



QUALYS®

Investor Presentation

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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.

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 Cloud Platform

Provides continuous view of global IT assets
and of 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



Investment Highlights

Leading SaaS Security and
Compliance Solutions Cloud Platform

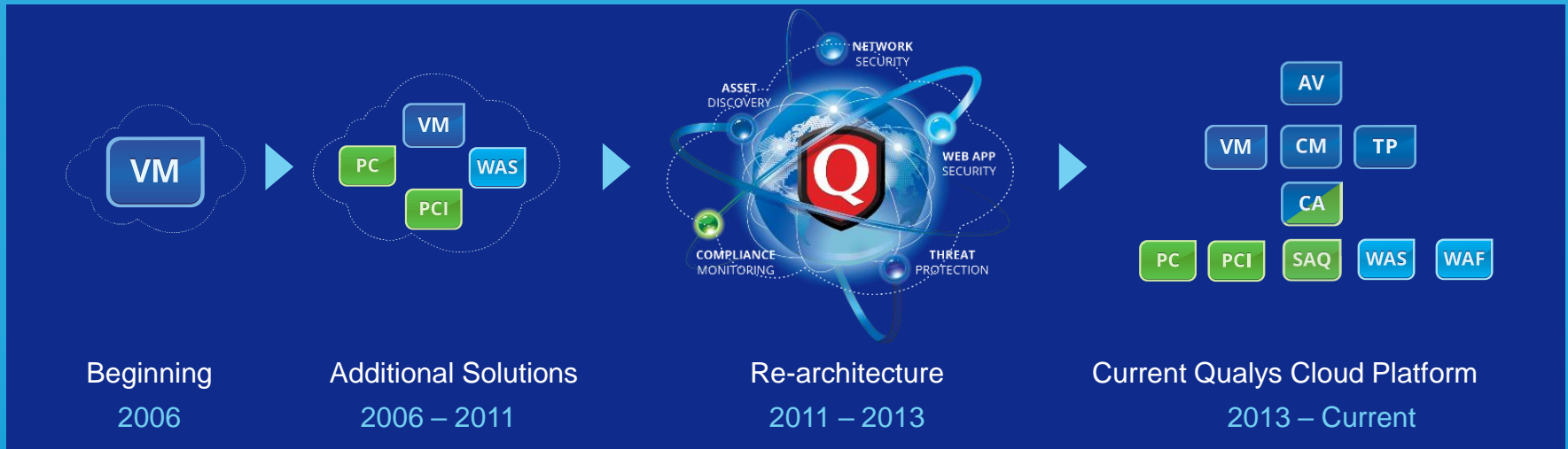
Uniquely Positioned to Capitalize
on Move to Cloud *and* Vendor Consolidation

Multiple Levers of Recurring
Revenue Growth

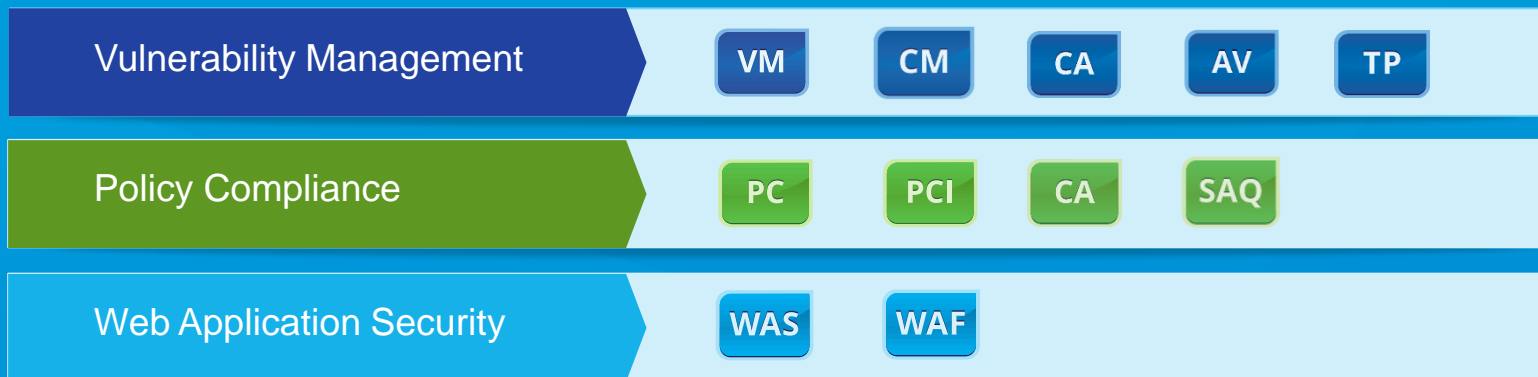
Industry-Leading Profitability



Evolution of Qualys Cloud Platform



Today Qualys Offers 10 Enterprise Security & Compliance Solutions*



* Note: For full product names, please refer to page 30 in the appendix



Only Cloud Platform Serving VM, Policy Compliance and Web Security Markets

Highly Scalable Architecture



3B
Scans

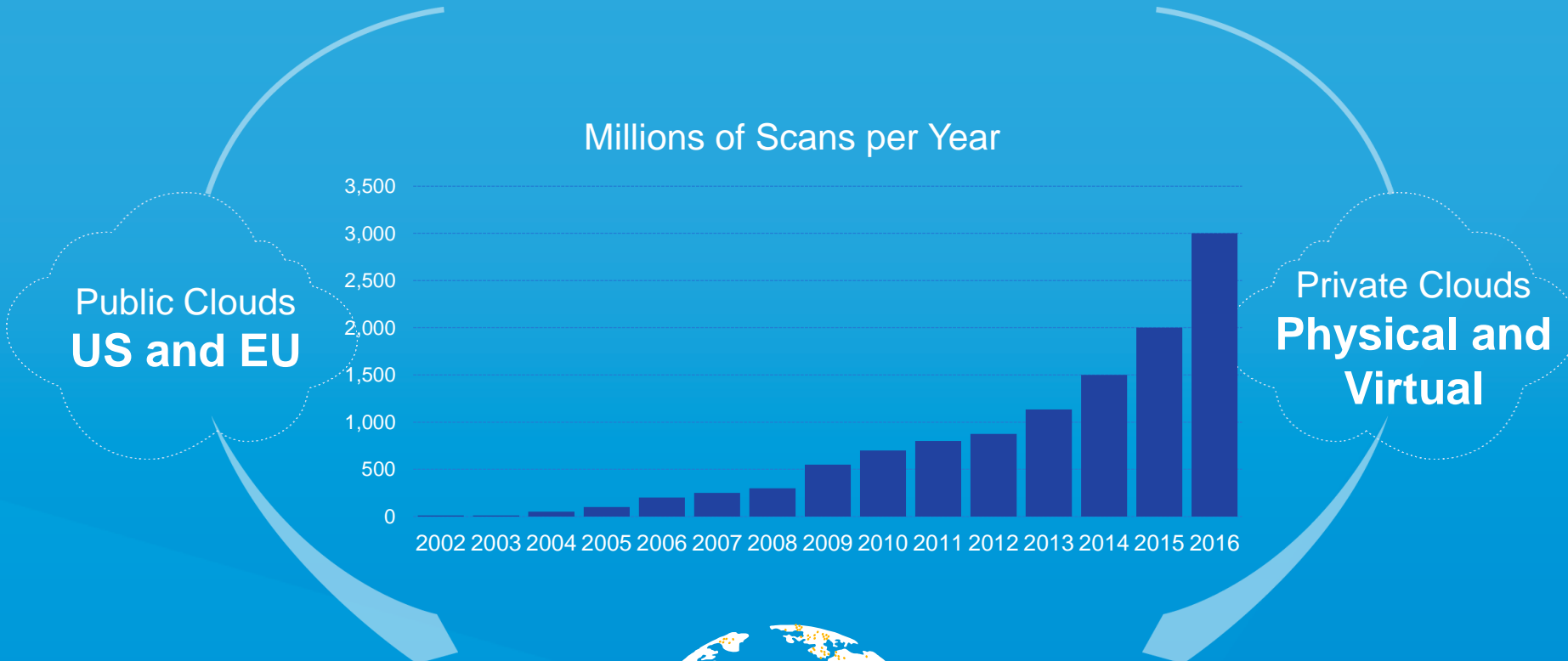
100B
Detections

1T
Security
Datapoints

Annually

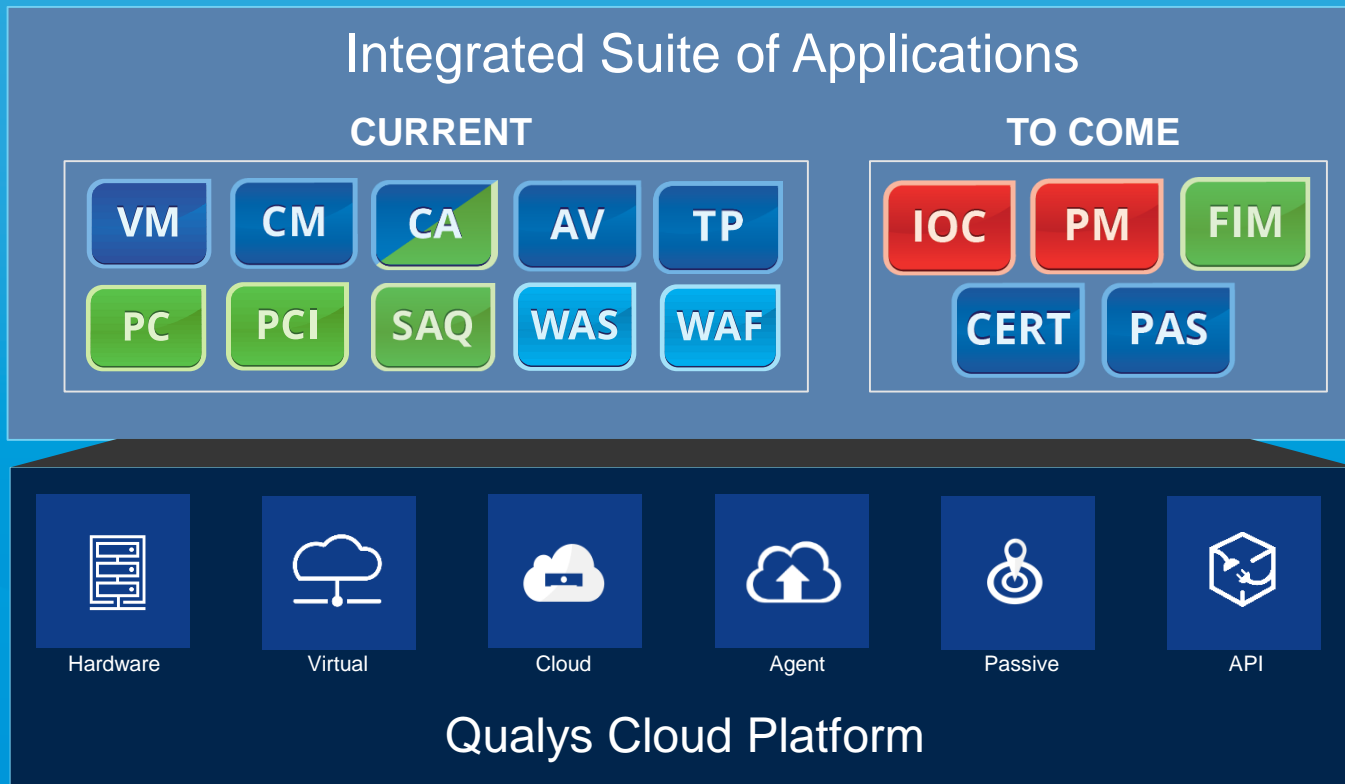


Global Infrastructure Currently Processing 3 Billion Scans Annually



More New Solutions Coming

New solutions will increase TAM
and potential share of wallet



Organic Platform Enables Vendor Consolidation

Vulnerability Management		
Policy Compliance	 	   
Web Application Security	 	  

New Services to Come

New Services	 	 	 
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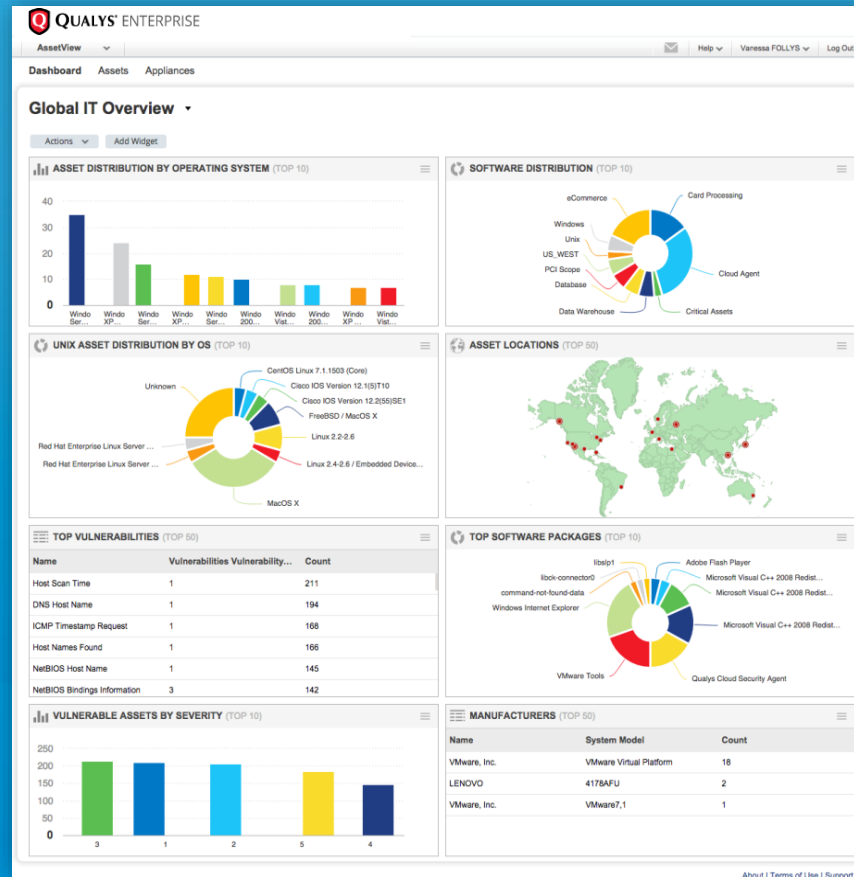
AssetView Brings Visibility Across Millions of IT Assets in Seconds

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



Blue Chip Global Customers Base

60% of the Forbes Global 100 and 24% of the Forbes Global 2000 standardized on Qualys

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



Qualys Global Presence

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

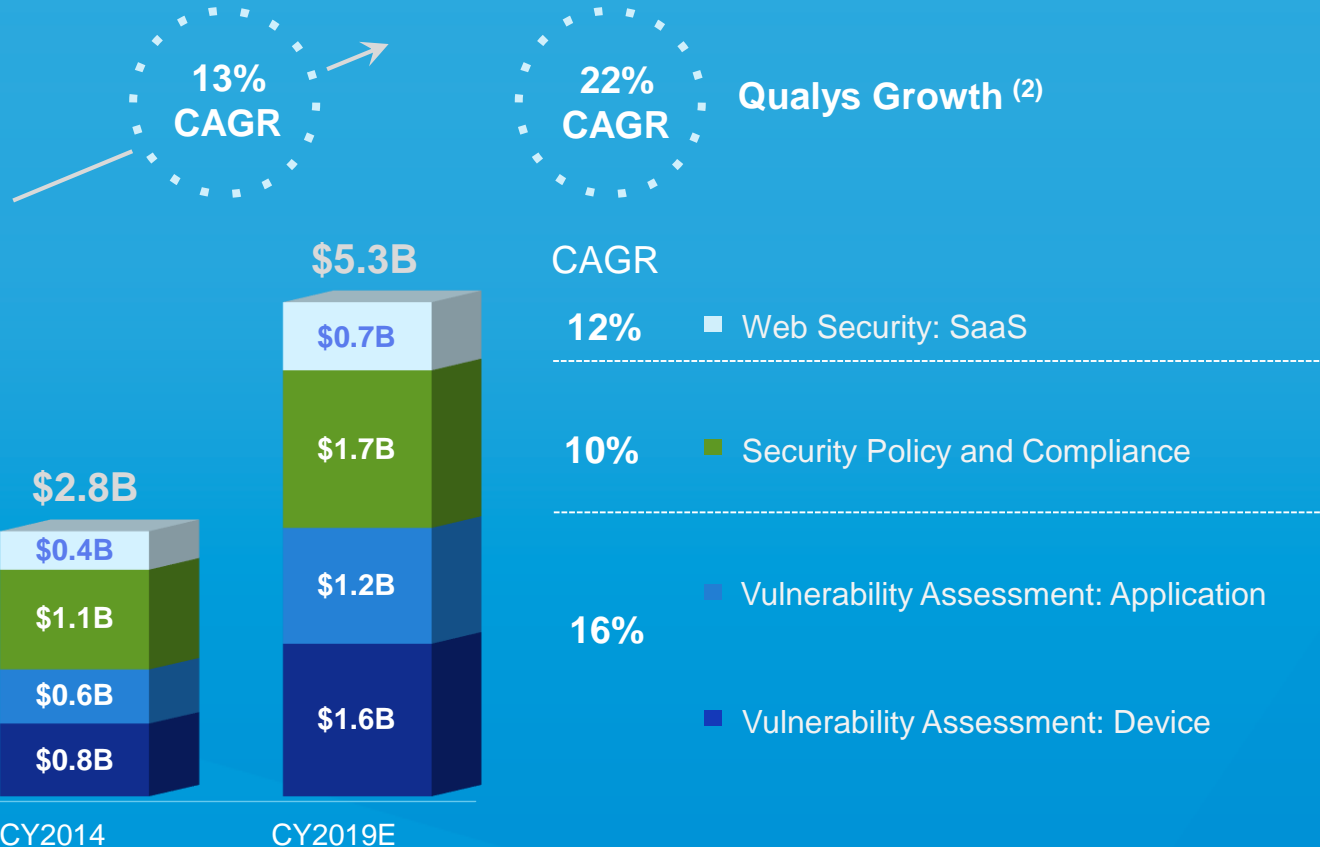


* Data centers include the one upcoming in India
Note: Marked are Qualys locations.



Large Market Opportunity

Qualys is gaining share



Qualys's Current Total Addressable Market ⁽¹⁾

⁽¹⁾ Qualys's current Total Addressable Market within the \$6.6 billion global Security and Vulnerability Assessment and Web Security Market; Source: IDC

⁽²⁾ Q3 FY15 YTD Revenue to Q3 FY16 YTD Revenue Growth





Global Go-to-Market Strategy and Execution



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

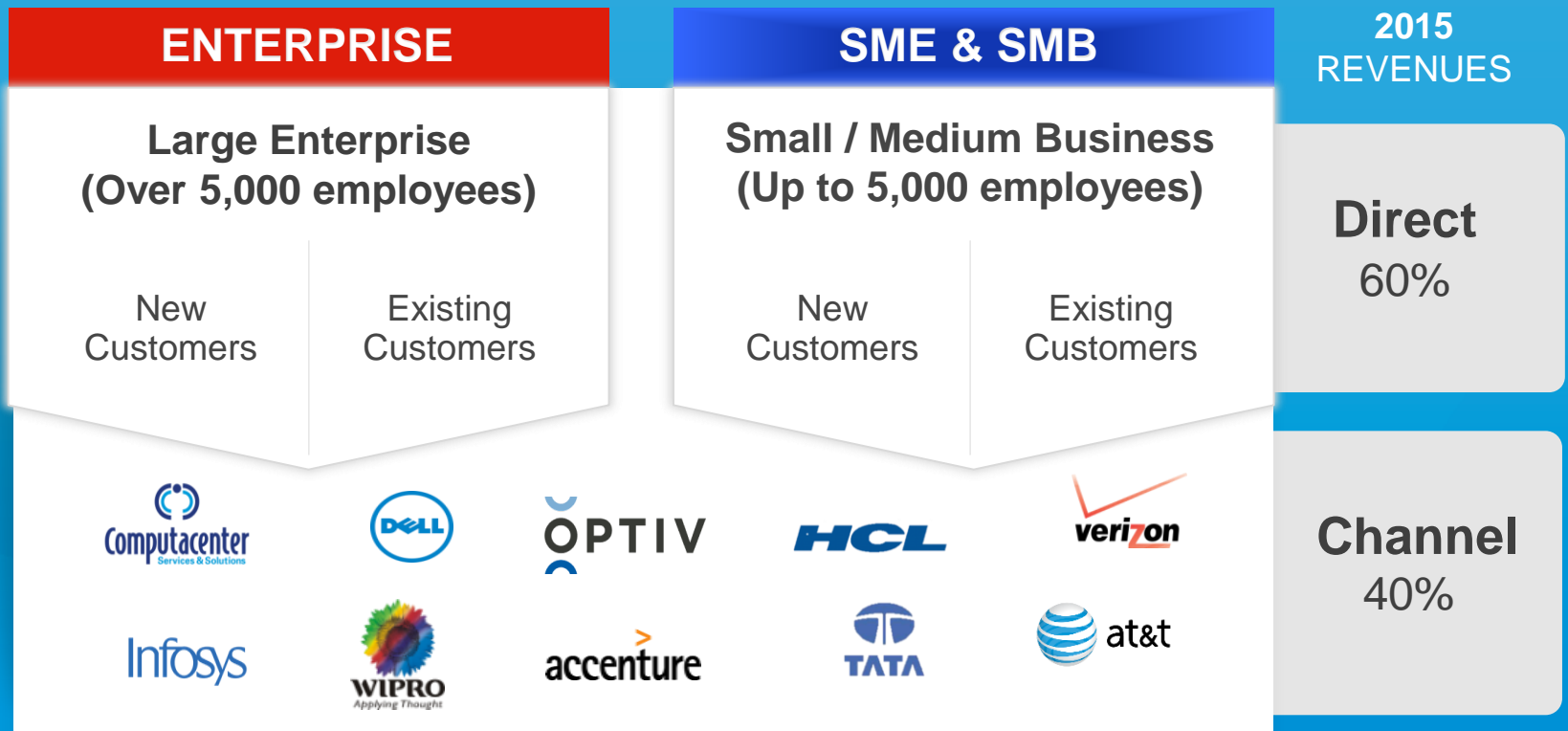
Consultants

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



SaaS Platform Enables Cost-Effective Marketing Through Try and Buy

AssetView

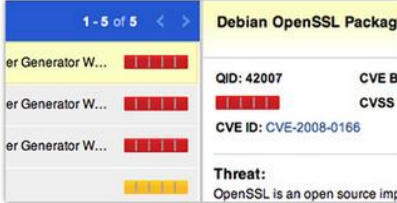


The screenshot shows the AssetView interface with a search filter for 'manufacturer:"Dell" AND operating system:"windows"'. A pie chart displays the distribution of assets: 67 Dell Precision M4800, 46 Dell Precision M6800, and 22 3000 Series.

New free service for Asset Inventory and CMDB integrations

Connects security with IT

FreeScan




The screenshot shows a security scan result for the 'Debian OpenSSL Package'. It includes a QID of 42007, a CVE ID of CVE-2008-0166, and a threat assessment: 'OpenSSL is an open source imp...'. The interface also shows a progress indicator '1-5 of 5' and a threat level of 4 out of 5.

FreeScan generates 25% of leads inflow

Free tool to test drive all Qualys's services

SSL Labs



The screenshot shows an SSL Labs test result with an overall rating of 'A-'. The test includes metrics for Certificate, Protocol Support, Key Exchange, and Cipher Strength, all of which are shown as green bars. A warning at the bottom states: 'RC4 cipher is used with TLS 1.1 or newer protocols, even though stronger ciphers are available. Grade re...'

Most popular SSL Test on the Internet

250K unique users and over 400K tests per month





Financial Highlights and Business Model



High Visibility Business Model

SaaS Subscription Model

Subscription, recurring revenue business
No professional services, license
or maintenance revenues

Billing Model

Annual subscriptions, paid in advance
Average contract length 1.1 years
Billings charged to deferred revenue
and amortized over term

Global Customer Base

Diversified, high penetration of Forbes Global 1000
No customer concentration risk



Platform Enables Multiple Revenue Growth Drivers

Current Customers

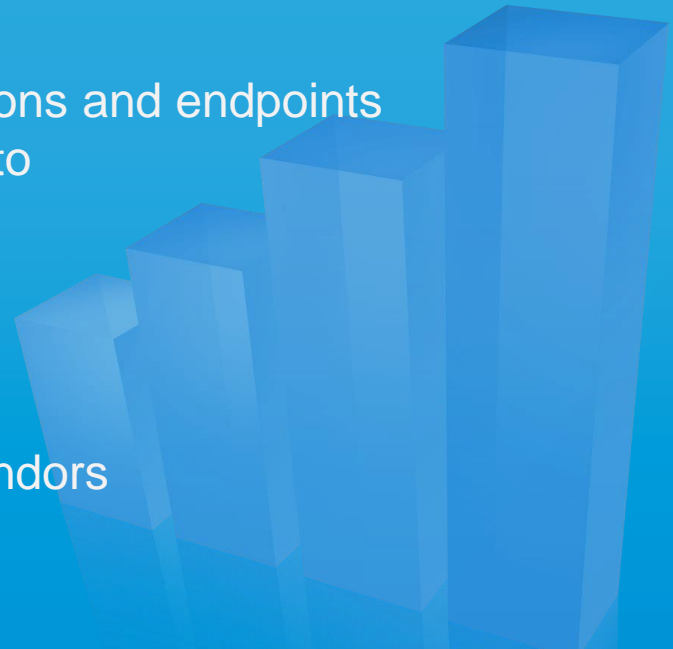
- Expansion of IP coverage on-premise
- Expansion of coverage to cloud applications and endpoints
- Adoption of additional platform products to consolidate vendors

New Customers

- Displacement of legacy point solutions
- Cloud hosting providers & application vendors
- New form factors
- Underpenetrated verticals (e.g. federal)

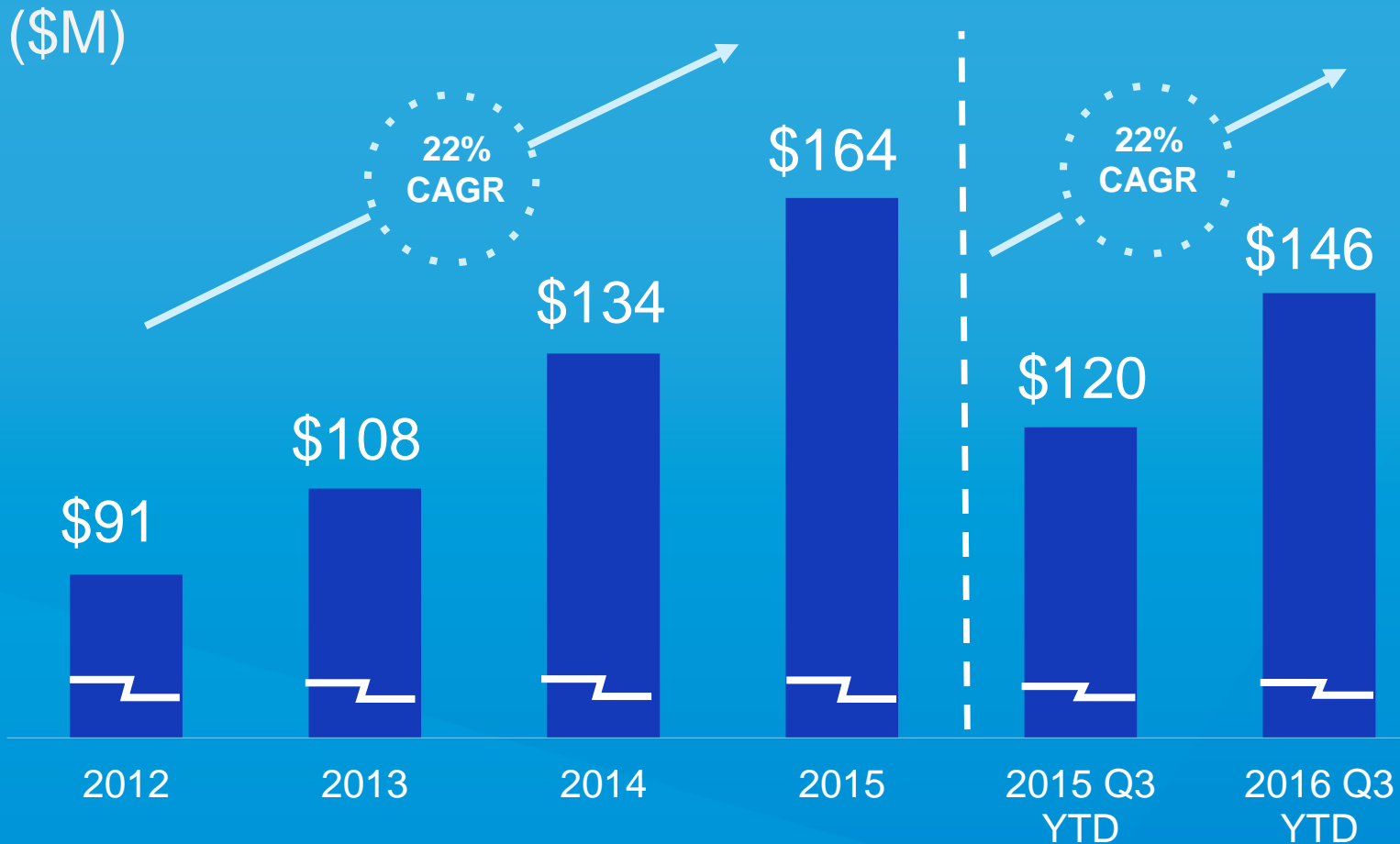
Channel partners

- Channel partners moving to cloud-based solutions
- Global channel expansion

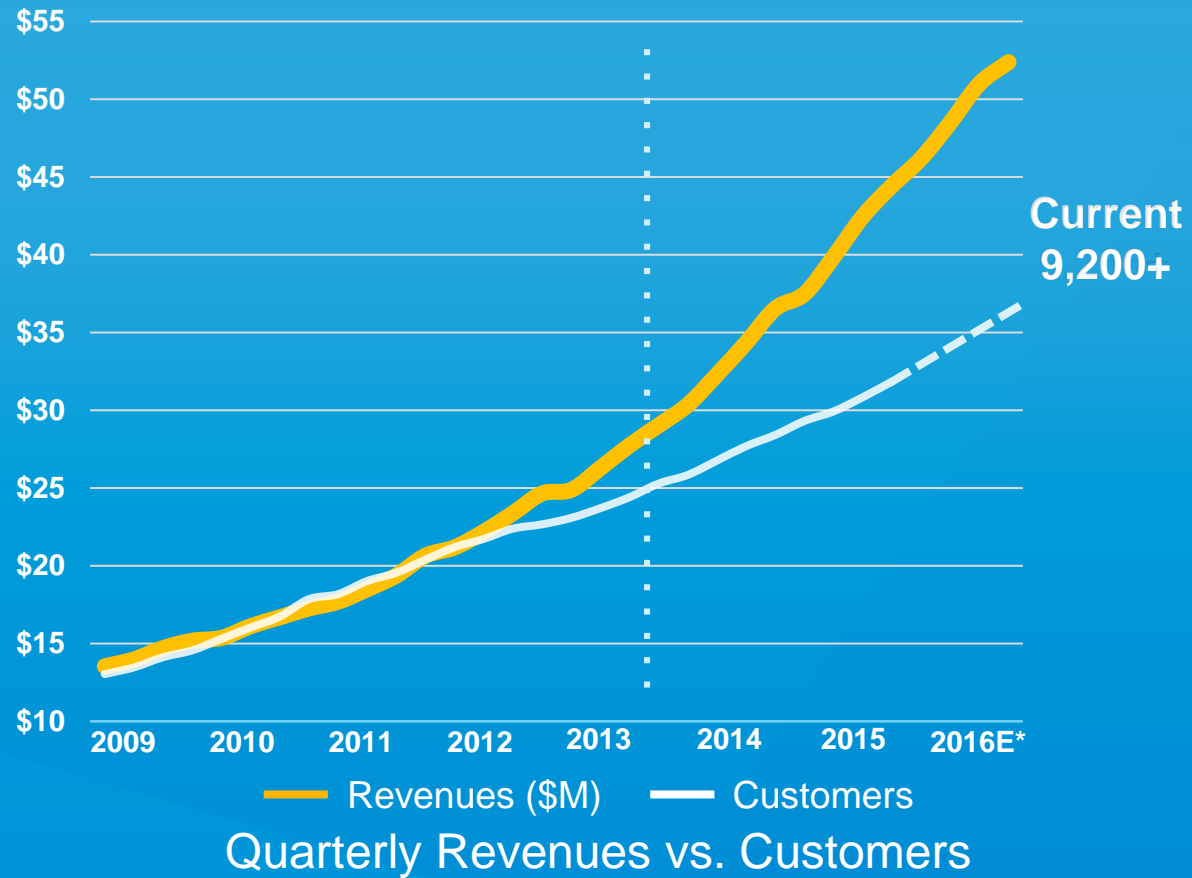
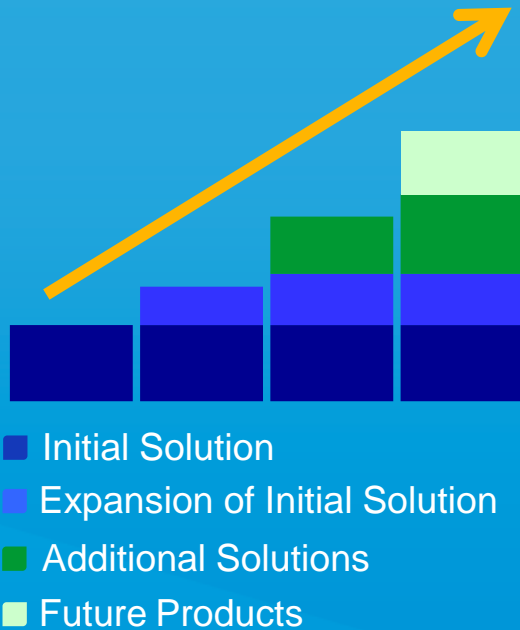


Strong Organic Revenue Growth

Outperforming market and gaining share



Powerful Land and Expand Model



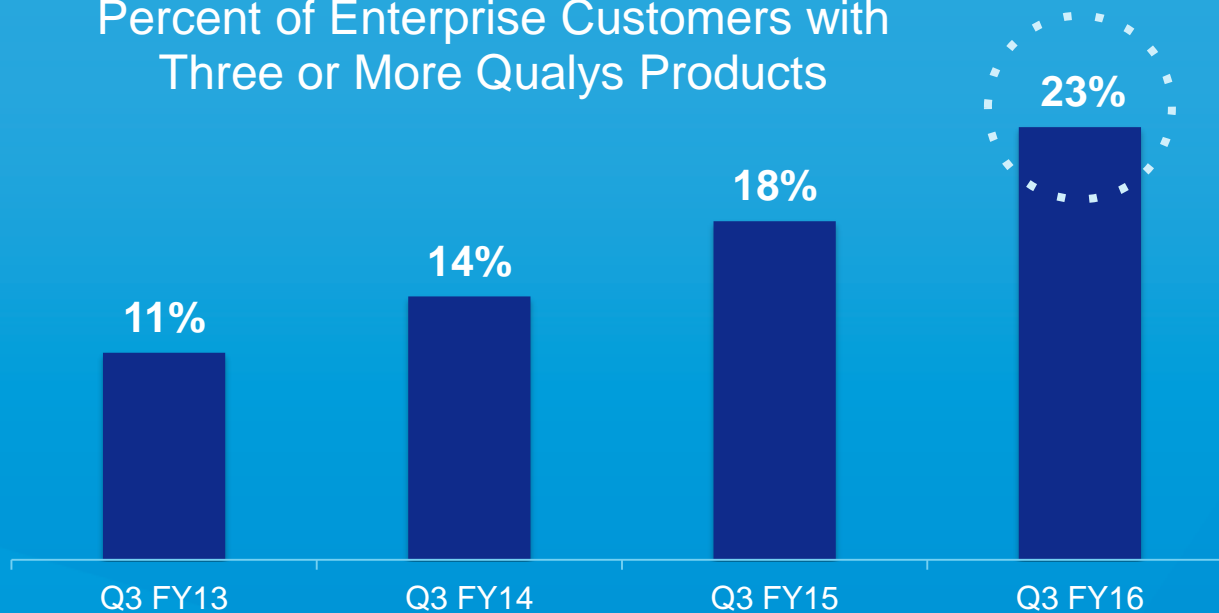
* 2016E reflects mid-point of revenue guidance.



Platform Adoption Increasing

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

Percent of Enterprise Customers with Three or More Qualys Products

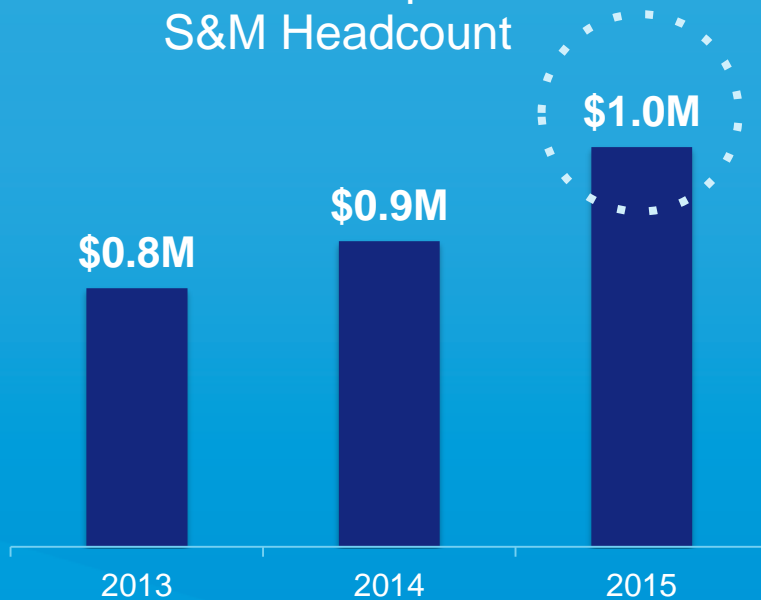


* PCI excluded in the product count for Enterprise customers because it's bundled with Vulnerability Management



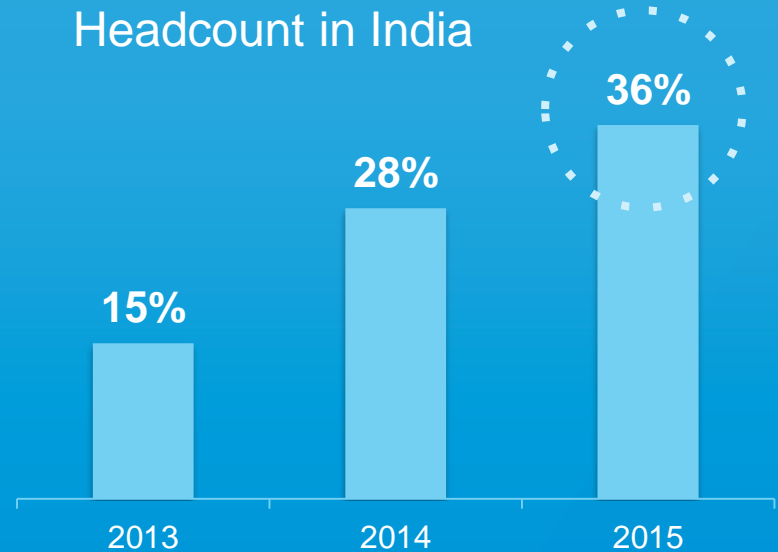
Platform Enables Scalable Operational Model

Revenue per S&M Headcount



High Sales Productivity

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

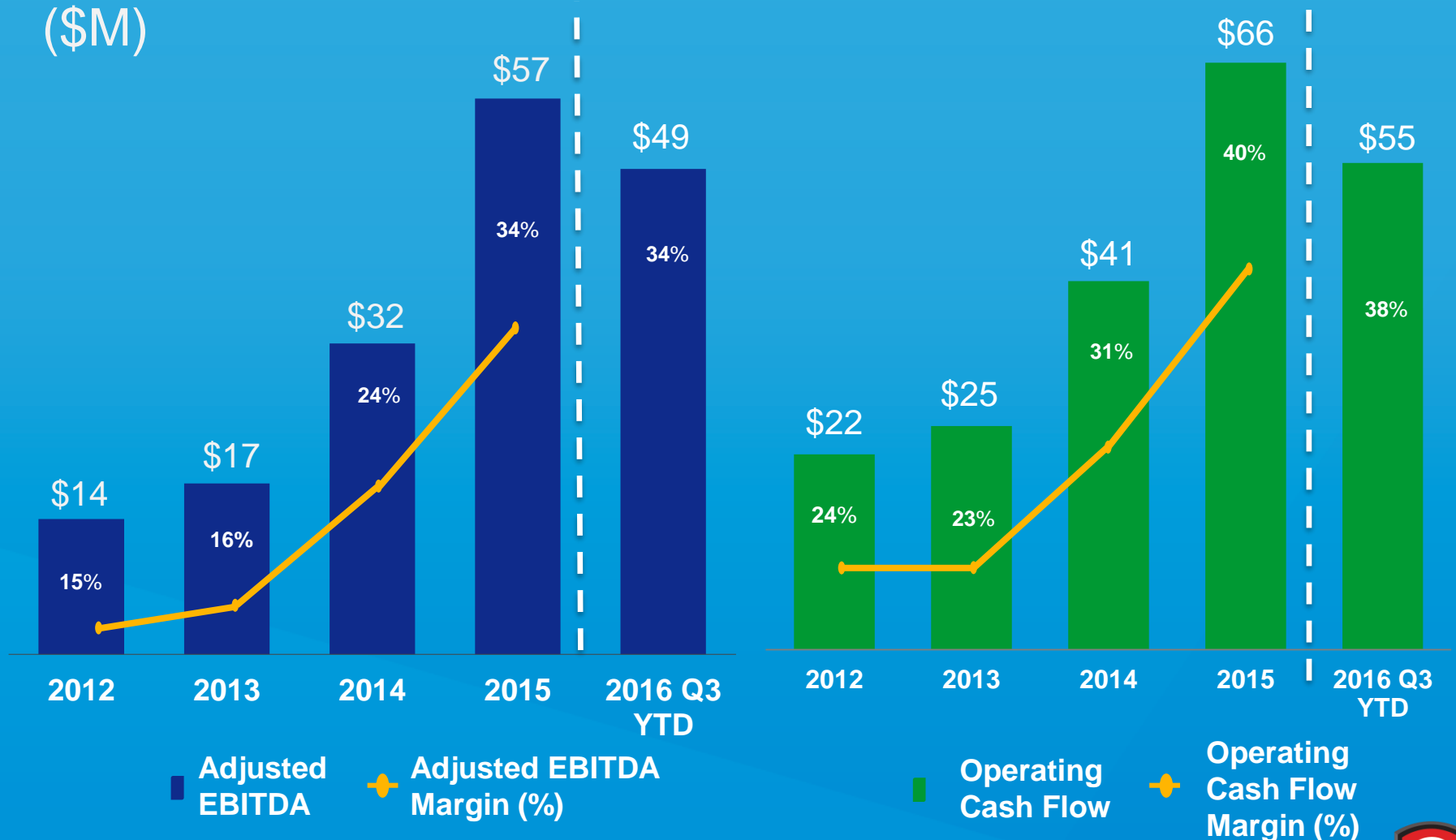


Leveraging Low Cost Geos

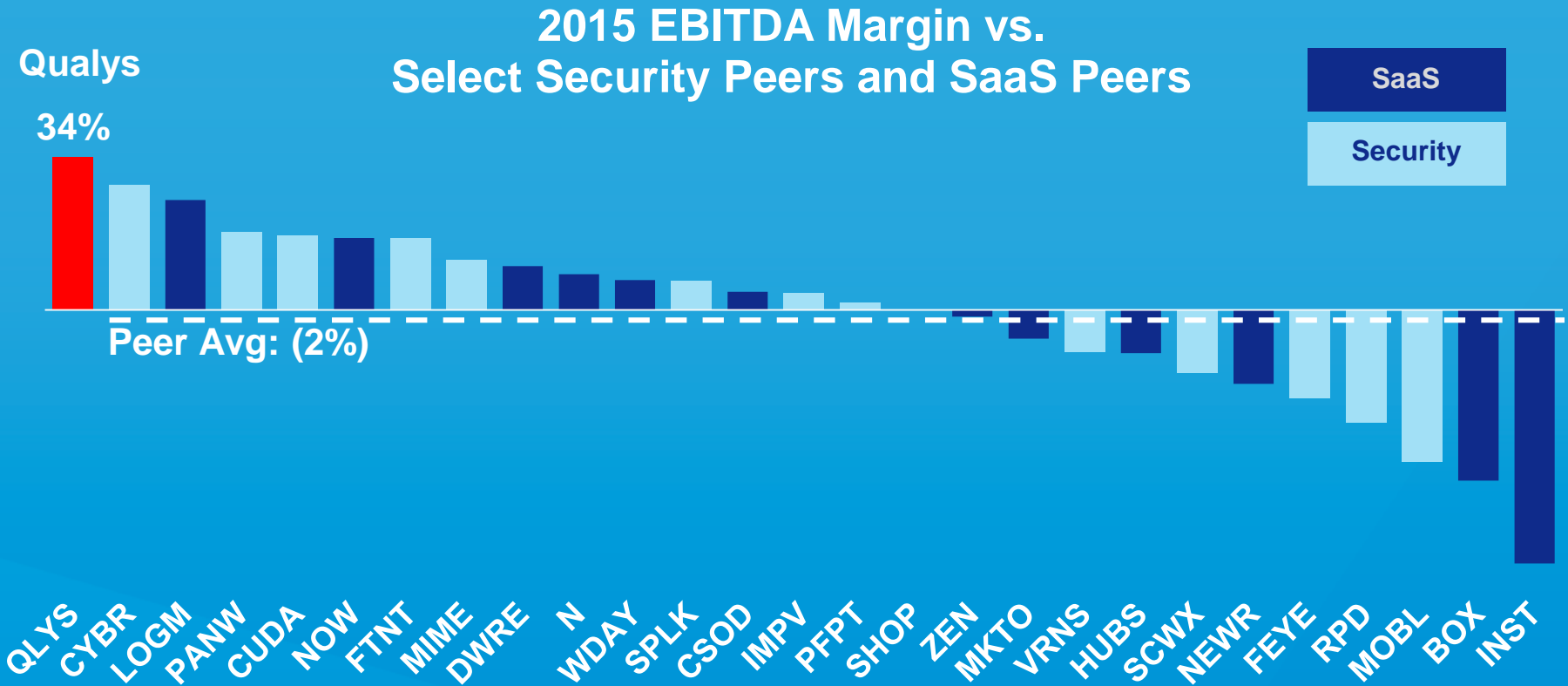


Increasing Adjusted EBITDA & Operating Cash Flow

(\$M)



Industry-Leading Margins



* Source: JPMorgan



Qualys Cloud Platform

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

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

Multiple levers of recurring revenue growth

Large and growing customer base with increasing adoption of multiple solutions

Scalable profitable business model with industry-leading margins



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



Reconciliation of Adjusted EBITDA

\$ 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

