WANdisco plc

Interim Results for the period ended
30 June 2013

26 September 2013

WANdisco

A quick recap on our story

- **WANdisco: Wide Area Network Distributed Computing**
  - Patented technology addressing a large, global market
  - Leader in continuous availability
  - Software Development:
    - 300+ enterprise customers including: HP, Intel, Barclays, John Deere, Honda, Wal-Mart
  - Big Data market:
    - Leader in the fast growing Hadoop Big Data market.

- **Solving real, mission critical business problems**
  - Improving productivity
  - Reducing downtime
  - Eliminating data loss

- **Robust financial model**
  - Annual subscription license model with consistently high level of renewals
  - Per seat, per node pricing
  - Investing in capturing Big Data opportunity

- **Big Data proof points**
  - AltoStor Acquisition
  - Product launch significantly ahead of schedule
  - First customer wins secured
  - Game changing strategic co-development partnership agreed

2013 Financial and Operational Highlights

Paul Harrison – CFO

Executing on the strategy

wandisco

Key financials

Summary

H1 2013 30 JUNE	H1 2013 $ 000's	H1 2012 $ 000's	FY 2012 $000's
Bookings	6,098	3,392	*7,916*
Deferred Revenue	8,961	4,940	*6,368*
Revenue	3,506	2,915	*6,031*
Adjusted EBITDA	(3,323)	354	*(3,002)*
Net Cash	5,454	21,982	*14,545*

- 29 new customers including ADP, Areva, Blue Cross Blue Shield, Canon, Cisco, General Atomics, FutureWei (a division of Huawei), LSI Corp, Maxim and Société Générale
- 14 up-sells of additional subscription licenses including Home Depot, John Deere, Ladbrokes, McAfee, Mentor Graphics, Nokia and Western Digital
- 38 subscription renewals including Bord Gais, Dell, Disney, Halliburton, Harris, Intel, McGraw Hill, Raytheon, Sears, Sony, Vanguard and Walmart

Bookings breakdown

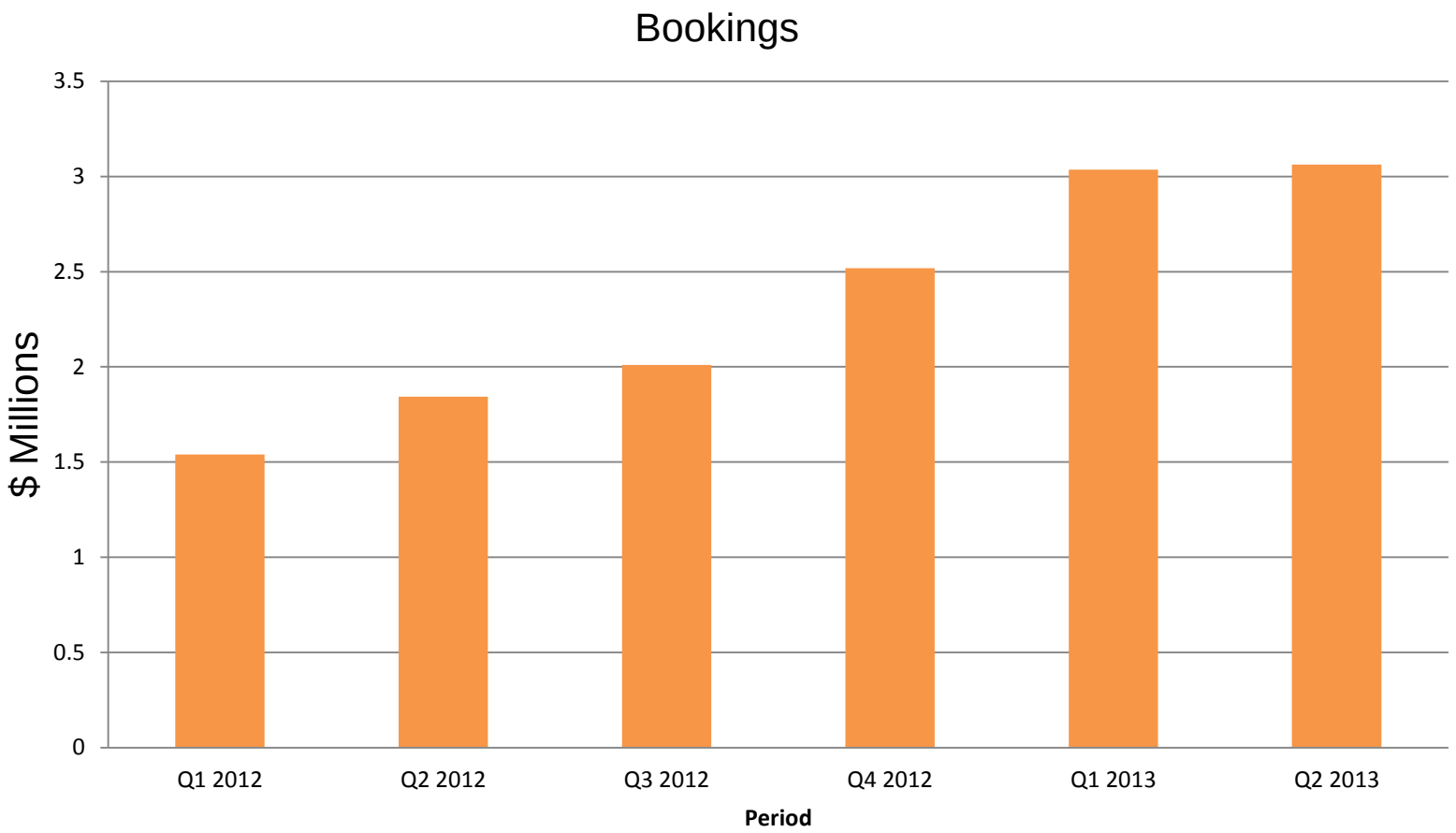
H1 2013 key bookings metrics

Type	Number of Deals	Bookings Value	Average Deal Size	Mix %
New customers	29	$3,414,000	$117,700	58%
Add-on deals	*14*	*$483,000*	*$34,500*	*8%*
Renewals	*38*	*$1,985,000*	*$52,200*	*34%*
Total install base	52	$2,468,000	$47,500	42%
Deal total	**81**	**$5,882,000**	**$72,600**	**100%**

- New customer wins underpinned by strong installed base bookings
- Renewals grew significantly
  - Price increases / length of term
  - Customer confidence in company / technology
- Average deal size grew across all products
- Securing forward revenue with multi-year deals

Quarterly bookings progression

Cash bookings over 18 months



Bookings breakdown by applications

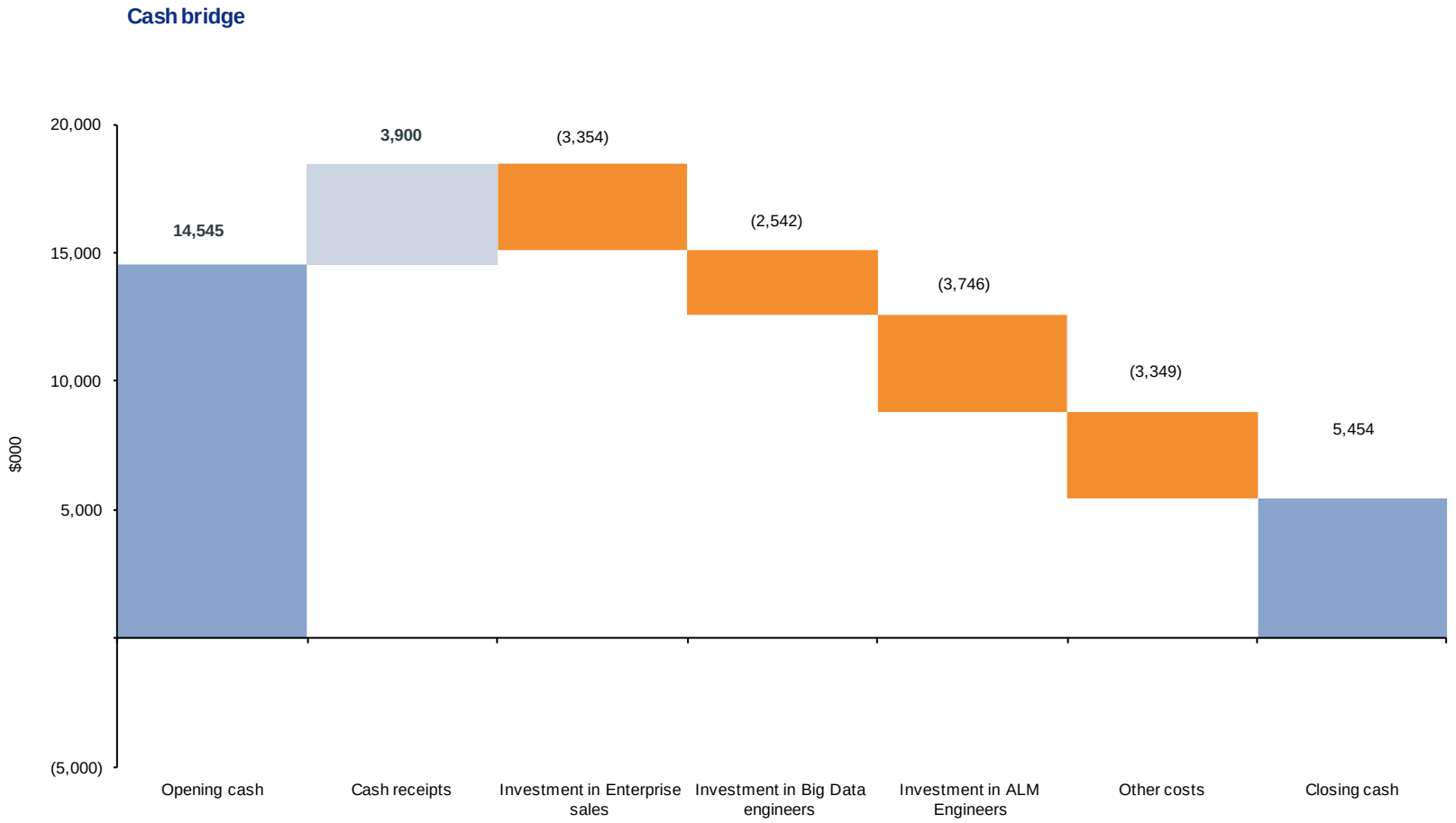
H1 2013 key bookings metrics

Type	H1 2013 $000	H1 2012 $000	Change %
Application Lifecycle Management (ALM)	$5,941	$3,392	75%
Big Data	$157	$0	N/A
Total	$6,098	$3,392	80%

- DConE applied to two businesses; ALM and Big Data
- H1 2013 predominantly ALM, with the first contributions from initial Big Data deals

Cash flow bridge

1 January 2013 to 30 June 2013



- Placing underway to permit continued accelerated investment and secure first mover advantage

Operational update

Driving growth in the ALM business and establishing Big Data platform

- **Big Data – Product launch brought forward**
  - First product release February 2013
  - First Big Data customer announced – Tier 1 UK telco
  - NSN signed up – June 2013
  - Miaozhen (China) signed up – September 2013
- **ALM – New products**
  - Subversion MultiSite+ launch Q313
  - Git MultiSite launched
  - Acquired TortoiseSVN (world's most popular Subversion Client)
  - Ever expanding customer list and growth within install base
  - Customers willing to make multi-year commitments
- **China – Expanded footprint and new customers**
  - Subversion MultiSite+ launch Q313
  - Git MultiSite launched
  - New partners – Comrise, T-Systems
- **Strengthening the management team for growth**
  - Paul Harrison appointed CFO (13 years as CFO of The Sage Group plc)
  - Richard Fletcher appointed VP Global Engineering (formerly BT)

2013 Strategic Update

David Richards – CEO

Strong strategic progress

wandisco

Our strategy for growth

Key focus areas

1. **Market Share**
   A significant opportunity to grow within existing markets

2. **Product Development**
   Targeting new and existing markets and customer groups

3. **Big Data**
   Expanding in to this fast growth market with new, ground-breaking products

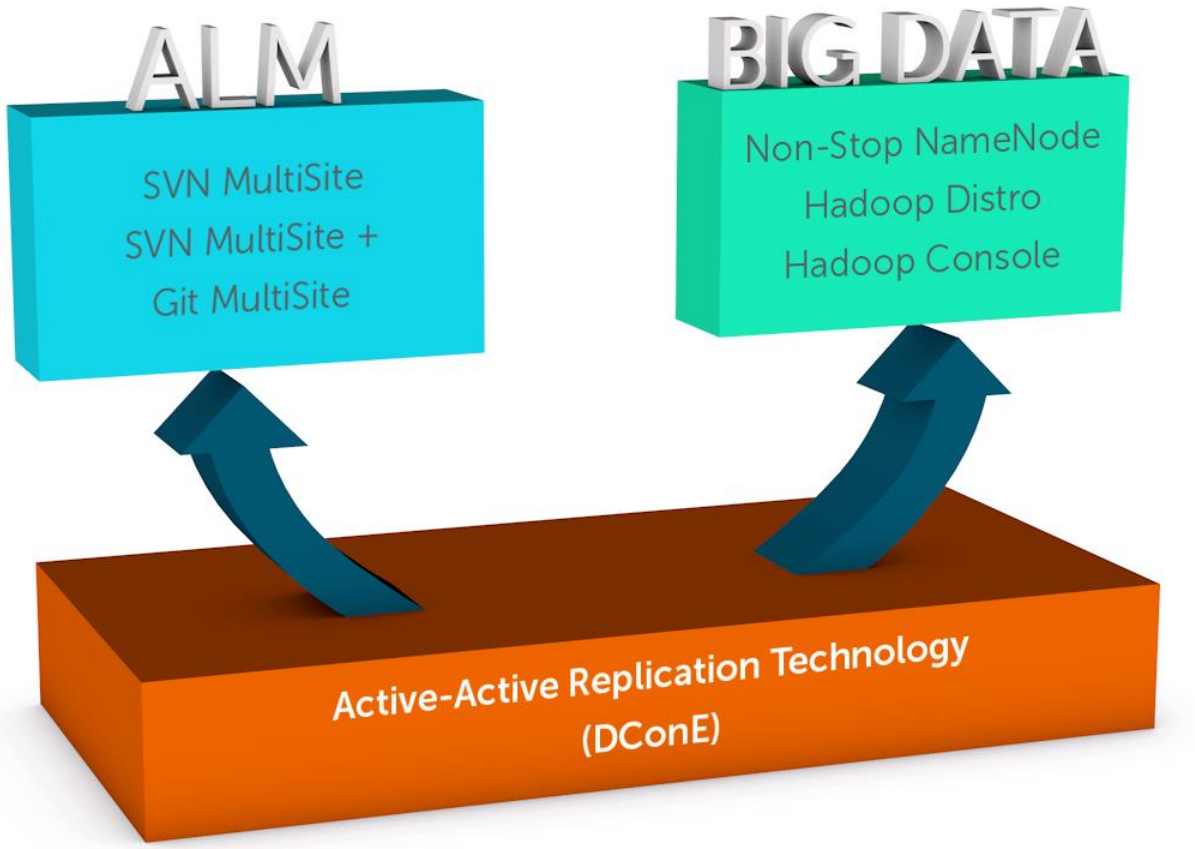
4. **Strategic Partners**
   Accelerating and enhancing routes to market

5. **Geographic Expansion**
   Particularly in Asia and continental Europe

6. **Acquisitions**
   Small, technology or developer led purchases that complement our existing set-up

Strategic focus

Patented Active : Active replication technology applied to two markets…

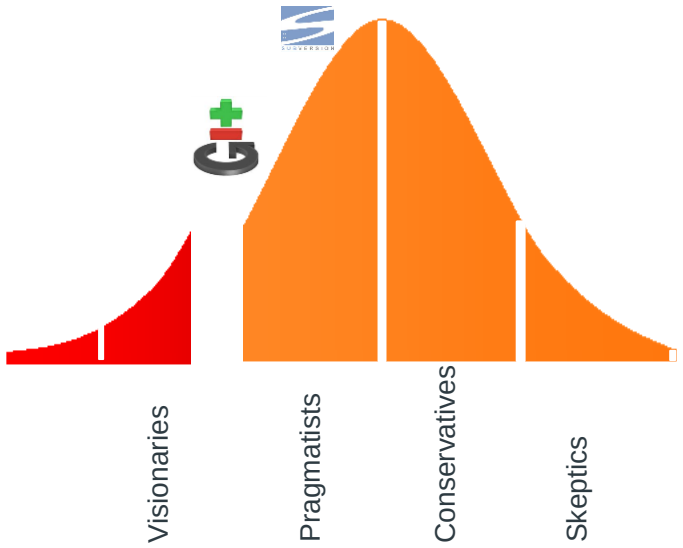


…with two approaches

ALM

Continued growth

- **Direct Enterprise Sales via an Expanded Sales Team**
  - Larger ‘enterprise’ size deals
- **Entering the GIT Market**
  - Distributed version control is becoming more popular
  - Offering dual license (both GIT & Subversion)
- **GIT & Subversion is the Right Product Mix**
  - Different stages of product adoption
  - Enterprises beginning to adopt GIT



ALM customers commit

Larger deal sizes and longer period

- Customers showing confidence in company and technology
  - Fortune 100 Heavy Equipment Manufacturer
    - Customer originally signed in 2011
    - Deal started as $250,000 per year
    - 2013 deal has expanded to a 5 year term ($1,800,000) paid annually
  - NSN
    - Originally an ALM customer
    - Understood quality of support and reliability of technology
    - Signed a significant OEM for Big Data products

The Big Data opportunity

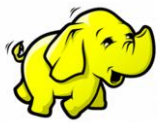
A ‘killer app’ for our technology

- **Big Data is a big problem…**

  “Large data sets so big that commonly-used software tools are unable to capture, curate, manage, and process the data within a tolerable elapsed time.”

- **Big Data is a big market…**
  - $50bn by 2016 (Wikibon)
  - $16bn value today

- **Hadoop dominates the Big Data market**
  - Facebook, eBay, Amazon and Yahoo
  - Moving into enterprise
  - Invented by developers at Yahoo!



- **WANdisco can solve Hadoop’s flaws**
  - Minimise data loss
  - Deliver zero downtime
  - Highly attractive proposition to enterprises operating large, mission-critical databases

Elephant Threat to Big Tech

By Rolfe Winkler

What do you get when you cross Google with a toy elephant? A threat to sales growth for some big technology companies, and a new breed of promising IPO candidates.

In developing its powerful search engine, Google cracked one of the toughest "big data" nuts: figuring out how to make a copy of the Internet, digest what it means, and then use that information to answer a seemingly infinite number of user questions in nanoseconds. A decade later, Google's innovations have spawned new open-source projects such as Hadoop—named after a toy elephant belonging to the son of one of its creators.

Today, Hadoop is used by Google rivals like Yahoo, Facebook and Apple to help make sense of the flood of data generated by the digital revolution. It is also challenging tech

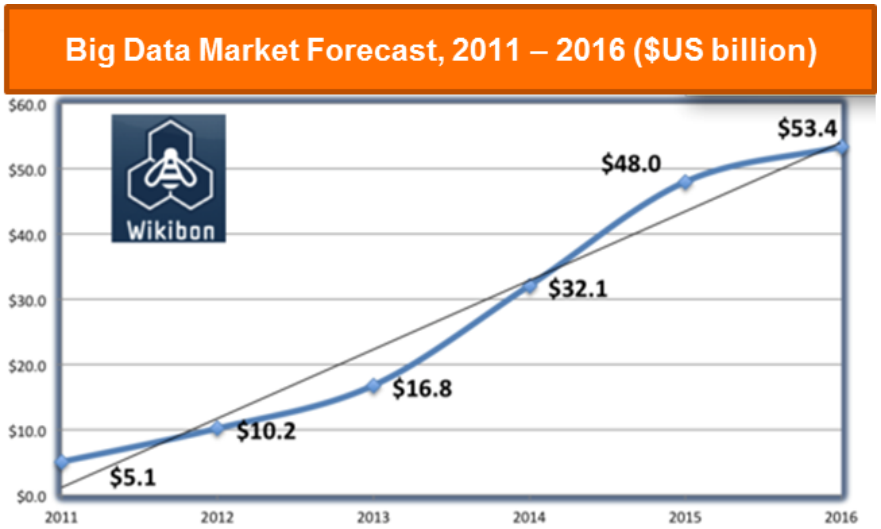
Please turn to the back page

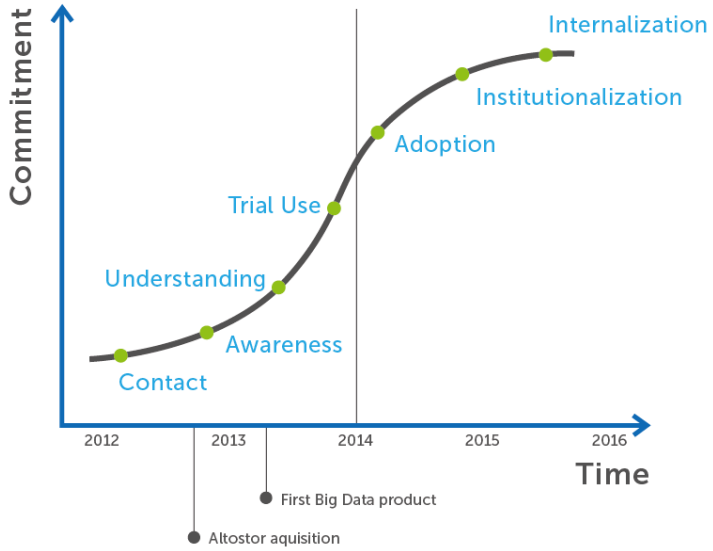
Elephant in the Room to Weigh on Growth for Oracle, Teradata
Wall Street Journal, 18 August 2013

The Big Data opportunity

Attractive market dynamics

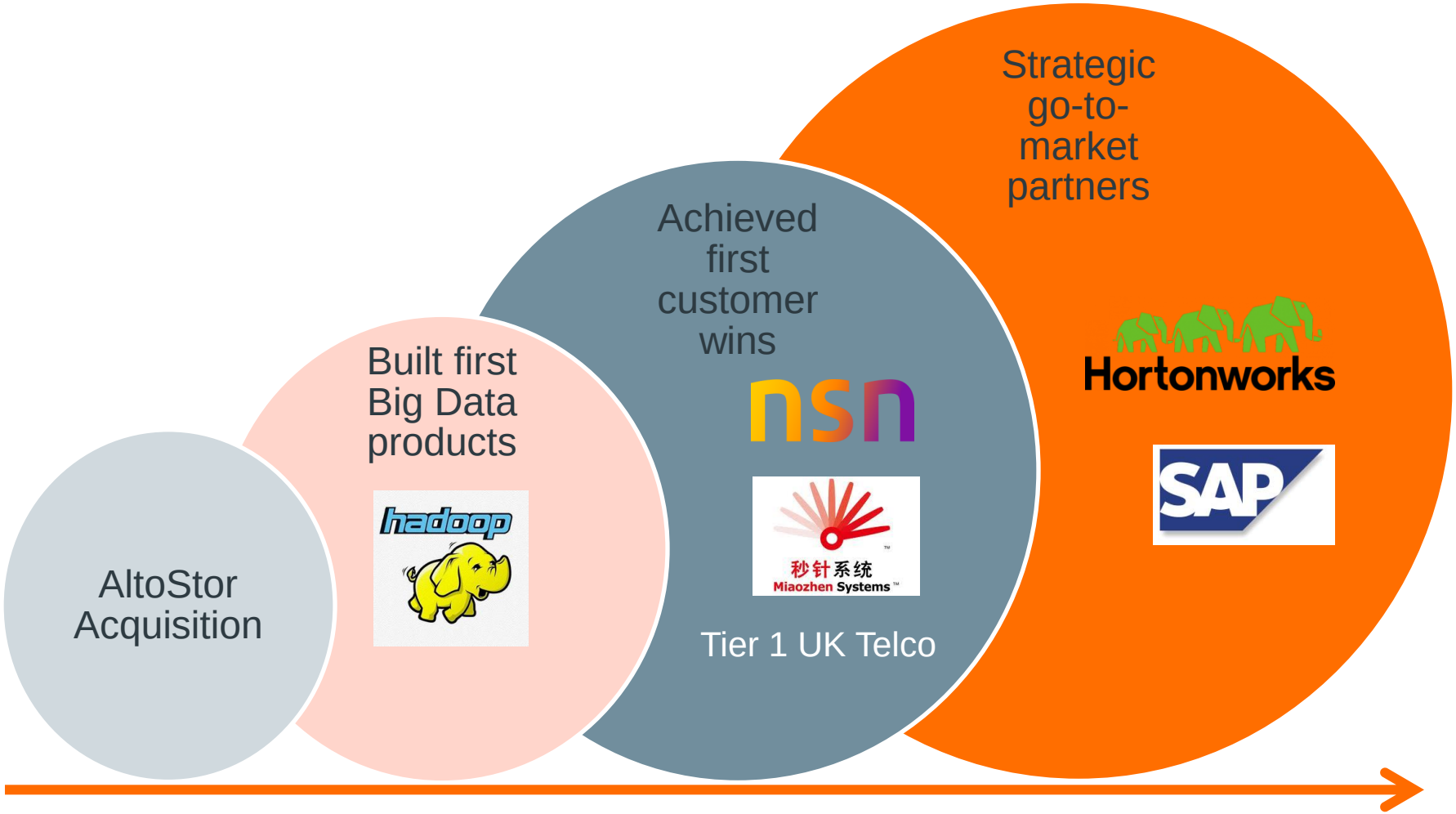
- **Wikibon's Big Data market forecast maps almost perfectly to technology adoption S-Curve**
  - 2010 – 2012 much of the revenue generated was via education and services
  - 2012 – 2014 revenue is crossing to become product-based
  - Enterprise features such as security and high availability are now needed





WANdisco's Big Data timeline

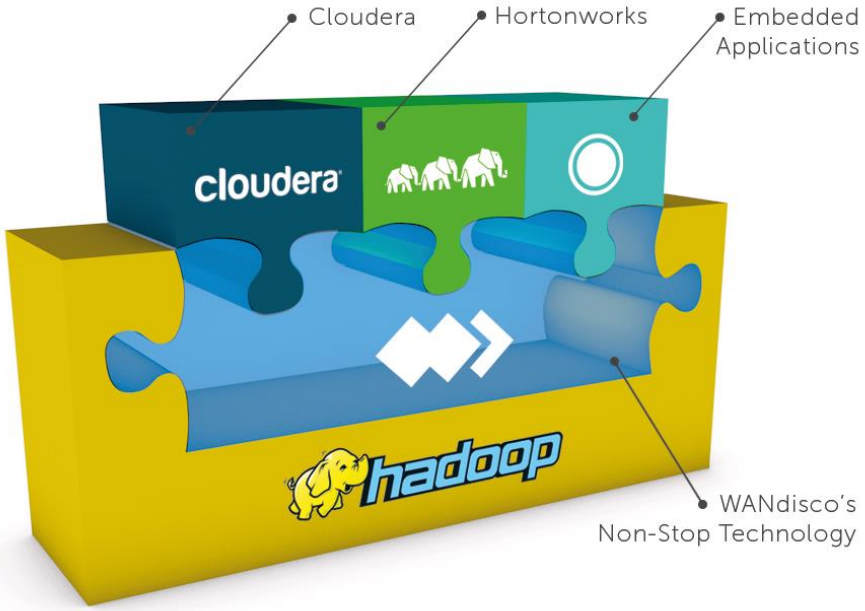
Achieved progress well ahead of our original expectations



Big Data strategy

The Continuous Availability Platform

- **Hadoop is being deployed for mission critical enterprise applications**
  - Financial trading systems
  - Fraud detection
  - QOS for cell towers
- **These are real-time applications…**
  - A major US Bank told us a 1 minute outage of their trading system = $100m per minute.
  - Continuous availability is fundamental requirement for these applications.
- **Go-to-market for WANdisco is a mix of direct & indirect.**
  - OEM into enterprise applications (NSN, etc)
  - OEM / Co-Sell with Hadoop platform vendors (Hortonworks)



Major Big Data OEM secured

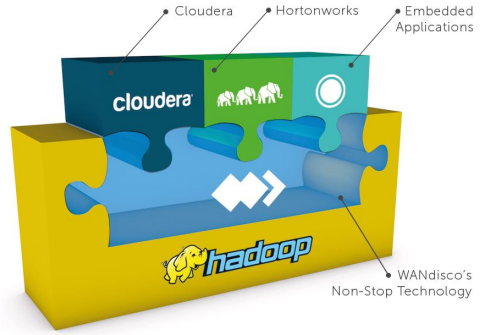
NSN signed, validating platform approach

- **A significant customer**
  - Subsidiary of Nokia Corporation (formerly Nokia Siemens Networks), acquired Motorola's wireless networks infrastructure business in 2011
  - Started operations on April 1, 2007
  - Net sales of approximately €13.4 billion in 2012
  - 56,700 employees, operations in 120+ countries
  - Serves 45% of the world's LTE subscribers
- **Utilising multiple WANdisco Big Data products**
  - WANdisco WDD
  - WANdisco Non-Stop Hadoop
- **Solving a significant business challenge**
  - Need Hadoop for Customer Experience Management Systems
  - Data (structured and unstructured) is increasing too rapidly for their Oracle database.
- **Validation of our Big Data strategy**
  - "A huge differentiator for our products and services"
  - Several new customers committed (major carriers)
- **Started as an ALM customer first**

Miaozhen OEM WANdisco's Hadoop Products

First Big Data Deal in China

- **Miaozhen OEM's WANdisco's Continuous Availability Hadoop Products**
  - Leading online advertising company
    - 100bn ads per day
    - Over 2pb of storage
    - Customers include P&G, Microsoft, Volkswagen, L'Oreal, Coca-Cola, YUM!



- **OEM WANdisco Hadoop products for 100% Uptime**
  - "Downtime unacceptable"
  - Hadoop is a critical component of their infrastructure delivering strategic competitive advantage
  - Shipments planned in Q1 2014

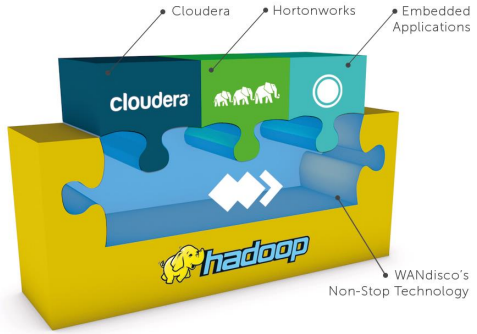
"We thoroughly investigated the market and WANdisco is the only option for Hadoop continuous availability. Our business relies on big data and its underlying technology, Hadoop, so we're addressing all of the data availability challenges associated with it for our customers, which is where WANdisco completely eliminates outages, which would be extremely costly."

Zhu Wei, CEO of Miaozhen

De Facto Hadoop Continuous Availability Solution

Integration / Strategic Partnering with Major Big Data Players

- **Hortonworks (HDP 2.1) Now Supports WANdisco**
  - Hortonworks:
    - Leading Hadoop vendor
    - Recently announced strategic deal with SAP (HANA)
    - Other customers include include eBay, Spotify, Xing, Yahoo and Microsoft
    - Nasdaq listing expected
  - Hortonworks' core engineering team modified the Hortonworks Hadoop Distribution to support WANdisco's Non-Stop Hadoop
    - Customer driven
    - Testing underway
    - Joint customers identified (major banks)
    - Field engagement / POC's in progress
  - SAP (Hana) + Hortonworks + WANdisco
- **Next steps**
  - Train Hortonworks sales, pre-sales & support.
  - Start with co-sell moving to resale
  - Get first customers into production
  - Joint marketing plan



"With WANdisco, we share a vision to deliver an enterprise viable data platform for our mutual customers. HDP together with WANdisco's Non-Stop Hadoop technology provides enterprises with a truly integrated Big Data solution that guarantees data access and global disaster recovery."

Rob Beardon, CEO Hortonworks

Building out the Big Data ecosystem

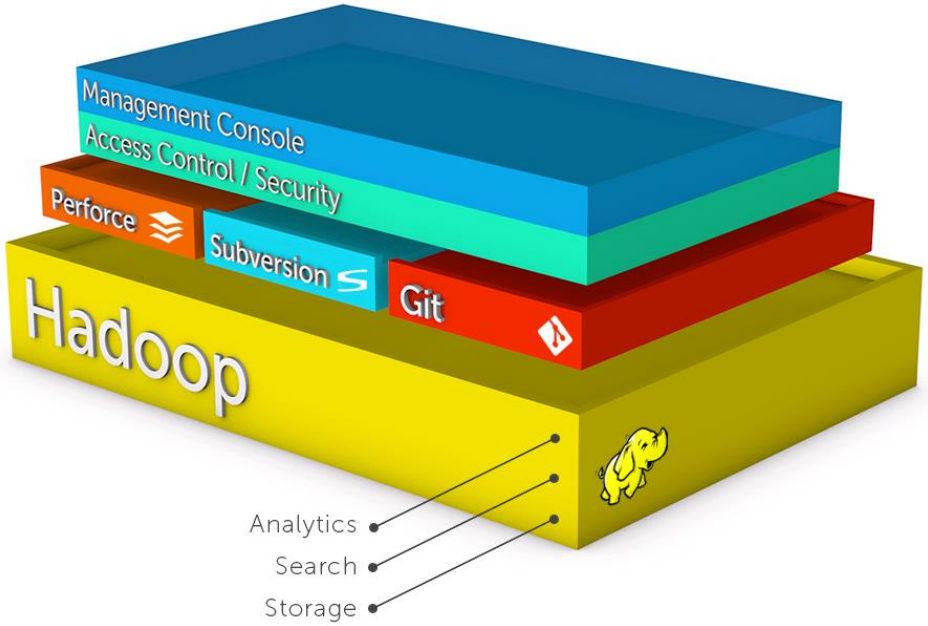
Partnerships

- **Dell**
  - Certified Non-Stop Hadoop to run on Dell hardware
  - Leading provider of servers for Big Data
- **AMP labs (UC Berkeley)**
  - “Algorithms, Machines, People”, a five-year collaborative effort at UC Berkeley
  - Big Data research
  - Spark & Shark (in memory analytics)
- **Tcloud (Trend Micro)**
  - Distribution of Big Data in China
  - Subsidiary of Trend Micro

The Next Generation ALM Products

Integrating ALM & Big Data

- **A product strategy that fully utilizes skills & technology in Big Data & ALM**
  - Industry leading Big Data & ALM expertise
  - Unification of existing technologies
- **Massive Integrated Storage**
  - Enhance back-end database of Subversion, GIT & others
- **Search Every Line of Source Code**
  - Using Map Reduce for incredibly fast search query
- **Analytics**
  - Source code quality
  - Developer performance



Summary and Outlook

Achievements in the first half

Strong H1 progress, with more to do

- **Some very strong progress in H1**
  - Built out our offer in ALM and Big Data
  - Built out enterprise sales team
  - Management team strengthened
  - Strong growth momentum – bookings up 80%
  - Filed 3 further patents
- **Investment and energies remain focused on key areas**
  - Establishing Non-Stop Hadoop as an essential pillar in Hadoop stack
  - Investing in key engineering talent
  - Driving sales growth

Outlook

Capitalise on first mover advantage

- **On track to achieve commercial and bookings targets for the current financial year**
- **Immediate need to strengthen Big Data team**
  - Hortonworks and others require dedicated engineering resources
    - Continue to recruit Big Data engineers
      - Primarily based in the SF Bay Area
      - eBay, Yahoo, Facebook, Google
    - Technical pre-sales & support
      - Critical enterprise data (trading systems!)
      - Low risk-tolerance
- **Continue to build enterprise sales force**
  - Experience of selling large enterprise deals
  - 10+ years experience
  - Management infrastructure in place to support and sustain this growth
- **Continue to deliver strong bookings growth in ALM**
  - VP of Sales for ALM (reporting to Global VP of Sales) dedicated to ALM number
  - Internal targets set

Appendix

Senior management team

David Richards, Chairman, Chief Executive Officer & Co-Founder: 15+ years in senior management of software technology businesses in Silicon Valley, from start up companies to NASDAQ listed, including the sale of Librados to US NASDAQ listed company, NetManage, Inc. Became GM and SVP of a new division at NetManage. Has also been an open-source advisor to the board of NEC (Japan).

Paul Harrison, Chief Financial Officer: 16+ years as the CFO of Sage Group plc; the UK's largest software business. During his time, Sage grew its revenues from £152m to £1,340m, its profit before taxation from £38m to £356m, its employee base from 1,900 to 13,500 and its country presence from 4 to 25 and completed over 100 acquisitions. Prior to sage was a senior audit manager with PwC.

Jim Campigli, Chief Operating Officer & Co-Founder: 25+ years in the software industry from start-ups to publicly listed companies. Previously held the CTO position at both Librados and NetManage Inc. Jim also held senior product management and consulting management positions at technology leading companies such as BEA Systems and SAP AG.

Dr. Yeturu Aahlad, Chief Scientist, Inventor & Co-Founder: Dr. Aahlad currently holds 3 patents on distributed computing. Inventor of WANdisco's core technology (that many thought was impossible). Prior to WANdisco, Dr. Aahlad served as the distributed systems architect for SUN Microsystems and IBM Labs.

Senior management - continued

Robert Budas, Vice President of Product Management has over 28 years of experience within the software industry, and has been focused on the Software Configuration Management sector for the last 17 years. Prior to joining WANdisco in 2007, Rob was Senior Systems Engineer at mValent, Inc, and Senior Sales Engineer at Ketera Technologies.

Peter Scott, Vice President of Worldwide Sales has over 10 years of direct sales and sales management experience in both early stage startup and mature public technology companies. Prior to WANdisco, Peter was a member of the sales management team at Empirix's highly successful Web Business Unit, which was acquired by Oracle.

Richard Fletcher, SVP of Engineering has 20 years of experience in the software and telecommunication industry. Prior to joining WANdisco, Fletch was Chief Operating Officer of Plusnet and led Sales, Product, Engineering, and Service Operation as the business doubled revenue over three years. Most latterly he was CIO at BT's collaboration business BT Conferencing, and served as President of the US subsidiaries.

Jagane Sundar, CTO and VP Engineering of Big Data has extensive big data, cloud, virtualization, and networking experience and joined WANdisco through its acquisition of AltoStor, a Hadoop-as-a-Service platform company. Before AltoStor, Jagane was founder and CEO of AltoScale, a Hadoop and HBase-as-a-Platform company acquired by VertiCloud. His experience with Hadoop began as Director of Hadoop Performance and Operability at Yahoo!

Non-executive Directors

Paul Walker served as Chief Executive Officer of The Sage Group Plc from 1994 to September 2010. Paul joined Sage Group Plc as Company Accountant in 1984 and served as its Finance Director until 1994. Paul has been a Non-Executive Director of Experian plc since June 2010 and is currently Chairman of Halma plc. He was formerly Non-Executive Director of Diageo Plc. He has also served as non-executive chairman of Perform plc since 2011, is currently Chair of the Newcastle Science City Partnership and is a director of the Entrepreneurs' Forum. Paul previously served as a Non-Executive Director of MyTravel Group Plc from December 2000 to December 2004. Paul qualified as a chartered accountant at Ernst & Young, having graduated from York University with an economics degree.

Ian Duncan was Financial Director of Royal Mail Holdings Plc from 2006 until 2010. Prior to the Royal Mail Ian served for eight years as Chief Financial Officer and Senior Vice President of Westinghouse Electric Company LLC in Pennsylvania, USA. Between 1993 and 1998 Ian worked at British Nuclear Fuels plc latterly as Corporate Finance Director. Prior to this, Ian was an Associate Director at Lloyds Merchant Bank Limited and a Manager at Dresdner Kleinwort Wasserstein Limited. Ian qualified as a Chartered Accountant at Deloitte and Touche in 1985. Ian is currently a Non-Executive Director of Babcock International Group plc, where he chairs the Audit and Risk Committee. Ian holds an MA from St Catherine's College, Oxford.

Differentiated Technology

Previously Thought Impossible

- 2001-2005 Dr Yeturu Aahlad left SUN Microsystems where he was the distributed systems architect to work on a maths problem:
  - active:active replication over a wide area network
  - A wide area network (WAN) is a long-distance communications network that covers a wide geographic area. When we talk about a WAN we are usually talking about the Internet.
- Traditional thinking said it couldn't be done

Differentiated Technology

Previously Thought Impossible

The eight fallacies of distributed computing say “not possible”

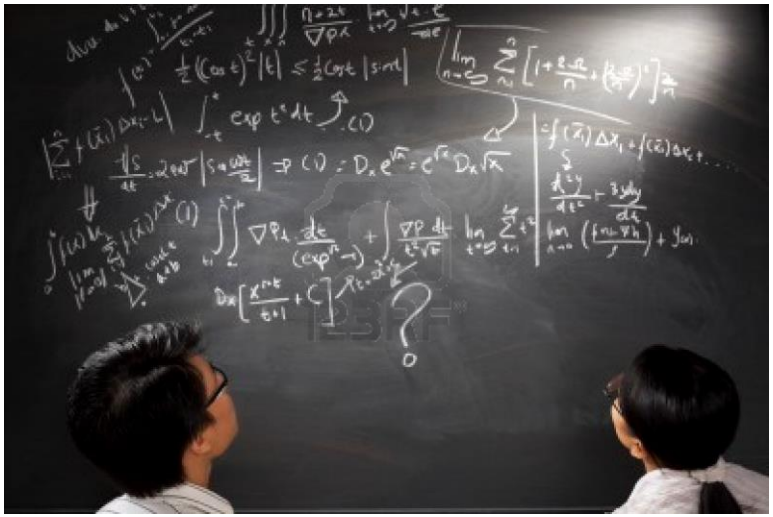
Essentially everyone, when they first build a distributed application, makes the following eight assumptions. All prove to be false in the long run and all cause *big* trouble and *painful* learning experiences.

1. The network is reliable
2. Latency is zero
3. Bandwidth is infinite
4. The network is secure
5. Topology doesn't change
6. There is one administrator
7. Transport cost is zero
8. The network is homogeneous

Differentiated Technology

Previously Thought Impossible

- By 2005 he had solved the riddle…
  - 20 pages in the form of a mathematical proof



- Initially applied to the problem of distributed software engineering teams

- Same technology now being applied to the Big Data market

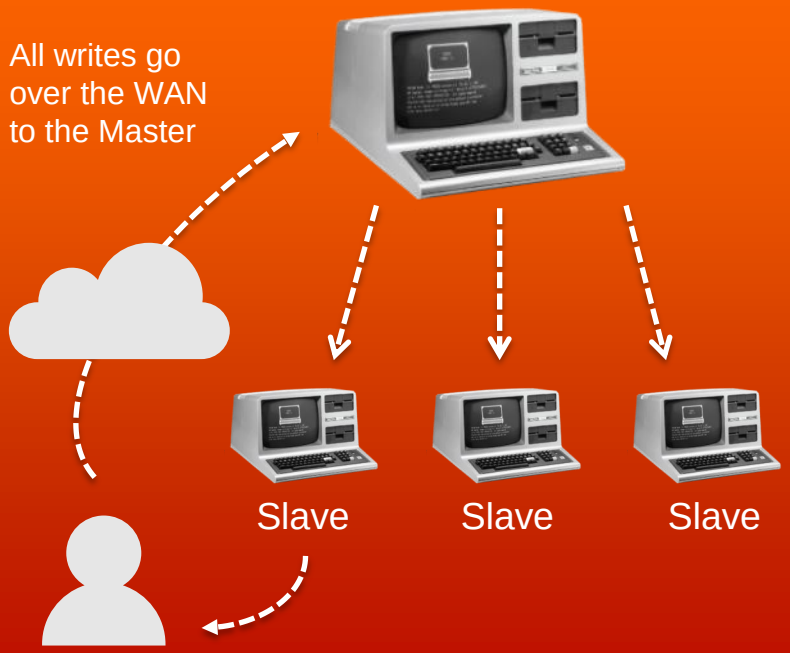
Market Approach & Competitors

Traditional Approach

Master Slave

Master (single point of failure)

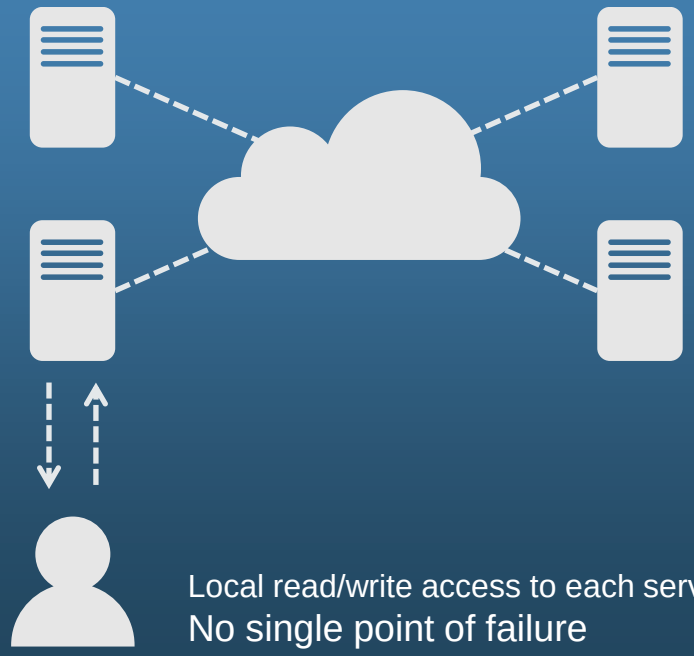
All writes go over the WAN to the Master



WANdisco Technology

Peer to Peer

Every server an exact replica



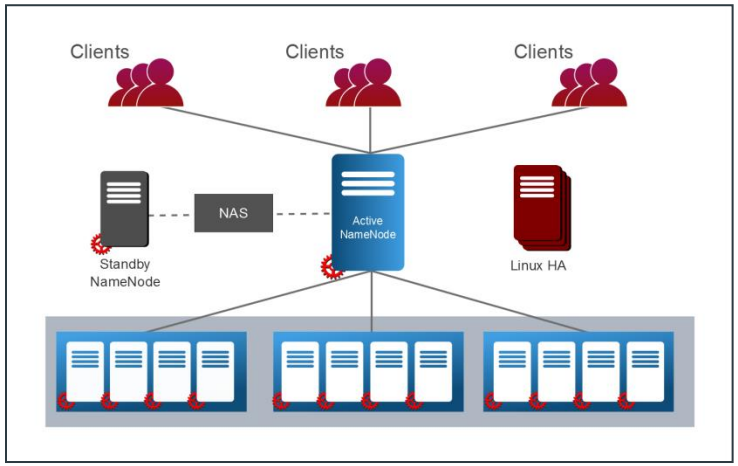
Local read/write access to each server

No single point of failure

Applications in Hadoop Big Data

WANdisco Non-Stop NameNode

- 100% Uptime with WANdisco's patented replication technology
  - Zero downtime / zero data loss
  - Enables maintenance without downtime
- Automatic recovery of any failed server without admin intervention
- Scales as workload increases



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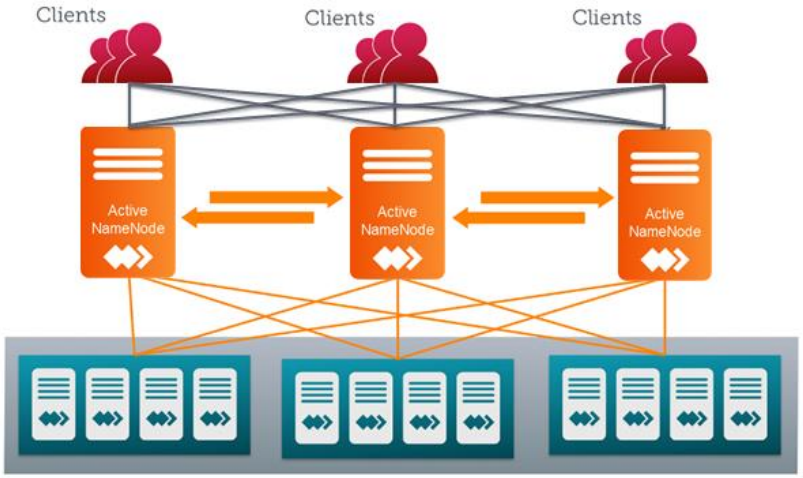
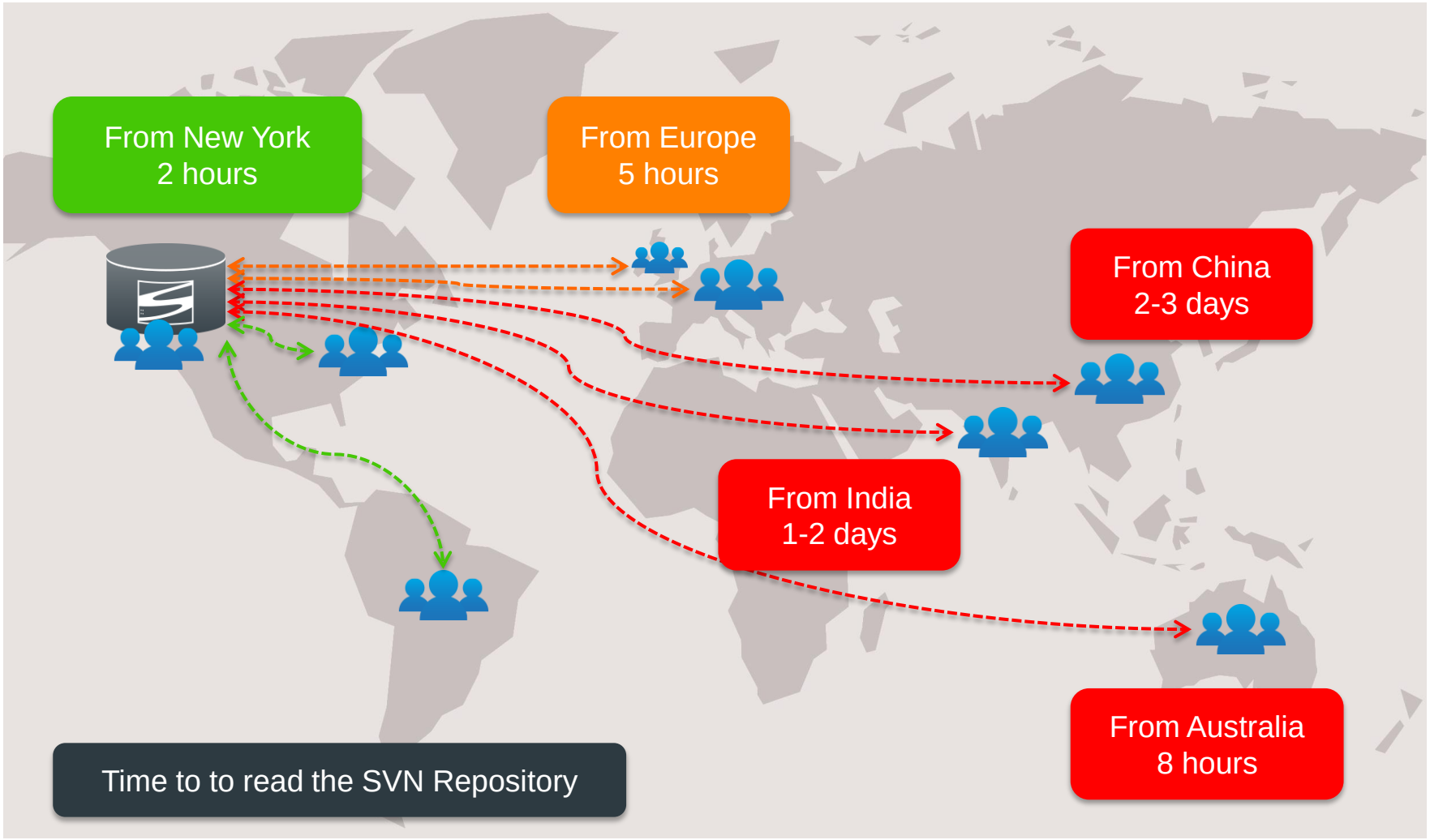
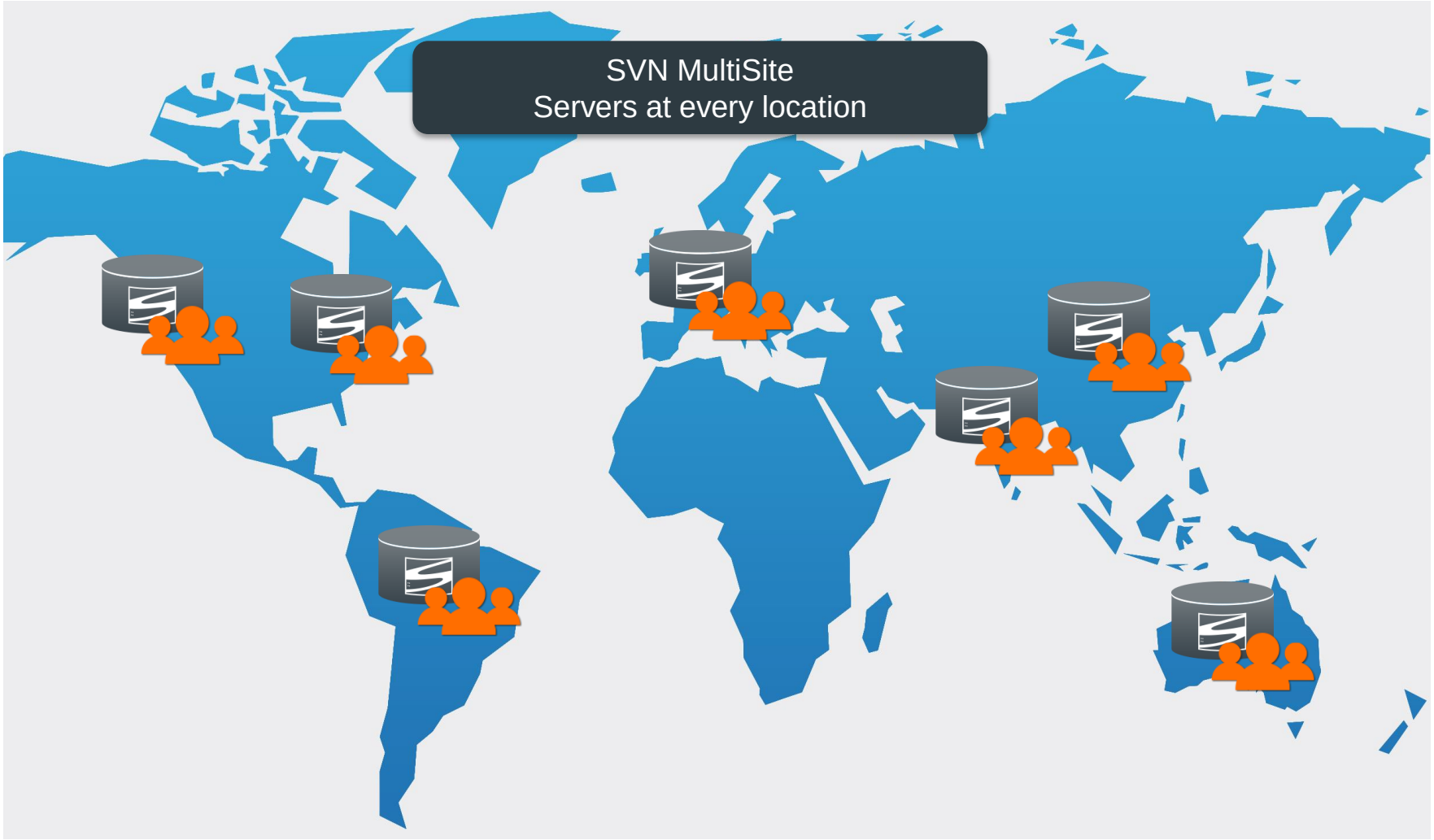


Distributed Development Problem



Distributed Development Solution



Customers


accenture
alaric
CAMBRIDGE
blue of california
katradius
at&t
avaloq
Azaire
AEPONA
aperto networks
ANSYS
ACR
BARCLAYS CAPITAL
Canada Border Services Agency
Cortina
AVAYA
AEROFLEX
BESTSELLER
CITCO
COOPER
AVIVA
BORD GAIS
Batesville
BLACKROCK
BROADCOM.
BT
calgary SCIENTIFIC
EVS
Daiichi-Sankyo
Avocent
digby
EMC²
classmates media
CISCO
DERIVCO
DELL
fiserv.
EXPRESS SCRIPTS
Disney
CPP INVESTMENT BOARD
EVENTZERO
DIGITAL DOMAIN MEDIA GROUP
Experian
ENTROPIC communications
EMS SATCOM
IKANOS communications
desktone
GREENLINE
GBST
FLATIRONS SOLUTIONS
FUGRO JASON
gigle
Azaire
INTERZONE
GENERAL DYNAMICS
Global Indemnity
FreeWheel
Epic
HAEMONETICS
HDMS
INTRALINKS
HALLIBURTON
HARRIS
GLOBALFOUNDRIES
Walmart
intel
ING DiBa
Direktbank Austria
intune networks
HUAWEI
HealthNow
ITHACA COLLEGE
HONDA
JACOBS
Interactive Data
juniper NETWORKS
rovi
ITG
KNORR-BREMSE
KOMATSU
LITEPOINT
JOHN DEERE
Johnson & Johnson
Ladbrokes
LOCKHEED MARTIN
LANSDOWNE PARTNERS LIMITED
MACQUARIE
McGraw-Hill
Medicel
communications
NAVTEQ
ZEBRA TECHNOLOGIES
mototech
Merrill Lynch
Mentor Graphics
NALCO
navis
NCR
NewTek
SSP
NOVATEL WIRELESS
NTT Group
MOTOROLA
numerix
NLA
New London Associates, LLC
symantec
pixelworks
HYPERCOM
ORC
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opencrm
Optimi
NOKIA
FAB
PMC-SIERRA
playfish
OECD
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PitneyBowes
picoChip
NOMADIX
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Rocket
ResMed
optiver
QUEST SOFTWARE
RIM
Raytheon
IT SOLUTIONS
Riplife
SUNGARD
skype
SHARP
TREND MICRO
snell
STEC
telenav
Sterling Commerce
UCLA
SONY
Trident
USF UNIVERSITY OF SOUTH FLORIDA
Syniverse
TRAVELERS
VIRAGE LOGIC
STATE STREET.
Western Digital
SHERWIN WILLIAMS.
WELLS FARGO
Synchronoss Technologies Inc.
Sun
VeriSign
viadeo
Voltage

The Big Data opportunity

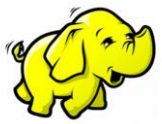
A ‘killer app’ for our technology

- **Big Data is a big problem…**

  “Large data sets so big that commonly-used software tools are unable to capture, curate, manage, and process the data within a tolerable elapsed time.”

- **Big Data is a big market…**
  - $50bn by 2016 (Wikibon)
  - $16bn value today

- **Hadoop dominates the Big Data market**
  - Facebook, eBay, Amazon and Yahoo
  - Moving into enterprise
  - Invented by developers at Yahoo!



- **WANdisco can solve Hadoop’s flaws**
  - Minimise data loss
  - Deliver zero downtime
  - Highly attractive proposition to enterprises operating large, mission-critical databases

Elephant Threat to Big Tech

By Rolfe Winkler

What do you get when you cross Google with a toy elephant? A threat to sales growth for some big technology companies, and a new breed of promising IPO candidates.

In developing its powerful search engine, Google cracked one of the toughest "big data" nuts: figuring out how to make a copy of the Internet, digest what it means, and then use that information to answer a seemingly infinite number of user questions in nanoseconds. A decade later, Google's innovations have spawned new open-source projects such as Hadoop—named after a toy elephant belonging to the son of one of its creators.

Today, Hadoop is used by Google rivals like Yahoo, Facebook and Apple to help make sense of the flood of data generated by the digital revolution. It is also challenging tech

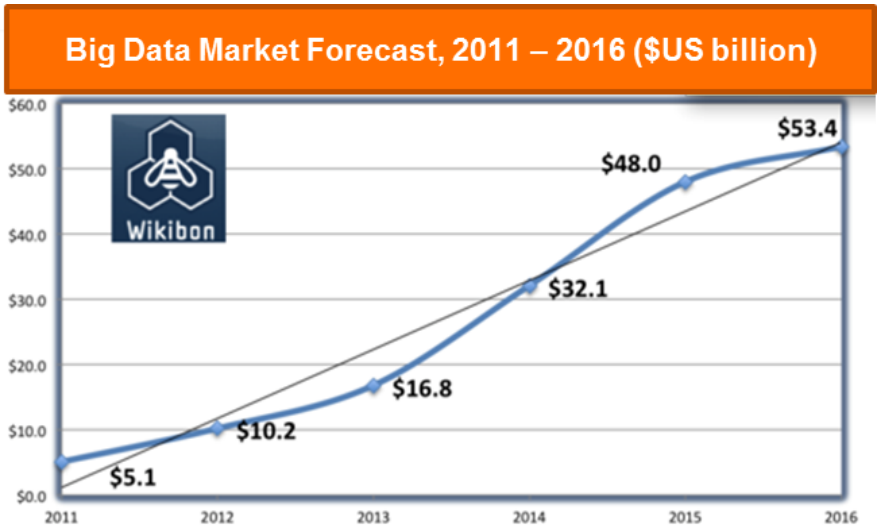
Please turn to the back page

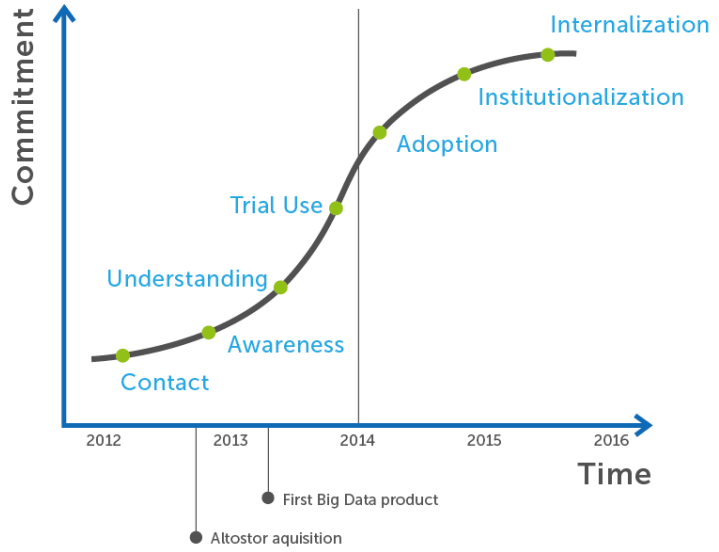
Elephant in the Room to Weigh on Growth for Oracle, Teradata
Wall Street Journal, 18 August 2013
(see rear of Appendix)

The Big Data opportunity

Attractive market dynamics

- **Wikibon's Big Data market forecast maps almost perfectly to technology adoption S-Curve**
  - 2010 – 2012 much of the revenue generated was via education & services
  - 2012 – 2014 revenue is crossing to become product-based
  - Enterprise features such as security and high availability are now needed





Unrivalled expertise in Hadoop

Developing Hadoop products with Hadoop architects at the helm

- **Dr. Konstantin Shvachko**
  - Co-founder of AltoStor, acquired by WANdisco
  - Team member that invented Hadoop at Yahoo in 2006
  - Principal Big Data architect at eBay
  - Hadoop committer and creator of Hadoop Distributed File System (HDFS)

- **Jagane Sundar**
  - Co-founder of AltoStor, acquired by WANdisco
- Architected and managed the development of AltoStor's Hadoop as a service platform before selling to VertiCloud
  - Former Director of Hadoop Engineering at Yahoo! and managed the development of Hadoop 0.20.204 with Disk Fail In Place

- **Dr. Konstantin Boudnik**
  - One of the original developers and committer of Hadoop
  - Founder of Apache BigTop
  - Hadoop automation architect at Yahoo

First Big Data customer secured

Tier 1 UK telecommunications company

- **A significant customer**
  - Tier 1 UK telecoms operator
  - Operations are globally distributed

- **Utilising multiple WANdisco Big Data products**
  - WANdisco WDD
  - WANdisco Non-Stop Hadoop

- **Solving a significant business challenge**
  - Large amount of data generated every second
  - Data needs to be instantly analyzed
    - Fraud detection
    - Revenue assurance (effective pricing strategy)
    - Usage pattern analysis for effective marketing / pricing
  - Unable to achieve this with ‘traditional’ technologies
  - Using WANdisco Hadoop to guarantee availability at different geographical locations

- **Validation of our Big Data strategy**
  - Large, global organisations are realising that they must get to grips with Big Data challenges

Major Big Data OEM secured

NSN signed, validating platform approach

- **A significant customer**
  - Subsidiary of Nokia Corporation (formerly Nokia Siemens Networks), acquired Motorola's wireless networks infrastructure business in 2011
  - Started operations on April 1, 2007
  - Net sales of approximately €13.4 billion in 2012
  - 56,700 employees, operations in 120+ countries
  - Serves 45% of the world's LTE subscribers
- **Utilising multiple WANdisco Big Data products**
  - WANdisco WDD
  - WANdisco Non-Stop Hadoop
- **Solving a significant business challenge**
  - Need Hadoop for Customer Experience Management Systems
  - Data (structured and unstructured) is increasing too rapidly for their Oracle database.
- **Validation of our Big Data strategy**
  - "A huge differentiator for our products and services"
  - Several new customers committed (major carriers)
- **Started as an ALM customer first**

Strategic acquisitions delivered

Welcoming smartSVN and AltoStor

Acquiring in ALM

SmartSVN

- Acquired in September 2012 for $1.0m
- Broadened the Group's product offering for the ALM market
- Provides a low cost end-user product that can be leveraged to drive sales in the SME market
- Enables us to offer a more complete solution that can encompass both the client and the server
- Proven product
- Provides cross-selling potential

Acquiring in Big Data

AltoStor

- Acquired in November 2012 for $4.9m of which $1.5m was paid immediately in cash
- Added the highest pedigree of Hadoop technology and know-how to our team
- Brought two founding developers of Apache Hadoop to the team, providing WANdisco with unrivalled expertise in Big Data
- Greatly accelerated our product development for this fast-growing market
- Enabled us to deliver a portfolio of products substantially ahead of schedule

The Wall Street Journal
Elephant in the Room to Weigh on Growth for Oracle, Teradata
Rolfe Winkler
19 August 2013

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In developing its powerful search engine, Google cracked one of the toughest "big data" nuts: figuring out how to make a copy of the Internet, digest what it means, and then use that information to answer a seemingly infinite number of user questions in nanoseconds. A decade later, Google's innovations have spawned new open-source projects such as Hadoop—named after a toy elephant belonging to the son of one of its creators.

Today, Hadoop is used by Google rivals like Yahoo, Facebook and Apple to help make sense of the flood of data generated by the digital revolution. It is also challenging tech heavyweights like Oracle and Teradata. Their core database technology is too expensive and ill-suited for typical big data tasks.

Startups that support Hadoop users, including Cloudera and Hortonworks, are growing quickly and gearing up for initial public offerings. Hortonworks gets paid to support free Hadoop technology; Cloudera has its own paid version.

Traditional databases organize easy-to-categorize information. Customer records or ATM transactions, for example, arrive in a predefined format that is easy to process and analyze. These so-called relational databases are the kind offered by Oracle and Teradata among others, and the market for them runs to an estimated $30 billion a year, according to IDC estimates.

The Internet, though, is messy. Companies now also have to make sense of and store the mass of data being generated from tweets, Web-surfing logs and Internet-connected machines. Hadoop is a cheap technology to make that possible, and it was born of Google technologies detailed in academic papers.

The first challenge in making sense of the chaotic Web is that there is no single computer large enough to handle the job. So Google designed a file system to store data across thousands of inexpensive computers engineered to behave like one big one. It is cheap and it can grow as the amount of data grows, a necessary feature to deal with any big data problem today.

Another challenge is bringing order to the chaos. Google created an operating system of sorts, called MapReduce, to run programs needed to do so.

Hadoop was built on these and other innovations, including subsequent ones also published by Google. The technology has become so integral to Sears, for instance, it now has a consulting arm called MetaScale to sell its expertise.

The Wall Street Journal
Elephant in the Room to Weigh on Growth for Oracle, Teradata (cont.)

As for the threat to database heavyweights like Oracle and Teradata, Hadoop won't cause companies to abandon the kind of relational database products they offer. These remain the standard for processing easily organized data.

But Hadoop may slow their pace of growth. That is because companies could increasingly divert spending into Hadoop or similar technologies.

IDC analyst Carl Olofson, for example, estimates the market for Hadoop software will be worth around $800 million in 2016 versus $77 million in 2011. But that forecast may understate the technology's likely adoption rate.

Because it is open source, for every user paying a company for support, there are others that use free versions. And to the extent that any user finds it less necessary to boost spending on traditional databases, that will have a negative impact on those offering such products.

Oracle, Teradata and other large technology companies have their own Hadoop products, but these are likely to account for just 5% to 10% of the market, estimates Mr. Olofson.

Google benefits from these technologies in ways that go beyond its core search engine. It rents space on its massive world-wide "computer." It also sells software tools, delivered as a service over the Internet, to help companies analyze the data they collect. Over time that could become a business to rival Amazon's successful Web-services unit.

Meanwhile, in Silicon Valley's war for talent, publishing papers such as those that led to the creation of Hadoop can help with recruiting, showing potential recruits "that you're working on good problems," says Google Fellow Jeff Dean.

Ironically, besides Google itself, it was search rival Yahoo that may have benefited most, at least early on, from the development of the system that became Hadoop. Doug Cutting, Hadoop's early co-developer with Mike Cafarella, joined Yahooin 2006, bringing his open-source project with him. A year later, after its own development work, Yahoo made it the basis of an upgrade to its own search-engine technology.

Though Yahoo has since handed off its search function to Microsoft, the work it did on Hadoop led to the spinoff of what is now Hortonworks, in which Yahoo retains a minority stake. Meanwhile, Mr. Cutting left for another Hadoop startup, Cloudera.

Both companies support clients using Hadoop, are growing quickly and are targeting IPOs. Cloudera is seen as further along in this process. Hortonworks is thought to be targeting an offering by 2015.

It seems these leavings from Google's table may make a rich technology feast for others.