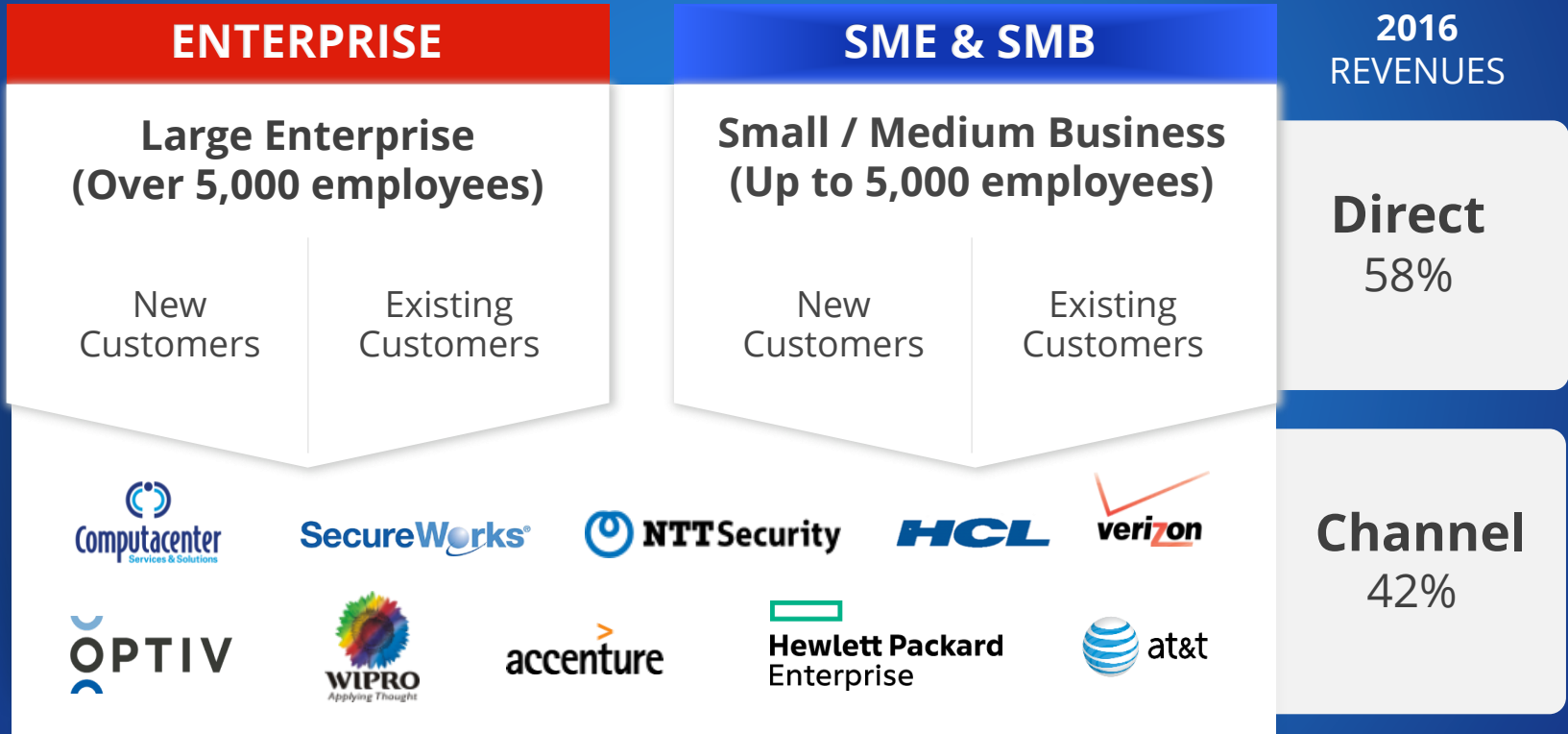
Consultant Suite

Consultant
Groups



Scalable Go-to-Market Model

Market Segmentation & Key Strategic Partners



Attractive High-Margin Recurring Revenue with No Capex for Partners

MSSPs
Telcos

Outsourcing
Providers

VAS
Resellers

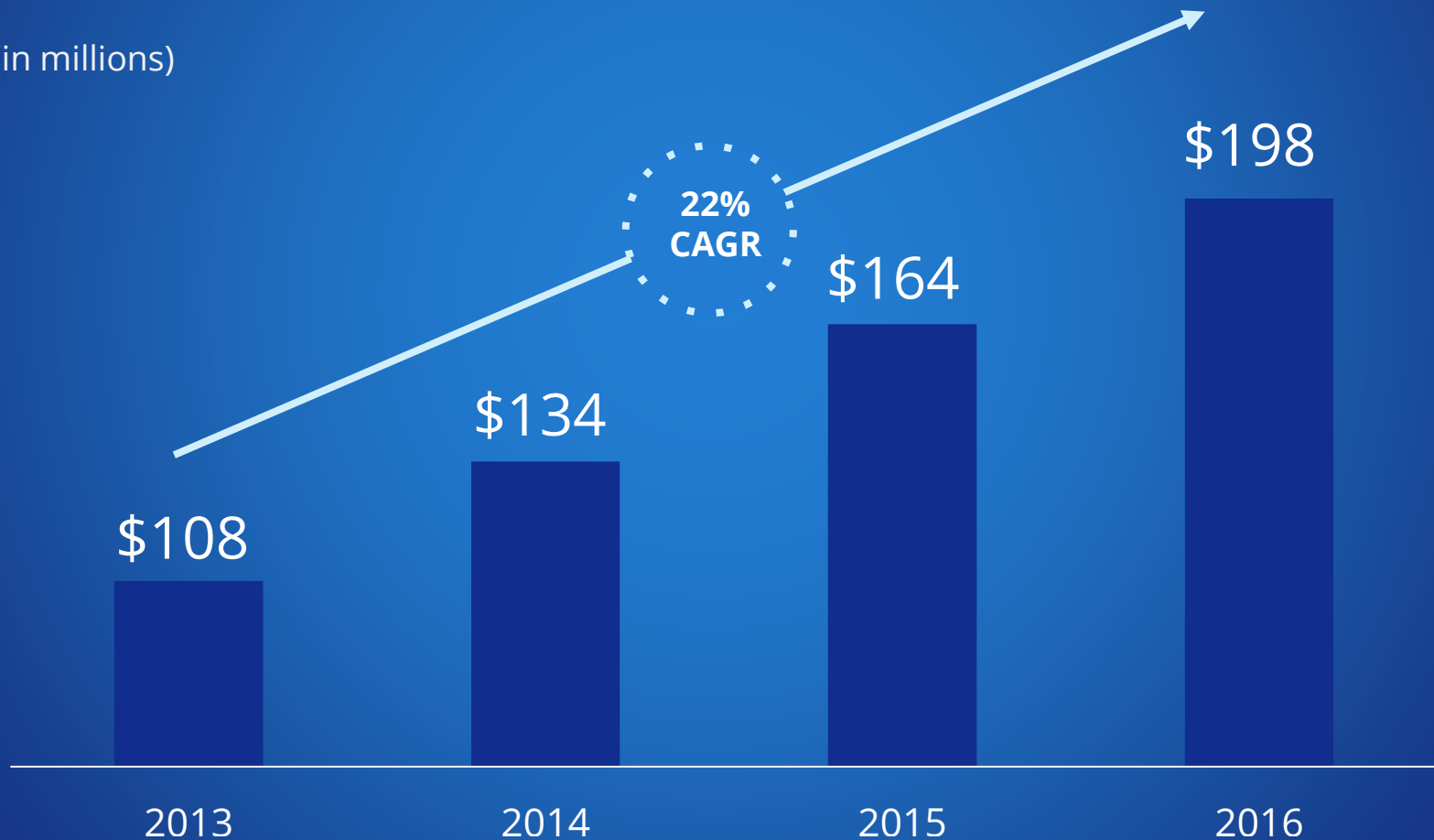
Consultant
Auditors



Strong and Consistent Organic Revenue Growth

Outperforming market and gaining share

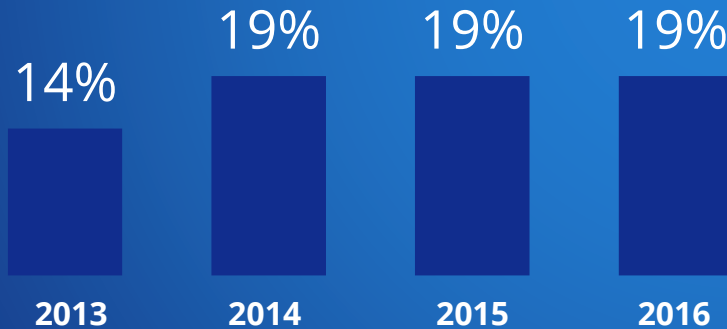
(in millions)



Strong Growth in VM and Other Security Solutions

VM Solutions*

% Year-over-Year Revenue Growth

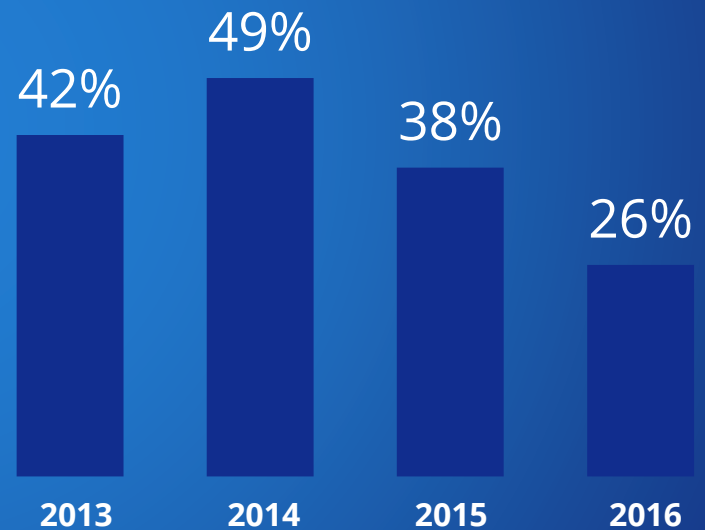


% share of total revenues

Year	% share of total revenues
2013	83%
2014	80%
2015	77%
2016	76%

Other Security Solutions*

% Year-over-Year Revenue Growth



Year	% share of total revenues
2013	17%
2014	20%
2015	23%
2016	24%

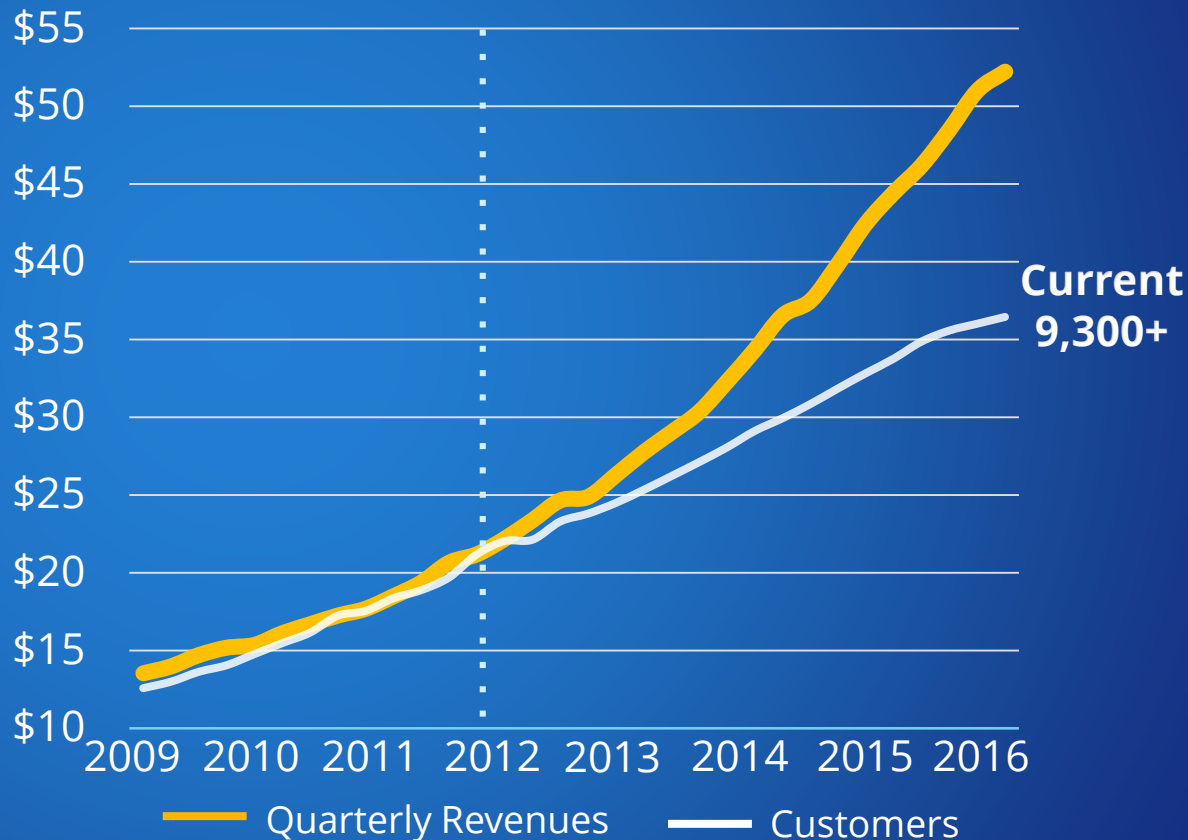
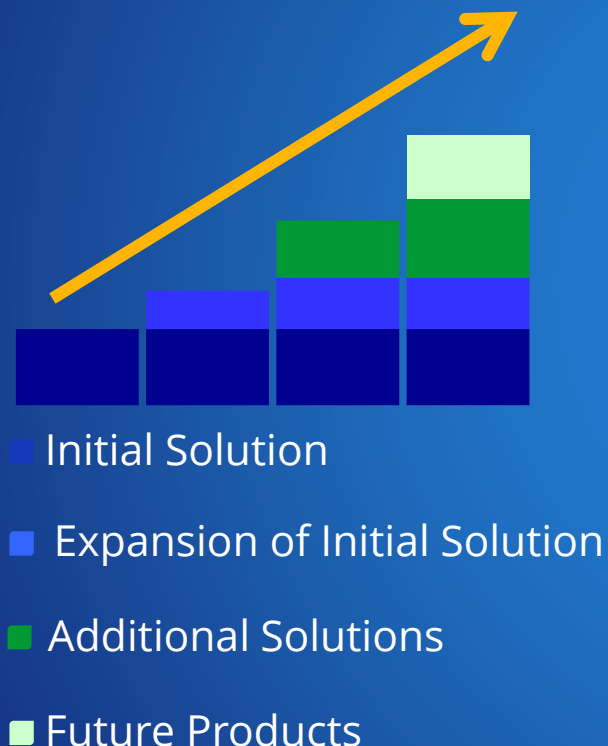
*VM Solutions include VM, PCP, CM, CA for VM, AV, and TP; Other Security Solutions include PC, PCI, CA for PC, SAQ, WAS and WAF; scanners and pro-rata credits allocated based on revenues



Powerful Land and Expand Model

Quarterly Revenues vs. Customers

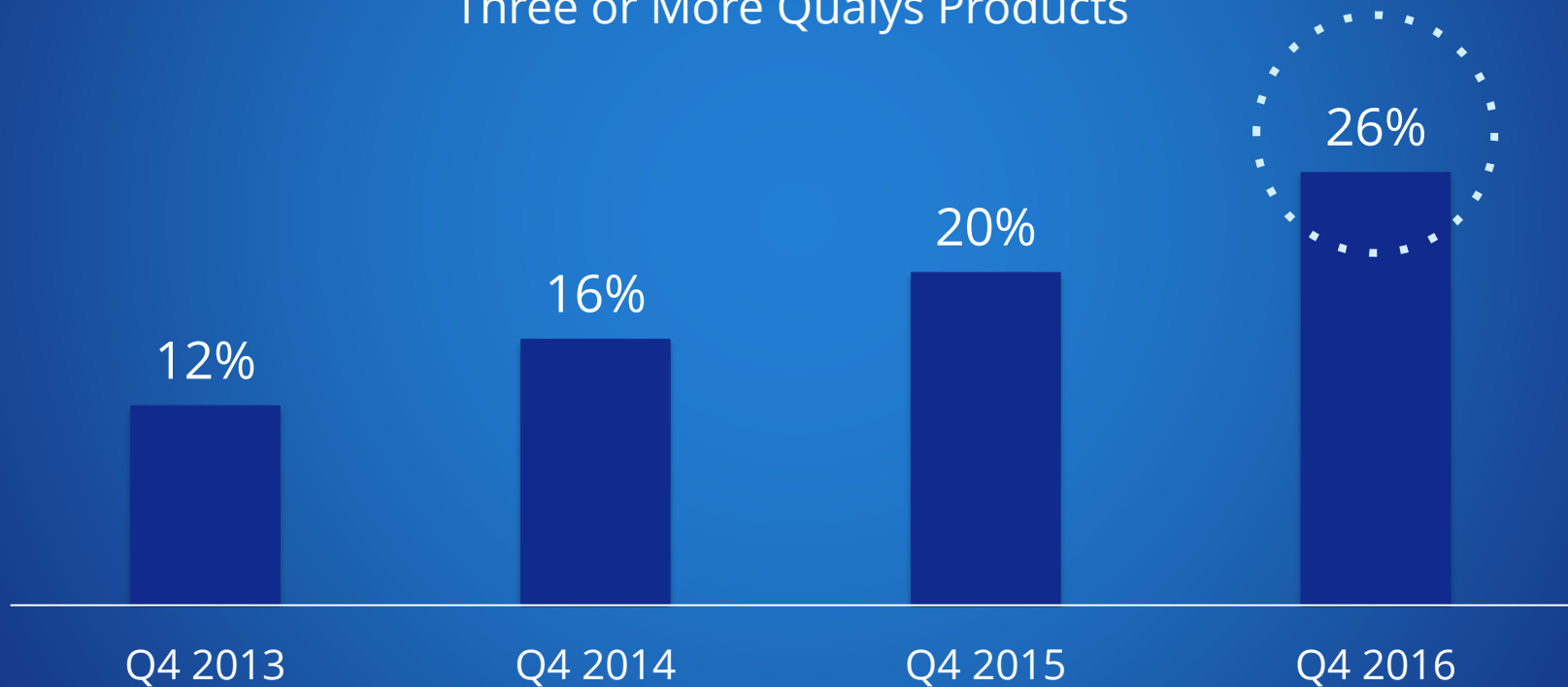
(in millions)



Platform Adoption Accelerating

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

Percent of Enterprise Customers with Three or More Qualys Products



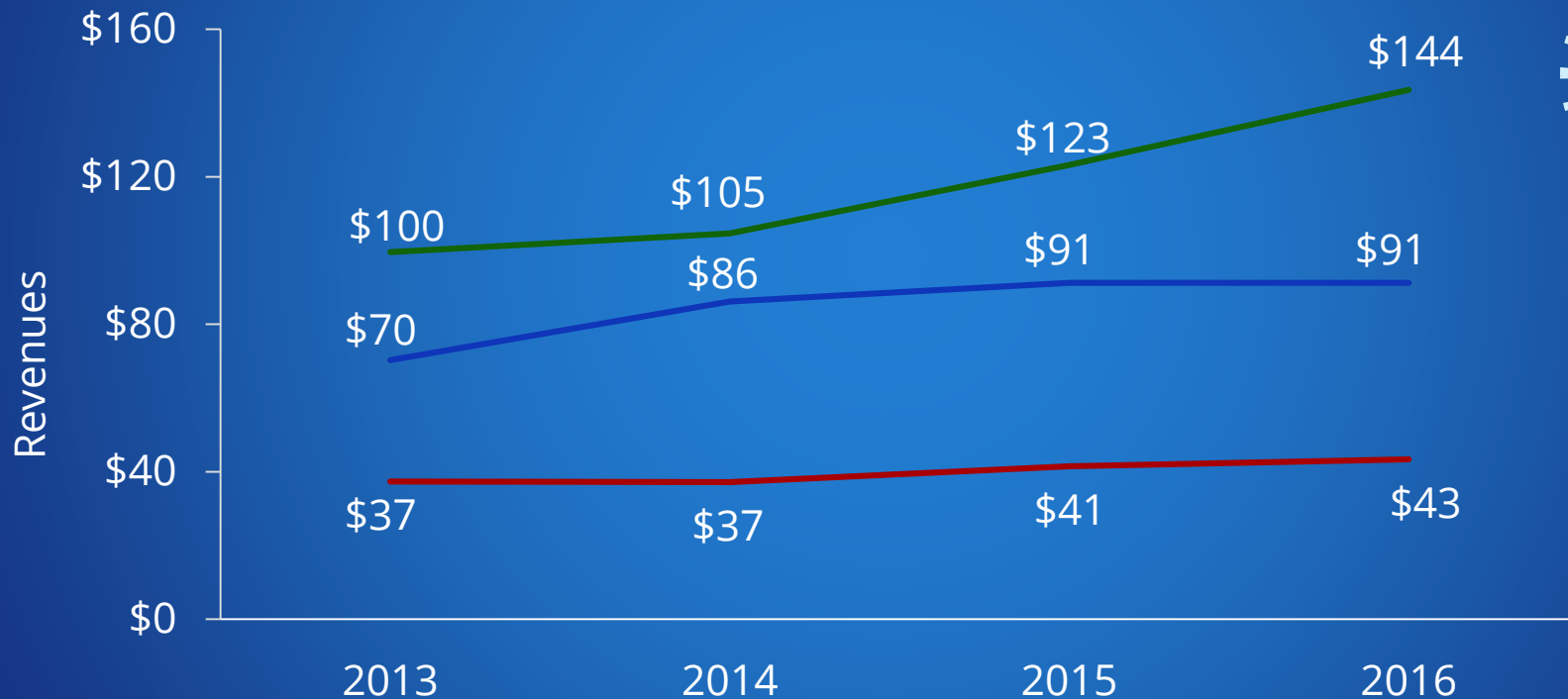
Note: PCI excluded in the product count for Enterprise customers because it's bundled with Vulnerability Management



Multiplier Effect

Enterprise customers with 3+ products spend more than 3x 1-Product Customers

(in thousands)

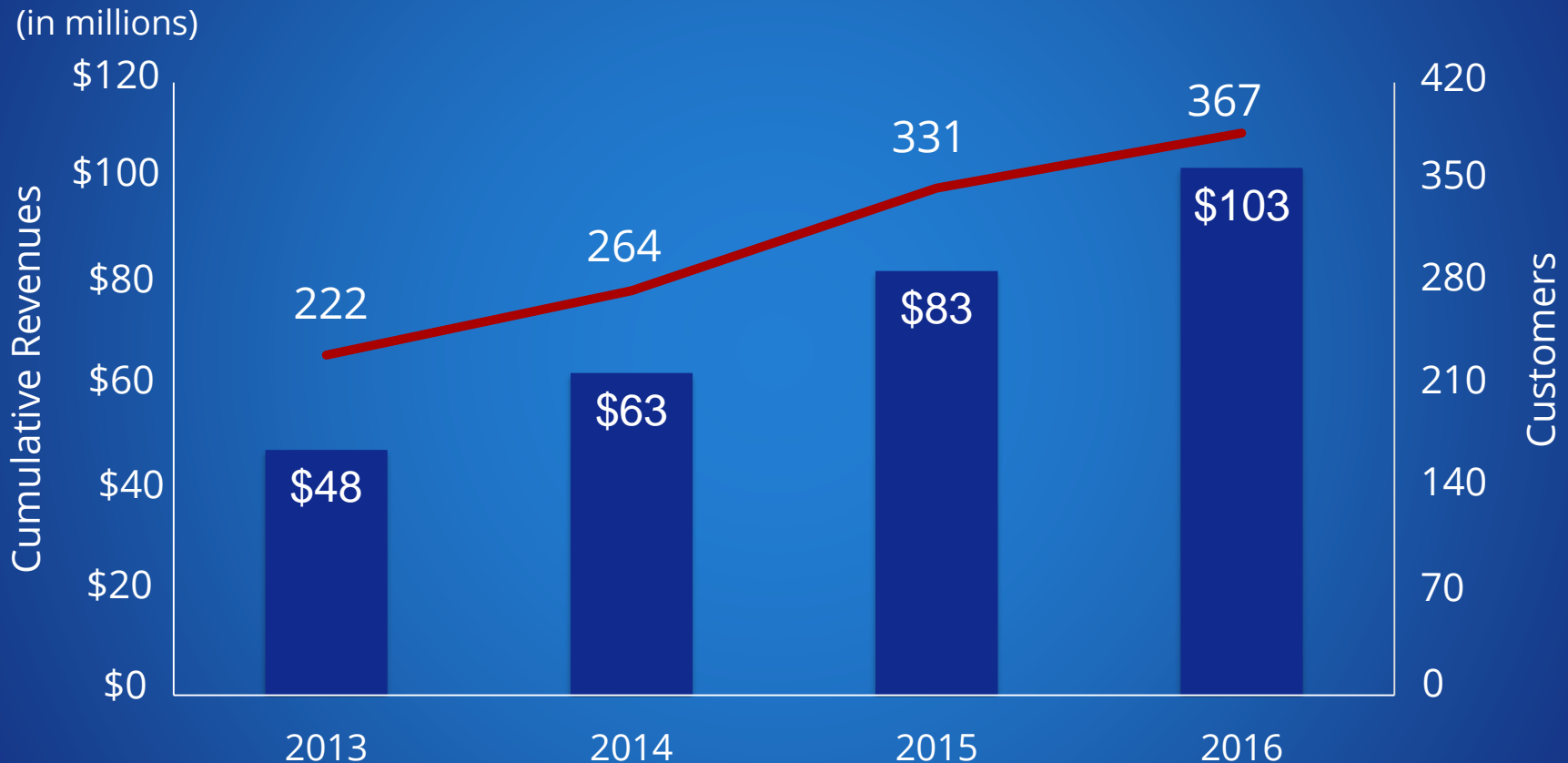


2016: Over 3x of 1 Product Average

— Enterprise Customers w/ 1 Product — Enterprise Customers w/ 2 Products — Enterprise Customers w/ 3 or More Products



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

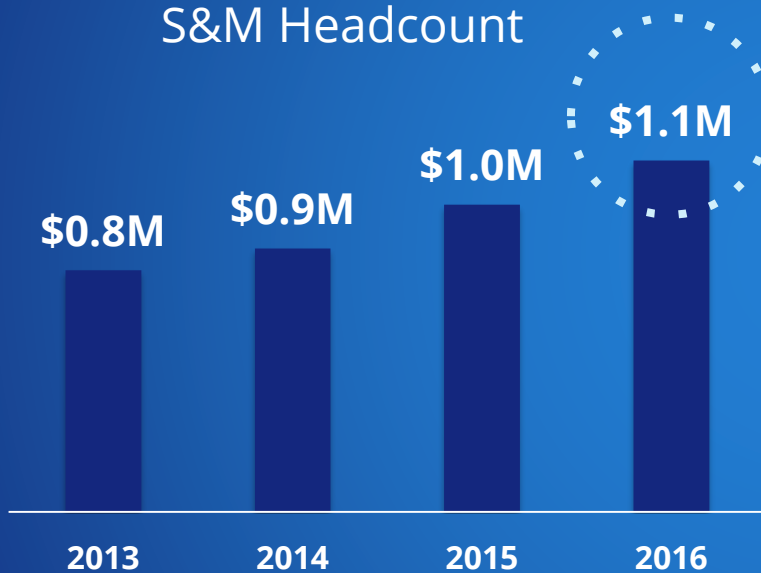


Note: Customer Count is defined as customers with greater than \$100K average spend in the given period



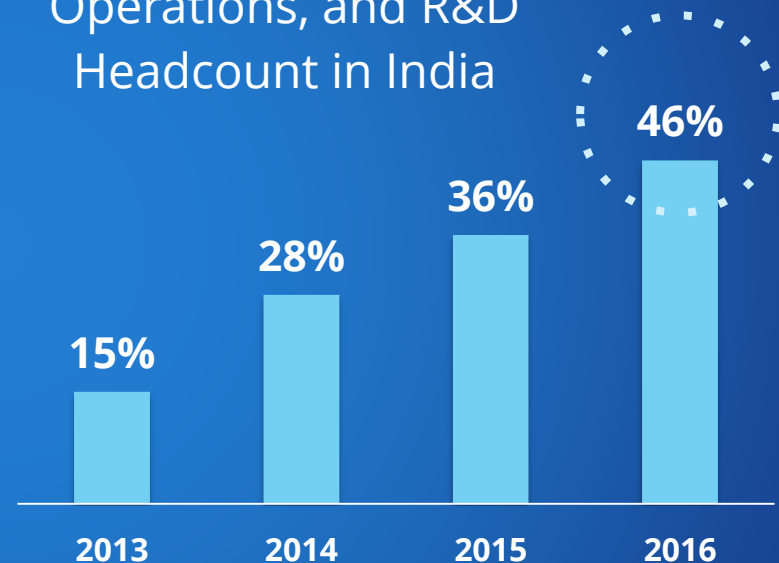
Platform Enables Scalable Operational Model

Revenue per S&M Headcount



High Sales Leverage

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

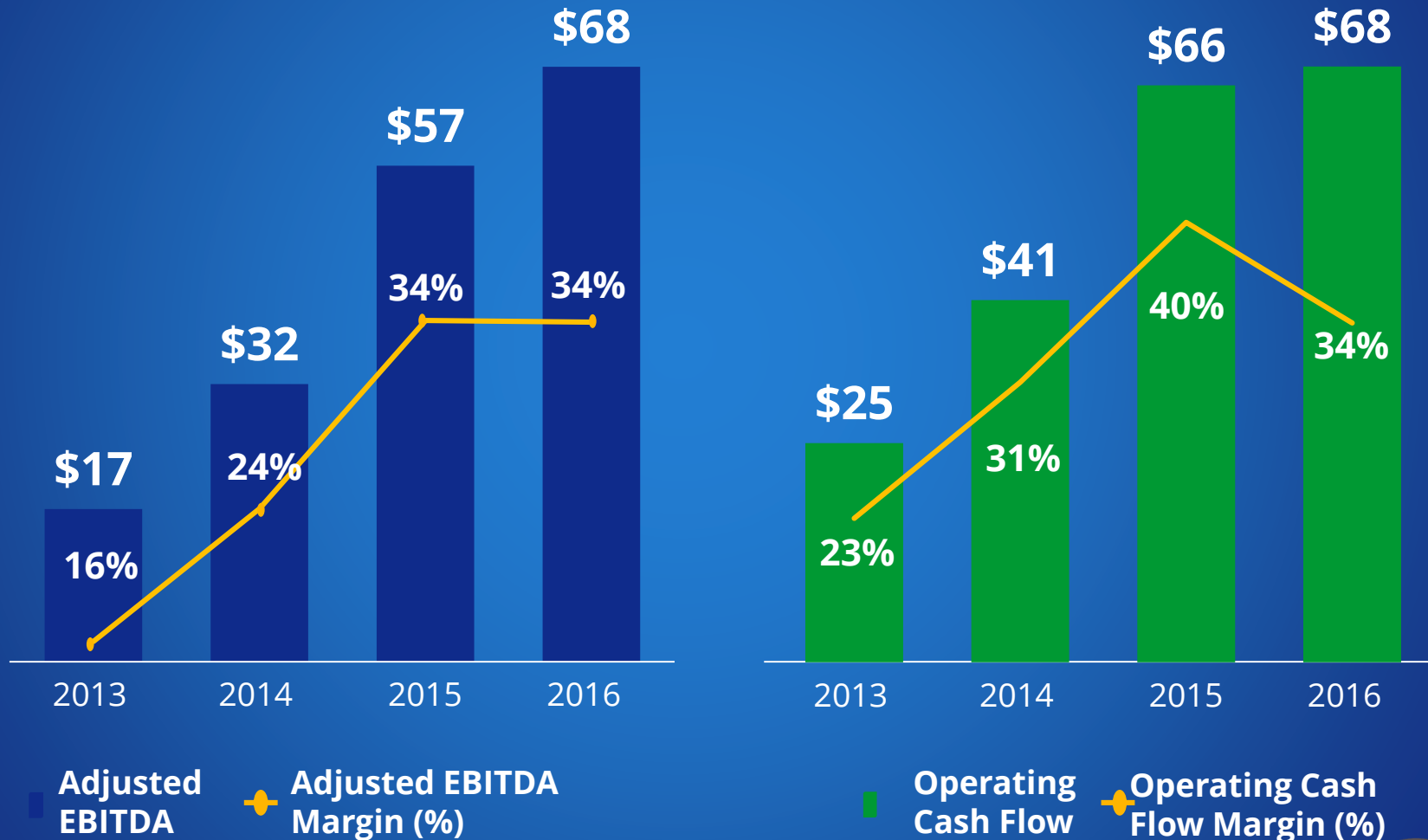


Leveraging Low Cost Geos

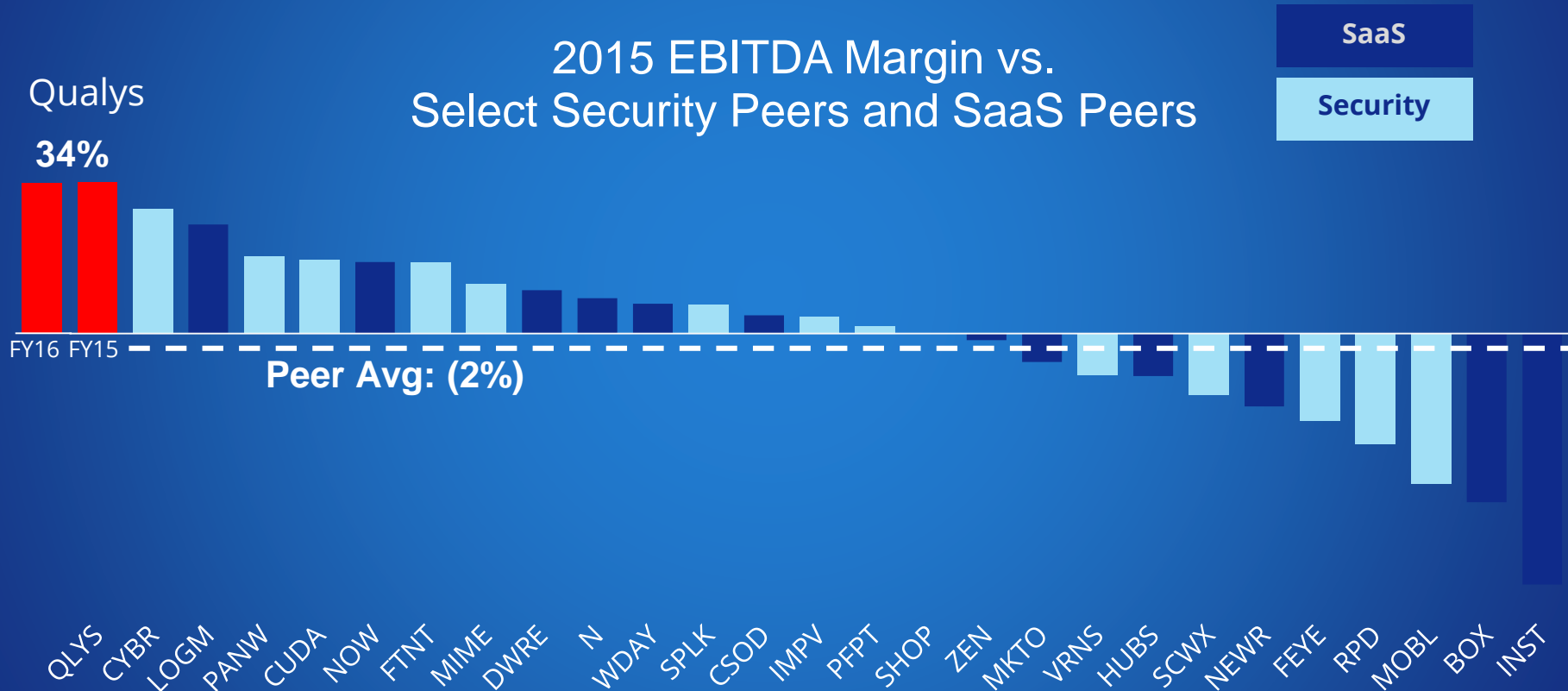


Increasing Adjusted EBITDA & Operating Cash Flow

(in millions)



Industry-Leading Margins and Scalable Business Model



* Source: JPMorgan



MSSP Contract

- Signed in Q1 FY16; consolidates hundreds of MSSP's customers previously billed annually to 1 invoice paid quarterly
- Estimated revenue impact
 - 2016: \$3.2 million of estimated one-time bump to revenues
 - 2017: \$0.7 million of estimated one-time bump to revenues
- Estimated current deferred revenue impact
 - 2016: Negative due to the change in payment terms and timing
 - 2017: Not meaningful



Revenue Guidance Range

(in thousands)

	Q1 FY17		FY 2017	
Revenue Guidance Range	\$52,000	\$53,000	\$224,000	\$228,000
Y/Y Revenue Change under US GAAP	12.4%	14.6%	13.2%	15.2%
Less: Estimated Impact of MSSP Contract Signed in Feb 2016	(2.1%)	(2.2%)	(1.5%)	(1.6%)
Less: Estimated Foreign Exchange Impact	(1.1%)	(1.1%)	(1.5%)	(1.5%)
Estimated Normalized Revenue Growth	15.6%	17.9%	16.2%	18.3%



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



Appendix



Qualys Integrated Cloud Suite



Vulnerability Management



PCI Compliance



Web Application Scanning



Continuous Monitoring



Policy Compliance



Web Application Firewall



AssetView



Security Assessment Questionnaire



Certification: SSL Scanning



ThreatPROTECT



File Integrity Monitoring



Passive Scanning



Cloud Agent



Indication of Compromise



Patch Management



Reconciliation of Adjusted EBITDA

(in thousands)	2016	2015	2014	2013	Q1 '16	Q2 '16	Q3 '16	Q4 '16
Net Income	19,224	15,865	30,244	1,541	4,783	3,538	4,996	5,907
Other (income) expenses, net	(322)	286	634	268	(168)	(40)	(230)	116
Provision for (benefit from) income taxes	11,205	8,655	(21,631)	500	2,982	2,214	3,221	2,788
Depreciation and amortization of property and equipment	16,621	13,974	11,504	9,195	3,724	3,885	4,426	4,586
Amortization of intangible assets	373	386	393	417	110	109	110	44
Stock based compensation	20,149	17,494	10,549	5,506	4,697	5,322	5,103	5,027
One-time tax related expense	716	---	---	---	---	716	---	---
Adjusted EBITDA	67,966	56,660	31,693	17,427	16,128	15,744	17,626	18,468

