WANdisco plc

Preliminary Results for the year ended
31 December 2012

25 April 2013

WANdisco

A quick recap on our story

- **WANdisco: Wide Area Network Distributed Computing**
  - Patented technology addressing a large, global market
  - Leader in tools for software engineers
  - Customers include: HP, Intel, Barclays, John Deere, Honda, Wal-Mart
  - New products released in Q1 2013 that take us in to the fast-growing Big Data market

- **Strong, growing and geographically diversifying customer base**
  - 300+ enterprise customers globally, many in the US Fortune 100
  - Customers operating across a broad range of industries

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

- **Robust financial model**
  - Pre IPO: no venture capital, angel investors or any private equity funding
  - No preferred stock only common & options
  - Annual subscription license model with consistently high level of renewals
  - Per seat, per node pricing

Our strategy for growth

Five 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. **Geographic Expansion**
   Particularly in Asia and continental Europe
5. **Acquisitions**
   Small, technology or developer led purchases that complement our existing set-up

Significant progress made this year against each of these five focus areas

FY 2012 Highlights
Strong progress in our first year

Sales highlights

Continued strong sales growth

- **Strong sales progress**
  - Bookings increased by 71%
    - $7.917m (2011: $4.618m)
  - Revenue increased by 56%
    - $6.031m (2011: $3.878m)
  - Deferred revenue increased by 43%
    - $6.368m (2011: $4.466m)

- **Growth from new customers, existing customers and renewals**
  - 55 new customers
    - Apple, McAfee, Cisco, Huawei, Fujitsu, Honeywell, FINRA, Cap Gemini, Nokia Siemens, Pitney Bowes, Huntington Bank and Ricoh
  - 43 up-sell transactions to existing customers with additional subscription licenses
    - Hewlett Packard, John Deere, Fiserv, Sherwin Williams, Emerson, EMC, Syniverse, Prudential, Wells Fargo and Wal-Mart
  - 93 Subscription renewals
    - 114% renewal rate
    - Cisco Systems, Disney, Juniper Networks, McGraw Hill and Vanguard

Sales breakdown

FY2012 key sales metrics

Type	Number of Deals	Bookings Value	Average Deal Size	%
New Customers	55	$2,989,749	$54,359	37%
Add-on deals	43	$627,321	$14,589	8%
Renewals	93	$4,299,930	$46,236	55%
Deal total	191	$7,917,000	$41,450	

- Growth within existing installed base, new customers underpinned by reliable subscription renewals
- Renewals grew significantly from expected $ value
  - Price increases / length of term
  - Customer confidence in company / technology
- Average deal size grew across all products

Operational progress

Some major milestones met

- **Confirmed our technology leadership**
  - Awarded US Patent for core Active-Active Data Replication technology
- **Extended our lead in to new geographic markets**
  - China office established
  - WOFE status granted
  - First China customers secured in the shape of Huawei, H3C and Nanjing Exchange
- **Turbo-charged our enterprise sales team**
  - Key hires secured
  - Talent from IBM, HP and other Tier 1, global technology firms brought to WANdisco
- **Bolstered our product development and delivery capabilities**
  - New development centre opened in Belfast, Northern Ireland

Clear, consistent delivery against our IPO commitments

Strategic acquisitions delivered

Welcoming smartSVN and AltoStor

Acquiring in ALM

Acquiring in Big Data

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

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

Key financials

Summary

FY 2012 31 December	2012 $ 000's	2011 $ 000's	Change %
Cash Bookings	7,916	4,618	*+71%*
Deferred Revenue	6,368	4,466	*+43%*
Revenue	6,031	3,878	*+56%*
Adjusted EBITDA	(3,002)	150	
Net Cash	14,545	74	

- Financial model continues to deliver strong, consistent bookings growth and good visibility of future revenues
- Adjusted EBITDA change the result of significant, planned investment in new products, sales team and development team expansion

Key financials

Four year record

31 December	2009 $'000	2010 $'000	2011 $'000	2012 $'000
Customer Bookings	2,310	3,080	4,618	7,916
Bookings Growth	N/a	33%	50%	71%
Revenue	2,476	2,984	3,878	6,031
Revenue Growth	N/a	21%	30%	56%
Deferred Revenue	3,437	3,726	4,466	6,368
Growth in Deferred Revenue	N/a	8%	20%	43%
Net Cash	(163)	(554)	74	14,545
Operating Loss	(2,172)	(1,860)	(1,154)	(8,541)
Development costs and software amortised	308	597	980	2,018
Depreciation	18	49	46	52
Exceptional items	6	204	205	2,656
EBITDA before exceptional costs	(1,840)	(1,010)	77	(3,815)
Add back share based payment charges	325	182	73	813
Adjusted EBITDA before exceptional items	(1,515)	(828)	150	(3,002)
Capitalised development costs	602	1,103	1,207	2,912

Note: Customer bookings in 2009 excludes one unusually large booking of $3.25 million.

Key financials

Cash flow since IPO

	$ 000's
Pre IPO cash	253
Cash raised from IPO	23,197
Syntevo software purchase	(1,000)
AltoStor Acquisition	(1,500)
Cash receipts	3,609
UK Payroll costs	(2,374)
US Payroll costs	(3,572)
Operating working capital	(1,412)
IPO costs	(2,656)
Cash at year end	**14,545**

Big Data developments

Significant progress post period end

The Big Data opportunity

A ‘killer app’ for our technology

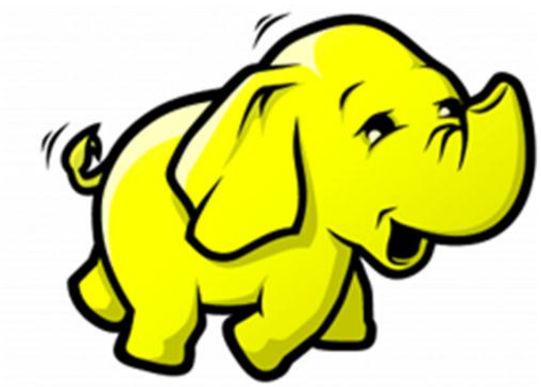
- **Big Data is a big problem…**

  “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 2017 (Wikibon)
  - $5bn value today

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

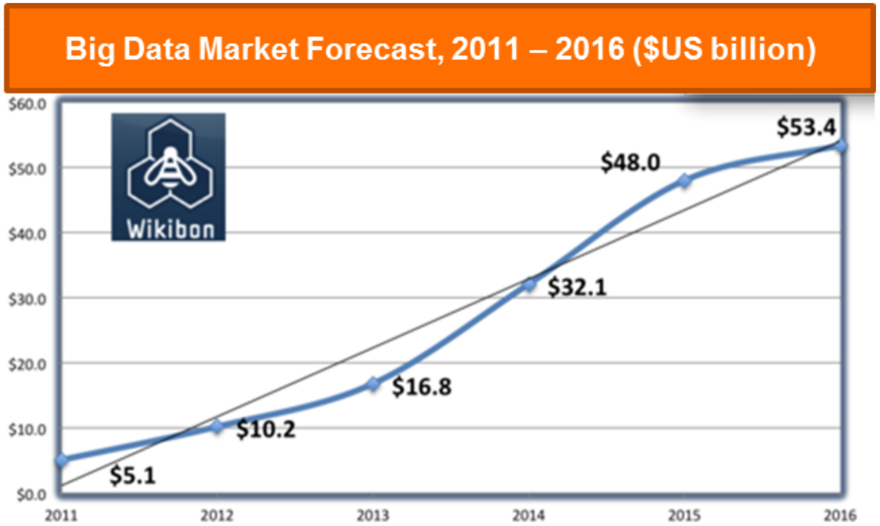
- **WANdisco can solve Hadoop’s flaws**
  - Minimise data loss
  - Deliver zero downtime
  - Highly attractive proposition to enterprises operating large, mission-critical databases

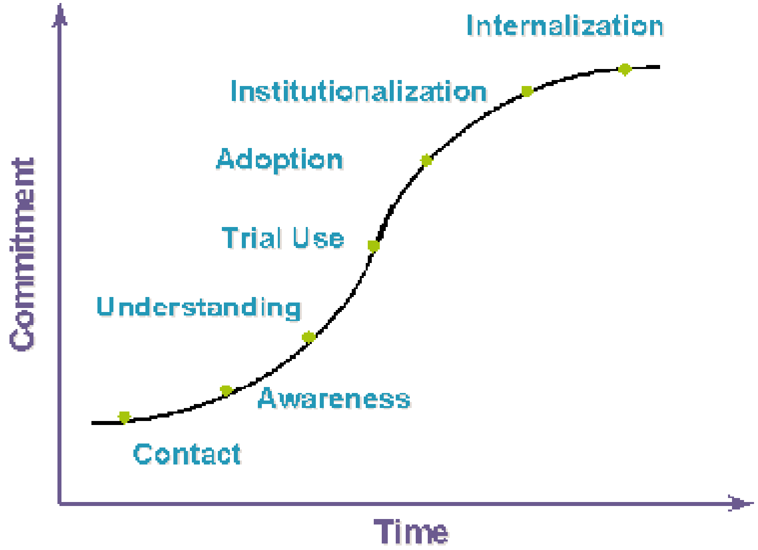


The Big Data opportunity

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

Moving in on the opportunity

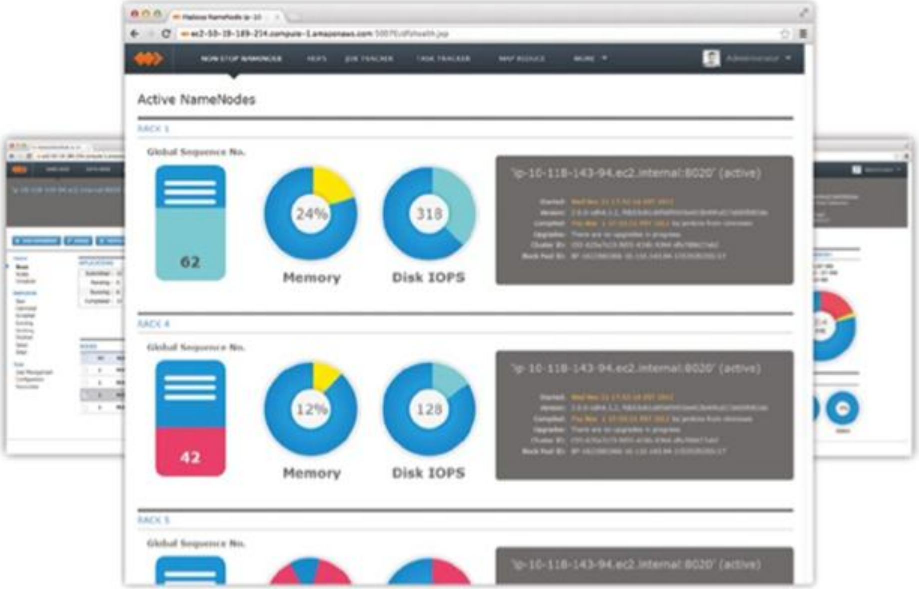
From prototypes to first products

- **First WANdisco Big Data products launched to market post period end**
  - Ahead of schedule

- **A full suite of enterprise-ready solutions now in the market**
  - WANdisco Non-Stop NameNode
  - WANdisco Distro – or 'WDD'
  - WANdisco Hadoop Console

- **3 key characteristics**
  - Manage…
  - Protect…
  - … and Defend mission critical data centre installations

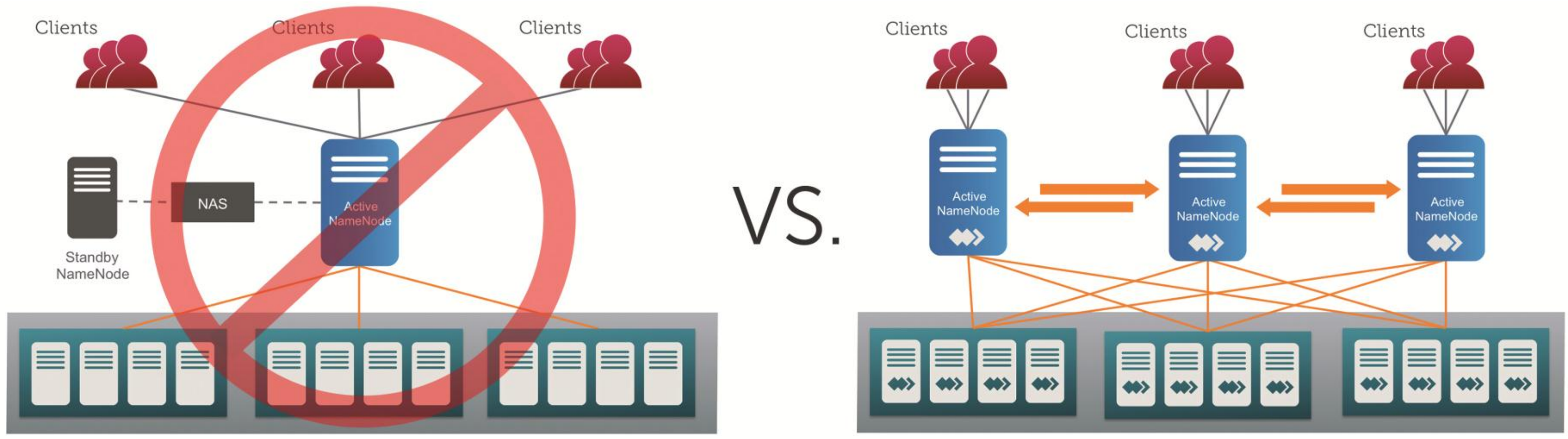
- **100% uptime for Hadoop**
  - Immediate failover
  - Automatic recovery
  - Zero downtime



Our Big Data 'flagship'

The WANdisco Non-Stop NameNode

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



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 NameNode

- **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

Building a partnership ecosystem

7 new partners in the first month

- **Fusion-io**
  - $1.5bn hardware vendor
- **Hyve Solutions (Synnex)**
  - Fortune 500 hardware provider of servers to Facebook and others
- **SUSE**
  - major operating system vendor
- **Big Data System Integrators partnering for deployments**

Summary and Outlook

The year in review

Our scorecard for FY 2012

- **US Patent - granted** ✔
- **Built out our offer**
  - Big Data (Acquired AltoStor – products brought forward to Q1 2013) ✔
  - Expansion of current product set ✔
  - Opened new (cost effective) development centre in Belfast ✔
  - Purchased smartSVN technology ✔
- **Built out the sales team**
  - Key hires from established players such as IBM ✔
- **Expanded into Asian market, especially China**
  - Hired sales / support team in Chengdu, China ✔
  - First deals signed with Huawei, H3C and Nanjing Exchange ✔
- **Hired key open source developers**
  - 3 new Subversion developers hired ✔
- **Grew subscription bookings**
  - Up 71% (FY2012) ✔
  - New customers ✔
  - Up-sold into installed base ✔

Strong momentum in Q1 2013

Bookings and customer progress continued apace

- **Strong sales progress**
  - Bookings increased by 96%
    - $3.035m (2012: $1.545m)

- **Growth from new customers, existing customers and renewals**
  - 9 new customers (including customers moving from support to product)
    - *General Atomics, FutureWei (a division of Huawei), Société Générale and Maxim with new license sales to existing customers including Home Depot, John Deere and McAfee*
  - 9 up-sell transactions to existing customers with additional subscription licenses
  - 36 subscription renewals: 117% renewal rate

- **Strong platform on which to build for the full year**

Sales Highlights

Q1 2013 key metrics

Type	Number of Deals	Bookings Value	Average Deal Size	%
New Customers	9	$1,260,990	$140,110	41%
Add-on deals	9	$441,115	$49,012	15%
Renewals	36	$1,333,120	$37,031	44%
Total	54	$3,035,225	$56,208	

- Huge increase in average deal size for new deals ($54,359 for FY 2012)
- Again, underpinned by reliable renewals

Outlook

The year ahead

- **Start the year in a strong position**
  - Have seen and continue to see rapid sales growth for our existing ALM product line
  - Believe there is now increased potential for our Big Data products

- **Continuing to focus on the right initiatives and investments for growth**
  - Investing in a larger, stronger sales team
  - Expanding our developer base and skill set

- **Looking forward to the future with confidence**
  - Confident that Big Data sales will be significant and delivered in the relatively short term
  - ALM rapid growth continues
  - The Board expects higher customer bookings than initially anticipated during 2013

WANdisco Introduction

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).

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.

Nick Parker, Chief Financial Officer: 25 years of experience in finance positions, and in particular, in London Stock Exchange listed companies. Prior to WANdisco, Nick was the Dyson Group PLC CFO for over eight years and the VP of Corporate Development at Carclo PLC, where he oversaw numerous acquisitions and disposals in both the UK and overseas.

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.

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 has been a Non-Executive Director of Diageo Plc since June 2002. 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”

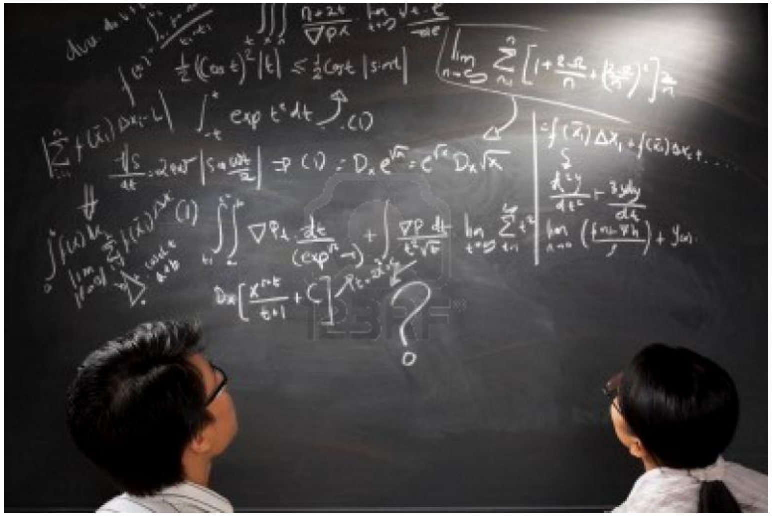
Essentially everyone, when they first build a distributed application, makes the following eight assumptions. All prove to be false in the long run and all cause *big* trouble and *painful* learning experiences.

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

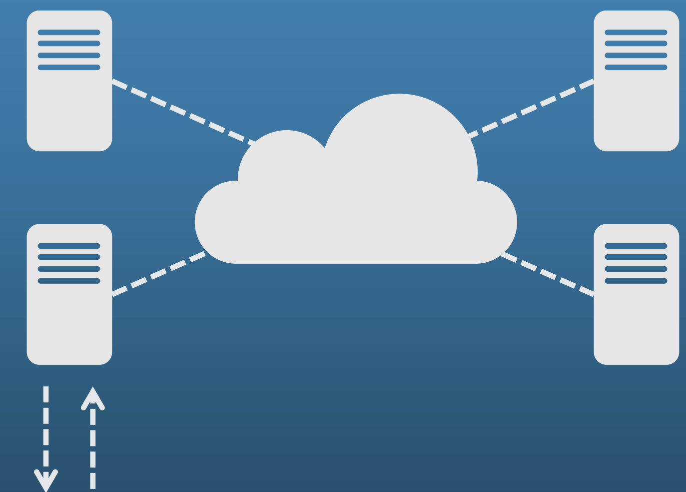


Market Approach & Competitors

WANdisco Technology

Peer to Peer

Every server an exact replica



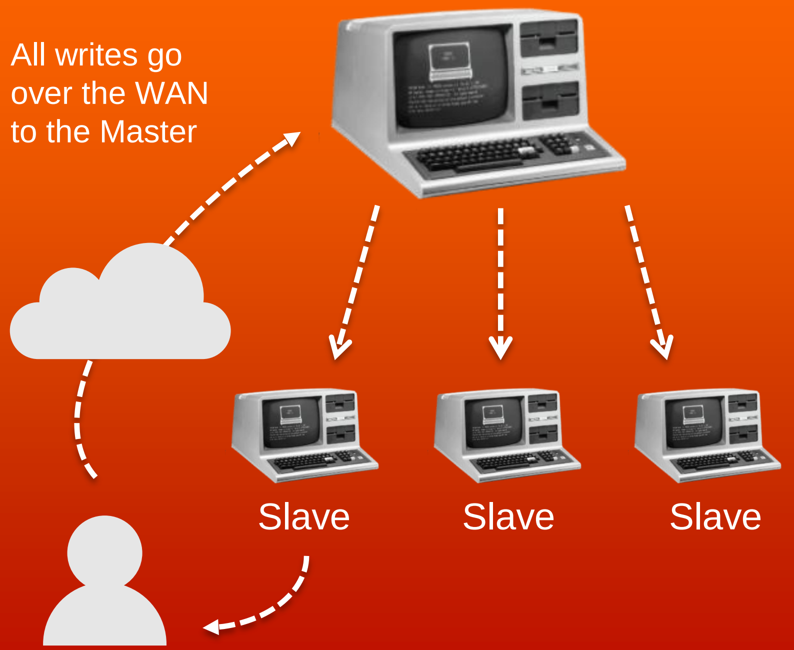
Local read/write access to each server

No single point of failure

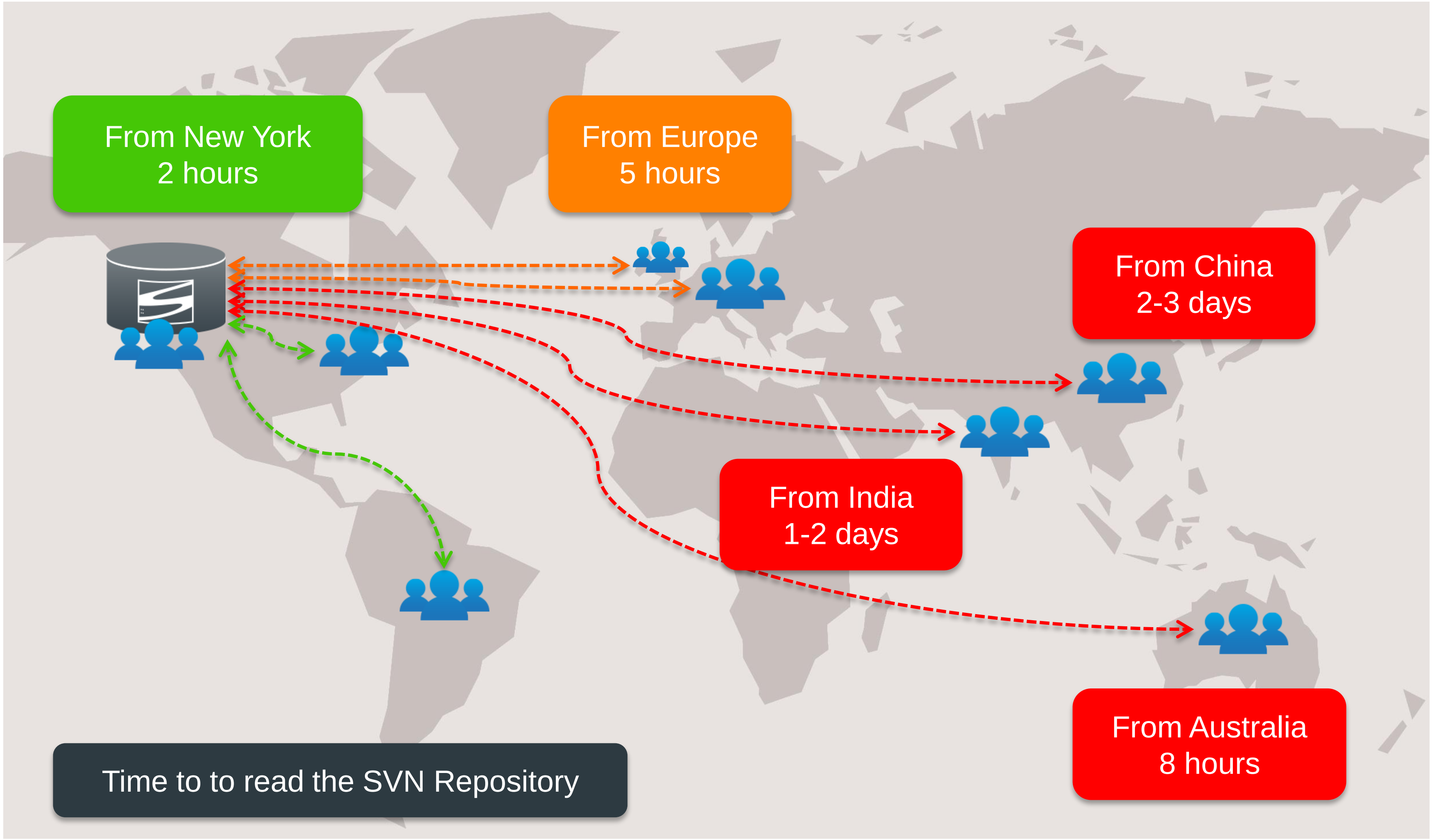
Traditional Approach

Master Slave

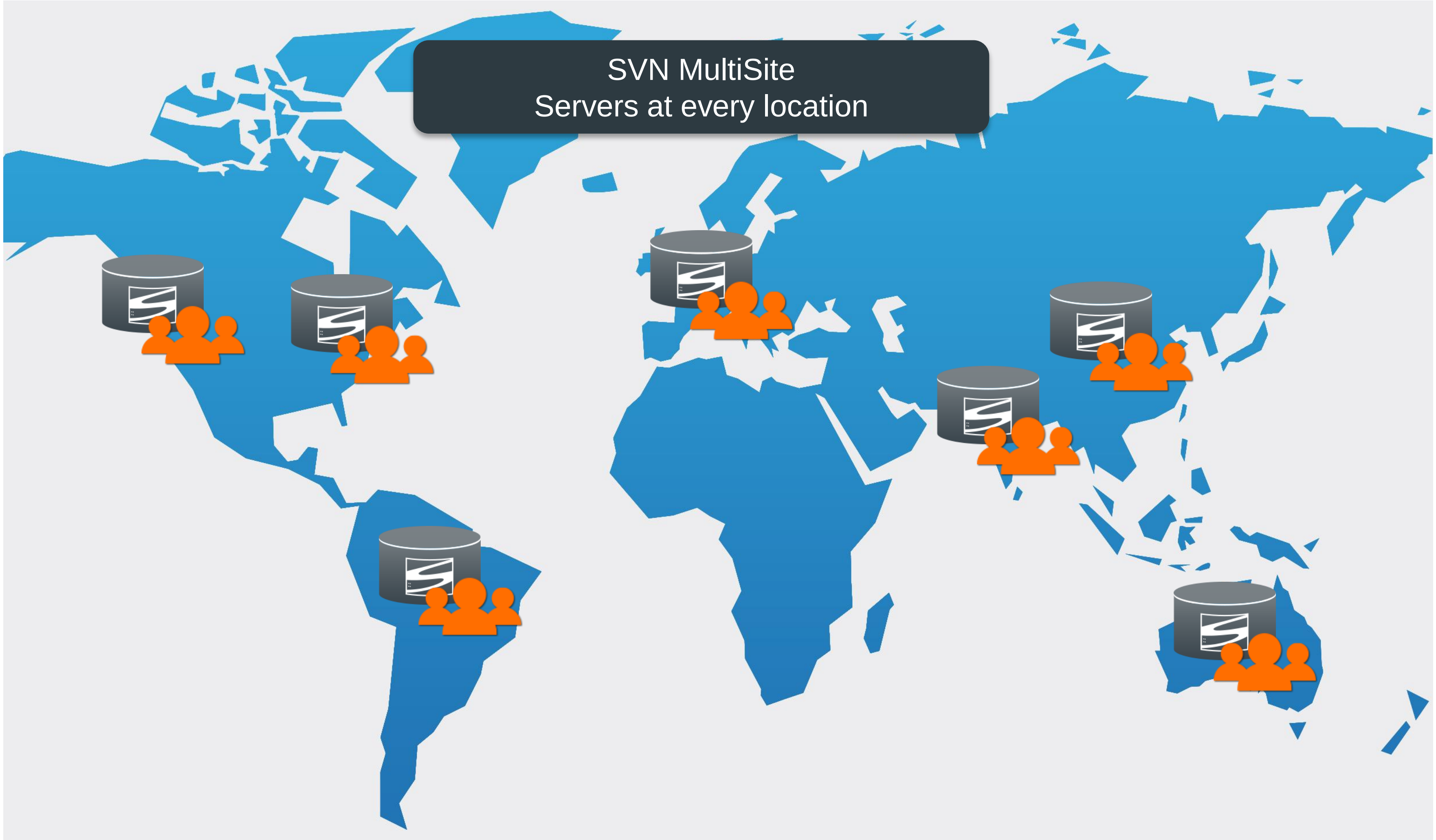
Master (single point of failure)



Distributed Development Problem



Distributed Development Solution



Customers


accenture
alaric
BUSINESS SOLUTIONS
American Power Conversion
CAMBRIDGE
atradius
blue of california
avaloq
Azaire
AEPONA
aperto networks
ANSYS
ACR
BARCLAYS CAPITAL
CALLIDUS SOFTWARE
Canada Border Services Agency
at&t
AVAYA
AEROFLEX
ARCHITECT OF THE CAPITOL
BESTSELLER
CITCO
Cortina
COOPER
AVIVA
BORD GÁIS
Batesville
BLACKROCK
BROADCOM.
BT
calgary scientific
EVS
Daiichi-Sankyo
Avocent
digby
DMS
EMC²
classmates media
CIRRUS LOGIC
DERIVCO
DELL
fiserv.
EXPRESS SCRIPTS
Disney
CISCO
CPP INVESTMENT BOARD
EVENTZERO
DIGITAL DOMAIN MEDIA GROUP
ENTROPIC communications
EMS SATCOM
IKANOS
EA
desktone
FUGRO JASON
GREENLINE
Experian
GBST
FLATIRONS SOLUTIONS
FLOW TRADERS
FreeWheel
Epic
HAEMONETICS
gigle
Azaire
GENERAL DYNAMICS
Global Indemnity
INTERZONE
HARRIS
GLOBALFOUNDRIES
HDMS
HALLIBURTON
hp
Walmart
intel
ING DiBa Direktbank Austria
intune networks
INTRALINKS
HUAWEI
HealthNow
HONDA
JACOBS
Interactive Data
JUNIPER NETWORKS
rovi
ITHACA COLLEGE
ITG
Johnson&Johnson
KNORR-BREMSE
KOMATSU
LITEPOINT
JOHN DEERE
L3 communications
Ladbrokes
LOCKHEED MARTIN
LANSDOWNE PARTNERS LIMITED
MACQUARIE
MediaTek Inc.
McGraw-Hill
Medicel
NAVTEQ
ZEBRA
mototech
Merrill Lynch
Mentor Graphics
MRM LONDON
NALCO
navis
NAWC
NCR
NewTek
SSP
NOVATEL WIRELESS
NTTGroup
MOTOROLA
HYPERCOM
numerix
NLA New London Associates, LLC
symantec.
pixelworks
ORC
palm
NDS
O2 Micro
OECD
opencrm
Optimi
NOKIA
XFAB
PMC-SIERRA
playfish
Prudential
phoenix
Rocket
Pitney Bowes
picoChip
NOMADIX
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Syniverse
TRAVELERS
VIRAGE LOGIC
STATE STREET.
Western Digital
Sun
Synchronoss
VeriSign
viadeo
ALTECH
Voltage