



SOLUTION
DE CYBER-SÉCURITÉ
ET DE GOUVERNANCE
DES ACCÈS AUX SYSTÈMES
D'INFORMATION



WALLIX
TRACE, AUDIT & TRUST

Paris, 27/10/2016

2016 HALF-YEARLY RESULTS: ACCELERATION IN GROWTH CONFIRMED

- 68% INCREASE IN SOFTWARE SALES
- SUCCESSFUL LAUNCH OF WAB SUITE
- REINFORCEMENT OF EMPLOYEE NUMBERS
- TECHNOLOGICAL AND MARKETING INVESTMENTS
- SUSTAINED GROWTH IN 2016

WALLIX GROUP, a software company providing cyber-security and governance solutions for information systems access, has published its half-yearly results for 2016.

In € thousand	H1 2015	H1 2016
Turnover	1,889	2,922
Other operating income (capitalized production, subsidiaries, etc.)	1,028	1,456
Total operating costs	-3,644	-5,797
o/w other operating costs	-919	-1,945
o/w payroll	-2,041	-3,030
o/w depreciation and provisions	-561	-678
Operating profit	-727	-1,419
Extraordinary income and expenses	0	107
Current income before tax	-726	-1,315
Net profit	-726	-1,315

* The consolidated financial statements were approved by the Executive on 26 October 2016 and examined on the same day by the Supervisory Board. The accounts have been audited and the certification report was issued whole-hearted dated October 26, 2016.

81% INCREASE IN TURNOVER IN TWO YEARS



WALLIX GROUP posted turnover of €2,922 thousand for the first half of 2016, up 55% on the first six months of 2015. Software sales increased 68% and accounted for 94% of turnover for the period, with the 89% increase in license sales clearly reflecting the commercial success of the new WAB Suite offer launched in January 2016.

The first European offer to meet all of the market's critical needs in terms of cyber-security, WAB Suite has been awarded first-level security certification (CSPN¹) by France's National Cybersecurity Agency (ANSSI) and recompensed with various prestigious labels (rated "Best Buy" by SC Magazine and named "Product of the Year in 2016" for the Identity & Access Management category at the Cyber Security Awards).

Furthermore, the sales of Maintenance also fared well, increasing 41% over the first half to deliver strong repeat business and revenue visibility.

Accounting for 73% of all sales, WALLIX's activities in France enjoyed a sharp increase over the first half of 2016 (+66%), with sales outside France also increasing 30% on the same period in 2015.

HALF-YEARLY RESULTS

Committed to the roadmap presented at its IPO, WALLIX strengthened its teams taking its employee numbers to 65 on 30 June 2016. In order to boost its growth, the Group notably reinforced its management team, appointing Philippe Guerber as Channel Manager for Western & Southern Europe, Edwige Brossard as VP Product Marketing, Markus Westphal as VP Sales for Central and Eastern Europe and Henri Binsztok as VP Cloud Products.

Commercial and marketing investments were also increased to enable the company to continue to pursue new markets, and its structure consolidated to accompany this dynamic. Prior to their absorption by new growth, the different operations had an inevitable impact on WALLIX's operating profit which amounted to -€1,419 thousand on 30 June 2016 compared with -€727 thousand on 30 June 2015. Net profit came in at -€1,315 thousand as against a figure of -€726 thousand one year earlier.

CAREFULLY-CONTROLLED FINANCIAL STRUCTURE

Shareholders' equity for WALLIX GROUP amounted to €9,261 thousand on 30 June 2016. Net of the financing tied to its growth strategy and technological investments, notably via the acquisition of MLstate, cash assets amounted to €6,852 thousand on 30 June 2016 compared with €8,769 thousand at the end of 2015. A new bank credit line was opened to improve the Group's financial flexibility, taking its gross debt position to €1,420 thousand (€937 thousand at the end of 2015).

On 30 June 2016, WALLIX GROUP had the solid financial means needed to carry out its growth investments and actively pursue its development on a fast-expanding market whilst capitalizing on its technological lead and the maturity of its software offer.

¹ CSPN: certification awarded to solutions that successfully pass vulnerability tests and use cryptographic modules that comply with the benchmark security recommendations defined by the ANSSI.



POSITIVE OUTLOOK

Underpinned by a conducive regulatory framework, WALLIX's new business verticals will help it consolidate its position as an expert in priority sectors such as:

- Health,
- Industry,
- Finance and Insurance.

Thereafter, the Group has confirmed its ambition to rank as the benchmark leader of privileged account management in Europe as it continues to develop its presence across the continent, the Middle East and more recently North America, on a buoyant international market with an annual average growth rate of 20%². Its new sales office in Munich and first client references in Germany, Poland and Russia are part of its drive to reinforce its activities in Central Europe.

These different factors suggest that WALLIX GROUP can look forward to sustained growth in its turnover in 2016.

Jean-Noël de Galzain, Chairman of the WALLIX GROUP Management Board, said: *"The first half of 2016 demonstrates the ability of WALLIX GROUP to cement its position as a key player emerging from the Cyber-Security in Europe through a process of growth and trade performance in particular related to the enrichment of our solutions with the launch of WAB Suite earlier this year. The awareness of the French authorities concerning the protection of OVI³, as well as regulatory changes in Europe and – NIS DIRECTIVE and GRDP- reinforce the issues identified by WALLIX around protecting access to sensitive infrastructure, data leak prevention and management of passwords within enterprise information systems. All this strengthens our growth potential in a market full digital evolution where the Cyber-Security occupies a vital place. This positioning should also serve as a springboard to accelerate our international expansion in the coming years and the emergence of new deals in the security of industrial systems and cloud computing."*

RELEASE OF THE INTERIM FINANCIAL REPORT TO 30 JUNE 2016

WALLIX GROUP announces that the half-year financial report is available to the public and filed with the AMF's for the period ended 30 June 2016. This document is available, according with current regulations, on WALLIX GROUP website www.wallix-bourse.com.

² Source: TECHNAVIO.COM "Global PAM Market", 2016/2020

³ OVI : Operators of Vital Importance are defined as public or private sector operators with information systems where violations of security or functioning could substantially diminish the Nation's war or economic potential, security or survival capacity



ABOUT WALLIX WALLIX GROUP

WALLIX, www.wallix.com, is a software company offering privileged access management solutions for large and medium sized enterprises, public organizations and cloud service providers, helping their many customers to protect their critical IT assets including data, servers, terminals and connected devices.

Wallix AdminBastion Software Suite (or WAB Software Suite) gives the most effective route to security and compliance by reducing its users' biggest security risk – privileged access to IT – in the shortest possible time. With an unobtrusive architecture, full multi-tenancy, and virtual appliance packaging, WAB Software Suite is the easiest solution in its category to implement, use and manage. Its best of breed features which include password management, web access portal, access control and comprehensive session monitoring and recording can be deployed easily and securely on premise or in a hybrid cloud environment.

WALLIX is a public company listed on Alternext, with a strong customer presence in EMEA. WALLIX has offices in Paris, London and Munich. 300 companies trust WALLIX GROUP to secure their IT systems, including Alain Afflelou, Danagas, Dassault Aviation, Gulf Air, Maroc Telecom, McDonald's, Michelin, PSA Peugeot-Citroen and Quick.

For more information, go to: www.wallix.com

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