WANdisco plc

Preliminary Results for the year ended 31 December 2013

20 March 2014

wanDISCO

2013 – Strategic Update

David Richards – CEO

Powering Big Data

Highlights

- Financial
  - Bookings increased 86% year-on-year to $14.7m.
  - Net cash of $25.7m following successful equity placement

- Operational
  - Early Big Data wins secured validating our Big Data technology and offering
  - WANdisco established as the unique continuous availability layer in Cloudera and Hortonworks' Hadoop distributions
  - Early customer wins working with channel partners
  - ALM market leadership strengthened through significant new customer wins and renewals
  - Paul Harrison appointed CFO on 1 September 2013
  - Paul Walker steps up from Non Executive Director to become Chairman

UC Irvine Health

Saving lives with Big Data

WANdisco secures Big Data deployment with University of California's Irvine Health

- Provides UCI with continuous availability of data through its unique Non-Stop technology.
- Enables UCI digitally to collate, store and analyze all data relating to its patients' conditions in real time, allowing staff to reduce considerably the number of lives lost annually.
- Allows UCI to process accurate pattern-set recognitions, use algorithms to monitor patient recovery for non-linear complications, and build predictive-modeling systems to minimize deaths caused by medical error.
- Increases UCI's capacity to provide treatment before patients succumb to disease and allow care to be proactive rather than reactive.

Hortonworks UC Irvine Health

To watch the video go to: https://www.wandisco.com/customers/case-studies/uci

Starting with some context

Why is Big Data happening? Let's take Healthcare

Disparate Databases

- Siloed information
- No single picture
- Not interoperable
- Impossible to run queries

Unification through Hadoop

Predictable Patient Care

Decreased Mortality

Lower Costs

"WANdisco is helping us make a real shift in the medical profession...We've not found any other technology that could provide us with the uptime we need to offer this level of care – it's like having a nurse and doctor in every hospital room around the clock."

CHARLES BOICEY
Informatics Solutions Architect
UCI Health

British Gas

Powering next generation data centers

- WANdisco secures Non-Stop Hadoop test deployment with British Gas
  - Solution will provide British Gas with continuous availability across its next generation data centres.
  - Reduce data storage costs and enable mission critical applications to be deployed without downtime or data loss.
  - Replaces costly legacy data storage warehouse.
  - Ensures that crucial customer and operational information, is available 100% of the time, therefore meeting British Gas's strict business continuity and regulatory requirements.

Hortonworks

British Gas

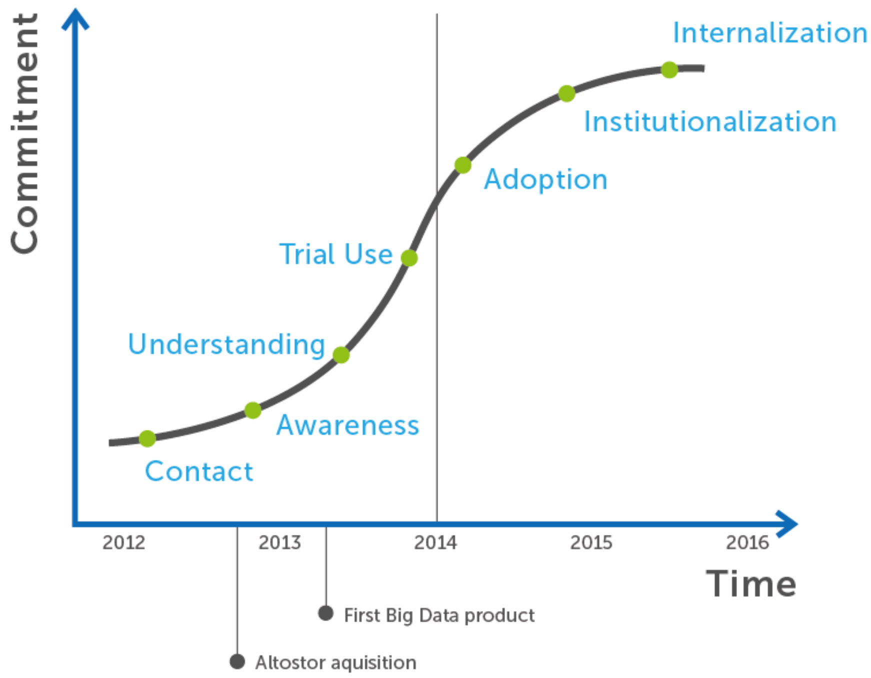
"We are implementing WANdisco's Non-Stop Hadoop technology, which we believe will enable us to roll out Hadoop for critical applications in our data centres. Our residential and business customers will benefit from new applications such as smart meters that make it possible for them to take greater control of their energy use."

David Cooper
CIO, British Gas

Why now for WANdisco?

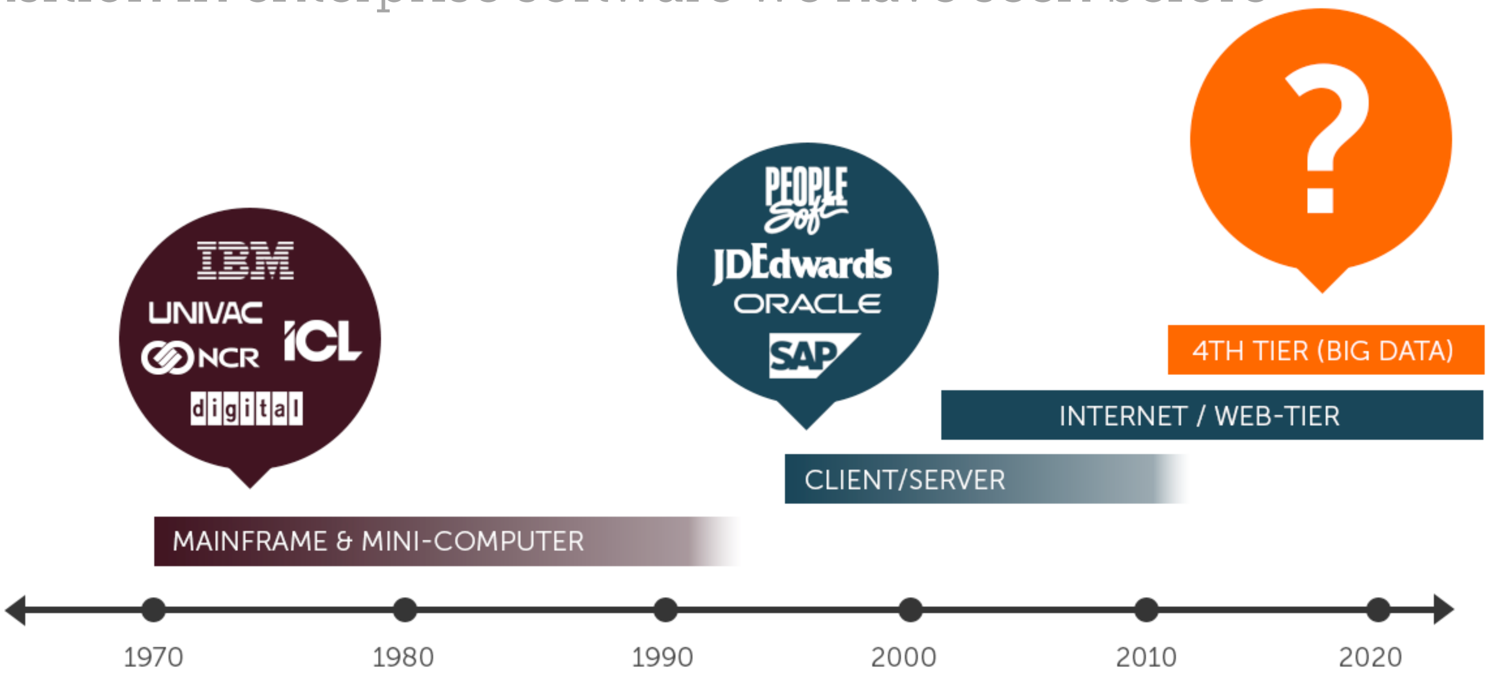
Inflection point: Hadoop 2.0

- Very simply
  - Hadoop 1.0 = cheap storage and batch processing
    - Twitter, Facebook, LinkedIn, etc.
    - Disruption for storage vendors like Teradata
- Hadoop 2.0 = real-time data processing
  - Platform for cloud applications
  - Continuous availability is not a 'nice-to-have' it's a 'must have' in many situations
- Regulatory compliance / data governance is a major driver for continuous availability
  - Ensures crucial data, such as customer and operational information, is available 100% of the time
  - Critical for utility, telecommunications, financial and healthcare businesses, where data security is key



The next phase in a paradigm shift

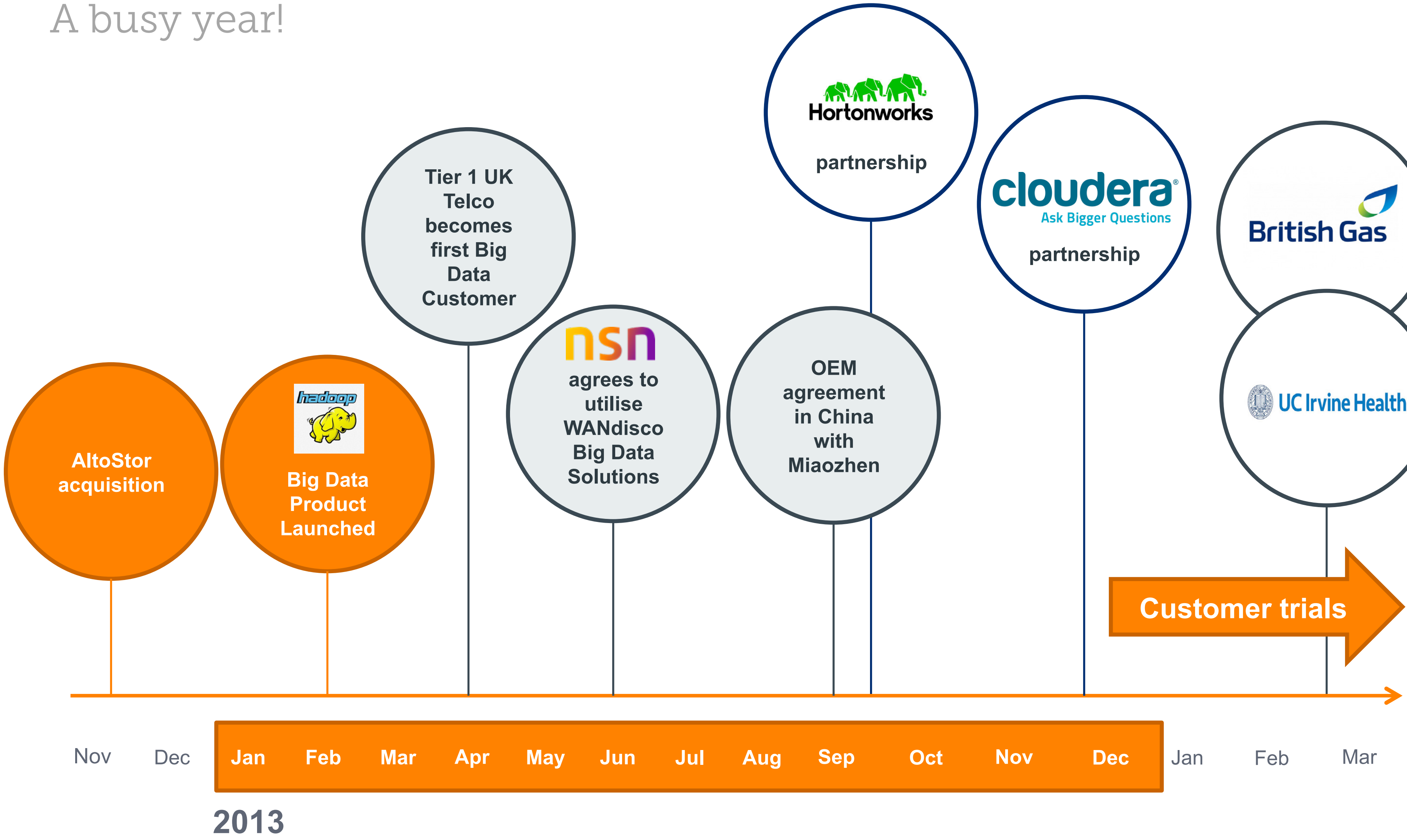
A transition in enterprise software we have seen before



- The average lifespan of enterprise software in 10 – 15 years
  - The last major platform / architecture shift happened in the late 90s
  - Legacy architectures were exposed in terms of scalability, availability, integration, performance, flexibility, costs and business value
  - These are powerful motivators for change
- "70% of enterprises have either deployed or are planning to deploy big data related projects and programs" *IDG Enterprise Big Data Research, January 2014*

Our response

A busy year!



Channel and partner choice

Our ecosystem and its potential

- Partnering with the dominant market leaders in Hadoop
  - 90% of the Hadoop distribution market
  - Blue chip customer base
  - Need for Continuous Availability
- Hortonworks
  - Signed September 2013
  - Pipeline developed
  - Early customer wins with British Gas, UCI Health
- Cloudera
  - Signed December 2013
  - Pipeline developed
- Others
  - NSN
  - Carahsoft
  - Miaozhen

Hortonworks

cloudera®
Ask Bigger Questions

Interest in partnering with WANdisco resulted from Hortonworks and Cloudera customer feedback regarding the importance of continuous availability.

ALM continues to deliver high growth

Sales and adoption momentum continues

- 84% growth in bookings
- Key product releases in year
  - Subversion MultiSite Plus, Git MultiSite
- Continued attraction of blue chip customers
  - ASML Holding, Goldman Sachs, H3C Technologies, Manulife Financial Corporation, Marvell Technology Group, Tangoe Inc., T. Rowe Price and SanDisk
- ALM installed base are strong prospects for Big Data implementations
  - NSN was initially an ALM customer

2013 Report Card

Delivering on our commitments

- **Built out our offer**
  - ✔ Launched and sold Big Data product ahead of schedule
  - ✔ Product certified for Cloudera and Hortonworks distros
  - ✔ HBase Big Data product launched
  - ✔ Released new version of Subversion MultiSite Plus, Git MultiSite
- **Developed Hadoop channel partners**
  - ✔ Hortonworks partnership
  - ✔ Cloudera partnership
- **Revenues starting to build**
  - ✔ Use cases demonstrate we power Hadoop
  - ✔ Growing pipeline
- **Continued to strengthened team**
  - ✔ Paul Harrison appointed CFO
  - ✔ Key enterprise sales force hires – ex SAP and Oracle
  - ✔ Significant appointments in Engineering functions
- **Grew subscription bookings**
  - ✔ Up 86%
  - ✔ New customers
  - ✔ Strong renewal rate

2013 Financial and Operational Update

Paul Harrison – CFO

WANdisco

Key financials

Summary

FY 2013 31 December	FY 2013	FY 2012
Bookings	$14.8m	$7.9m
Deferred Revenue	$13.1m	$6.4m
Revenue	$8.0m	$6.0m
Adjusted EBITDA	$(7.8m)	$(3.0m)
Net Cash	$25.7m	$14.5m

- 56 new customers including ADP, Blue Cross Blue Shield, Canon, Cisco, Goldman Sachs, H3C Technologies, Manulife Financial Corporation, San Disk, Societe Generale and T. Rowe Price
- 70 subscription renewals
- 33 up-sells of additional subscription licenses including John Deere, Juniper Networks and NCR

Bookings breakdown

FY 2013 key bookings metrics

Type	Number of Deals	Bookings Value $'000	Average Deal Size $'000	Mix %
New customers	56	6,370	114	45%
Total installed base	103	7,931	77	55%
Add-on deals	33	1,354	41	10%
Renewals	70	6,577	94	45%
ECommerce		455		
Deal total	159	14,756	n/a	100%

- Average new customer deal size $114k (2012: $44k) reflects addition of enterprise sales force
- Strong recurring revenue base building – 100% of FY13's bookings are subscription

Bookings breakdown

By market and early economics of Big Data

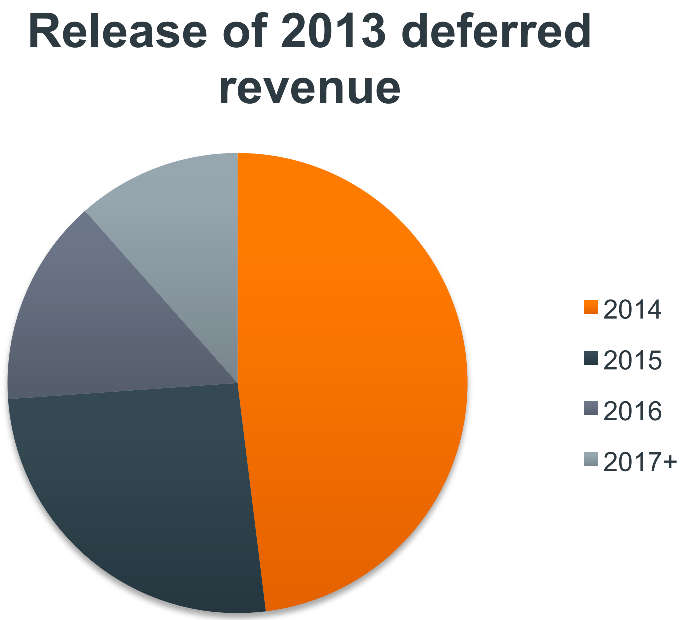
	FY 2013 $ m	FY 2012 $ m
ALM	14.53	7.92
Big Data	0.23	-
	14.76	**7.92**

- Early Big Data implementations
  - Testing phase
  - Live and critical rollouts – e.g. British Gas, UCI Health
  - Controlled environment e.g. specific division, function
  - Scope to extend
  - Pricing is per node… scales on data volume

KPIs

1. Annualised value of bookings (AVB) +45%

2.



Cash flow

Accelerated investment into Big Data

	$m		$m		$m
EBIT	(20.0)	Cash flow from operations	(11.6)	Net cash at 1 Jan 2013	14.5
Depreciation / amortisation	5.1	Net capex	(7.7)	Net cash invested	(19.3)
Share based payments	5.8			Share placing funds	29.7
Working capital change	(3.3)			Employee option exercises	0.6
Exchange movements	0.8			Exchange movement	0.2
Cash flow from operations	**(11.6)**	**Net cash invested**	**(19.3)**	**Net cash at 31 Dec 2013**	**25.7**

Headcount breakdown

By function

	At 31 Dec 2013	At 31 Dec 2012
Sales	31	14
Marketing	8	6
Engineering:	75	51
Support	13	6
Product Management	5	2
Finance, HR & Admin	15	11
	147	**90**
Average	124	68

By geography

	At 31 Dec 2013	At 31 Dec 2012
UK	83	57
North America	59	31
RoW	5	2
	147	**90**

Summing up

- Continue to attract talent – engineering and sales

- Investment to continue in 2014

- Strong cash position

Summary and Outlook

Key takeaways

- Very strong progress in 2013
  - We have done what we said we would do – and more
  - Proved our technology is core to Hadoop deployments
  - Established partnerships with two key distributors

- Big Data opportunity translating into revenue
  - Early adoptions coming through
  - Blue-chip, innovative companies leading the first adoption wave

- ALM continues to deliver strong growth

Outlook

- Success in 2014 is......

  - Establishing momentum in Big Data – it has clearly started
  - Signing more enterprise customers
  - Establishing market wide acceptance of the need for continuous availability
  - Continued momentum in ALM