Investor presentation

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Melissa Fisher, CFO

August 2nd, 2017
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;
- 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.

Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks include those set forth in our filings with the Securities and Exchange Commission, including our latest Form 10-Q and 10-K. The forward-looking statements in this presentation are based on information available to us as of today, and we disclaim any obligation to update any forward-looking statements, except as required by law.

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. The GAAP financial measures, and a reconciliation of the non-GAAP financial measures discussed in this presentation to the most directly comparable GAAP financial measures are included in the appendix of this presentation.
Investment highlights

Leading SaaS security and compliance solutions cloud platform

Uniquely positioned to capitalize on the move to the cloud and stack consolidation

Multiple levers of recurring revenue growth

Scalable business model and industry-leading profitability
Qualys Cloud Platform

Delivers 2-second visibility across all global IT assets and the continuous view of their security & compliance posture

Consolidates multiple enterprise security & compliance solutions and more to come...

All centrally managed, self updating and natively sharing information

Drastically reducing infrastructure, operational and maintenance costs
Qualys Cloud Platform
A new unified approach to prevention and response

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-second visibility</td>
<td>Visibility across all of your global IT assets (on premise, endpoints, and cloud assets)</td>
</tr>
<tr>
<td>Continuous assessment</td>
<td>Assessment of your global security and compliance posture</td>
</tr>
<tr>
<td>Identify compromised assets</td>
<td>Identify compromised assets</td>
</tr>
<tr>
<td>Consolidate security and compliance stacks</td>
<td>Consolidate all your security and compliance stacks</td>
</tr>
<tr>
<td>Secure your digital transformation</td>
<td>Secure your digital transformation</td>
</tr>
<tr>
<td>Drastically reduce spend</td>
<td>Drastically reduce your spend</td>
</tr>
</tbody>
</table>
Qualys: A Next-gen Security and Compliance Platform

Next-gen public cloud infrastructure

- Amazon Web Services
- Microsoft
- Google Cloud Platform
- Alibaba Cloud

Next-gen infrastructure

- AppDynamics
- Cloudera
- Docker
- FireEye
- MuleSoft
- Nutanix
- New Relic
- Palo Alto Networks
- Proofpoint
- Pure Storage
- Qualys
- Red Hat
- Splunk
- ServiceNow
- Twilio

Incumbents

- Akamai
- BMC
- CA
- Cisco
- Citrix
- Citrix 
- Dell
- EMC
- Hewlett Packard Enterprise
- IBM
- Oracle
- SAP
- VMware
- Zendesk

Next-gen applications

- Atlassian
- Box
- Cornerstone OnDemand
- HubSpot
- Marketo
- Salesforce
- Slack
- Tableau
- Workday

Next-gen public cloud applications

- Microsoft
- Google
- Amazon Web Services
- Facebook @Work

Source: Morgan Stanley
Unique advantages of the Qualys Cloud Platform

No hardware to buy or manage
Nothing to install or manage, and all services are accessible in the cloud via web interface. Qualys operates and maintains everything.

Lower operating costs
With everything in the cloud, there are no capital expenditures, no extra human resources needed, and no infrastructure or software to buy and maintain.

Easy to deploy and maintain
Easily perform assessments on geographically distributed and segmented networks at the perimeter, behind the firewall, on dynamic cloud environments and endpoints.

Unprecedented scaling
Qualys Cloud Platform is a scalable, end-to-end solution for all aspects of IT security. Once deployed, seamlessly add new coverage, users and services as you need them.

Always Up-to-date
Qualys has the largest knowledge base of vulnerability signatures in the industry and performs over 3 billion IP scans per year. All security updates are made in real time.

Data stored securely
Vulnerability data is securely stored and processed in an n-tiered architecture of load-balanced servers. Our encrypted databases are physically and logically secure.

Available as a Public or on-premises Private Cloud

Full server rack
For governments, enterprises, and MSSPs

Virtual rack
For governments, enterprises, and MSSPs

Standalone appliance
For small businesses
See the results in one place anytime, anywhere

Via dynamic and customizable dashboards and centrally managed, self-updating, integrated Cloud Apps in a single-pane-of-glass UIs (AssetView, CloudView, CertView…)

1+ trillion
Security Events

3+ billion
IP Scans/Audits a Year

28+ billion
Data Points Indexed on Elasticsearch Clusters

99.9996%
Six Sigma Scanning Accuracy
# Qualys Cloud Platform Apps

## Asset Management

<table>
<thead>
<tr>
<th>AI</th>
<th>Asset Inventory</th>
<th>Maintain full, instant visibility of all your global IT assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>SYN</td>
<td>CMDB Sync</td>
<td>Synchronize asset information from Qualys into ServiceNow CMDB</td>
</tr>
<tr>
<td>CI</td>
<td>Cloud Inventory (Beta)</td>
<td>Inventory of all your cloud assets across AWS, Azure, GCP and others</td>
</tr>
<tr>
<td>CRI</td>
<td>Certificate Inventory (Beta in Sep)</td>
<td>Inventory of TLS/SSL digital certificates on a global scale</td>
</tr>
</tbody>
</table>

## IT Security

| VM | Vulnerability Management | Continuously detect and protect against attacks, anytime, anywhere |
| IOC | Indication of Compromise (Beta) | Continuously monitor endpoints to detect suspicious activity |
| TP | Threat Protection | Pinpoint your most critical threats and prioritize patching |
| CM | Continuous Monitoring | Alerts you in real time about network irregularities |
| CRA | Certificate Assessment (Beta in Sep) | Assess all your digital certificates for TLS/SSL vulnerabilities |

## Compliance Monitoring

| PC | Policy Compliance | Assess security configurations of IT systems throughout your network |
| SCA | Security Configuration Assessment | Automate configuration assessment of global IT assets |
| PCI | PCI Compliance | Automate, simplify and attain PCI compliance quickly |
| CSA | Cloud Security Assessment (Beta) | Get full visibility and control across all public cloud instances |
| FIM | File Integrity Monitoring (Beta) | Log and track file changes across global IT systems |
| SAQ | Security Assessment Questionnaire | Minimize the risk of doing business with vendors and other third parties |

## Web Application Security

| WAS | Web Application Scanning | Secure web applications with end-to-end protection |
| WAF | Web Application Firewall | Block attacks and virtually patch web application vulnerabilities |
Qualys Cloud Platform enables vendor and stack consolidation

New services in the making

New Services
Blue chip global customer base
70% of the Forbes Global 50 and 25% of the Forbes Global 2000 standardized on Qualys

- 9 of the top 10 in Major Banks
- 9 of the top 10 in Software
- 8 of the top 10 in Consumer Discretionary
- 8 of the top 10 in Consumer Staples
- 8 of the top 10 in Technology
- 7 of top 10 in Telecommunications
- 6 of top 10 in Healthcare
- 5 of top 10 in Energy & Utilities
- 5 of top 10 in Industrial & Materials
- 5 of top 10 in Insurance

Note: Based on Forbes Global 2000 Classification
Strong global presence

- 9,300+ Customers
- 120+ Countries
- 5 Data Centers
- 40 Private Cloud
- 27 Locations

Marked are Qualys locations
Large market opportunity
Qualys has taken the #1 market-share position over IBM and HP in the $1.6B Vulnerability Assessment Market

CAGR
1% Other Security
8% Web Security: SaaS
10% Security Policy and Compliance
22% Vulnerability Assessment: App
13% Vulnerability Assessment: Device

(1) FY15 Revenue to FY16 Revenue Growth
Source: IDC
Scalable go-to-market model
Market segmentation & key strategic partners

**ENTERPRISE**
Large enterprise (Over 5,000 employees)

<table>
<thead>
<tr>
<th>New customers</th>
<th>Existing customers</th>
</tr>
</thead>
</table>

**SME & SMB**
Small / medium business (Up to 5,000 employees)

<table>
<thead>
<tr>
<th>New customers</th>
<th>Existing customers</th>
</tr>
</thead>
</table>

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2016 REVENUES

<table>
<thead>
<tr>
<th>Direct</th>
<th>Channel</th>
</tr>
</thead>
<tbody>
<tr>
<td>58%</td>
<td>42%</td>
</tr>
</tbody>
</table>

Partners:
- accenture
- at&t
- Computacenter
- HCL
- Hewlett Packard Enterprise
- NTT Security
- OPTIV
- SecureWorks
- Verizon
- BT
- IBM
- Deutsche Telekom
- Infosys
- Orange
- NTT

Qualys.
Attractive value proposition for partners
High-margin recurring revenue with no capex

- MSSPs
- Telcos
- Outsourcing providers
- VAS resellers
- Consultant auditors

Brands listed:
- Verizon
- SecureWorks
- Hewlett Packard Enterprise
- AT&T
- Orange
- IBM
- NTT
- BT
- Deutsche Telekom
- Accenture
- Cognizant
- Wipro
- Infosys
- HCL
- Tata
- Optiv
- Computacenter
- CRKON
- CompasS IT Compliance
- Forsythe
- Tech Mahindra
- Mphasis
- Blue Cube
- SynergiTek
- COMPASS IT Compliance
- DigiTrust
Strong and consistent organic revenue growth
Outperforming market and gaining share

($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>Revenues (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$108</td>
</tr>
<tr>
<td>2014</td>
<td>$134</td>
</tr>
<tr>
<td>2015</td>
<td>$164</td>
</tr>
<tr>
<td>2016</td>
<td>$198</td>
</tr>
<tr>
<td>Q2 2016 YTD</td>
<td>$95</td>
</tr>
<tr>
<td>Q2 2017 YTD</td>
<td>$108</td>
</tr>
</tbody>
</table>

*Normalized for MSSP and FX
Strong growth in VM and Other Security Solutions

($ in millions)

**VM Solutions***

- **Revenues**

  - **2016 YTD**: $151
  - **2017 YTD**: $81
  - **Year-over-year revenue growth**: 19%

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues (in millions)</th>
<th>Year-over-year growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$90</td>
<td>14%</td>
</tr>
<tr>
<td>2014</td>
<td>$107</td>
<td>19%</td>
</tr>
<tr>
<td>2015</td>
<td>$127</td>
<td>19%</td>
</tr>
<tr>
<td>2016</td>
<td>$151</td>
<td>19%</td>
</tr>
<tr>
<td>Q2 2016</td>
<td>$73</td>
<td>21%</td>
</tr>
<tr>
<td>Q2 2017</td>
<td>$81</td>
<td>11%</td>
</tr>
</tbody>
</table>

**Other Security Solutions***

- **% Year-over-year revenue growth**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues (in millions)</th>
<th>Year-over-year growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$18</td>
<td>42%</td>
</tr>
<tr>
<td>2014</td>
<td>$27</td>
<td>49%</td>
</tr>
<tr>
<td>2015</td>
<td>$37</td>
<td>38%</td>
</tr>
<tr>
<td>2016</td>
<td>$47</td>
<td>26%</td>
</tr>
<tr>
<td>Q2 2016</td>
<td>$22</td>
<td>29%</td>
</tr>
<tr>
<td>Q2 2017</td>
<td>$27</td>
<td>23%</td>
</tr>
</tbody>
</table>

* VM Solutions include VM, PCP, CM, CA for VM, AV, and TP; Other Security Solutions include PC, PCI, CA for PC, SAQ, WAS and WAF; scanners and pro-rata credits allocated based on revenues. Growth rates are not normalized for MSSP and FX.
Strong customer retention drives land and expand

($ in millions)

Quarterly revenues vs. customers

- Initial solution
- Expansion of initial solution
- Additional solutions
- Future products

Quarterly revenues  Customers

9,300+
Platform adoption accelerating

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

Percent of Enterprise customers with 3 or more Qualys solutions

Q2 2014: 13%
Q2 2015: 18%
Q2 2016: 22%
Q2 2017: 28%

Note: PCI excluded in the product count for Enterprise customers because it is bundled with Vulnerability Management
Multiplier effect
Enterprise customers with 3+ products spend 4x 1-product customers

($ in thousands)

<table>
<thead>
<tr>
<th>Avg. revenue per customer</th>
<th>LTM Q2 2014</th>
<th>LTM Q2 2015</th>
<th>LTM Q2 2016</th>
<th>LTM Q2 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$37</td>
<td>$41</td>
<td>$42</td>
<td>$41</td>
</tr>
<tr>
<td>Enterprise customers</td>
<td>$102</td>
<td>$111</td>
<td>$140</td>
<td>$163</td>
</tr>
<tr>
<td>with 1 product</td>
<td>Enterprise customers with 3+ products</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4x of 1-product average
Increasing number of customers with annual revenue >$500K

($ in millions)

Note: Customer count is defined as customers with greater than $500K in annual revenue.
Platform enables scalable operational model

Revenue per S&M headcount:
- 2013: $0.8M
- 2014: $0.9M
- 2015: $1.0M
- 2016: $1.1M

High sales leverage

% of Customer Support, Operations, and R&D headcount in India:
- 2013: 15%
- 2014: 28%
- 2015: 36%
- 2016: 46%

Leveraging low cost geos
Increasing adjusted EBITDA & operating cash flow

($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITDA</th>
<th>Adjusted EBITDA margin (%)</th>
<th>Operating cash flow</th>
<th>Operating cash flow margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$17</td>
<td>16%</td>
<td>$25</td>
<td>23%</td>
</tr>
<tr>
<td>2014</td>
<td>$32</td>
<td>24%</td>
<td>$41</td>
<td>31%</td>
</tr>
<tr>
<td>2015</td>
<td>$57</td>
<td>34%</td>
<td>$66</td>
<td>40%</td>
</tr>
<tr>
<td>2016</td>
<td>$68</td>
<td>34%</td>
<td>$68</td>
<td>34%</td>
</tr>
<tr>
<td>Q2 2016</td>
<td>$68</td>
<td>34%</td>
<td>Q2 2016</td>
<td>$68</td>
</tr>
<tr>
<td>YTD</td>
<td>$34</td>
<td>34%</td>
<td>YTD</td>
<td>$34</td>
</tr>
<tr>
<td></td>
<td>Q2 2017</td>
<td>$49</td>
<td>YTD</td>
<td>45%</td>
</tr>
</tbody>
</table>

[Qualys logo]
Industry-leading margins and scalable business model

2016 EBITDA margin vs. select Security and SaaS peers

Qualys
34%

Source: JPMorgan
# Revenue guidance range

($ in thousands)

<table>
<thead>
<tr>
<th>Revenue guidance range</th>
<th>Q3 FY17</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y/Y revenue growth under US GAAP</td>
<td>14.1%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Plus: estimated impact of MSSP contract signed in Feb 2016</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Plus: estimated foreign exchange impact</td>
<td>1.1%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Estimated normalized revenue growth</td>
<td>16.8%</td>
<td>18.2%</td>
</tr>
<tr>
<td></td>
<td>17.3%</td>
<td>18.1%</td>
</tr>
</tbody>
</table>
Summary

Leading SaaS security and compliance solutions cloud platform

Uniquely positioned to capitalize on the move to the cloud and stack consolidation

Multiple levers of recurring revenue growth

Scalable business model and industry-leading profitability
Appendix
Reconciliation of Adjusted EBITDA

($ in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
<th>Q2 2017 YTD</th>
<th>Q2 2016 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$19,224</td>
<td>$15,865</td>
<td>$30,244</td>
<td>$1,541</td>
<td>$29,132</td>
<td>$8,321</td>
</tr>
<tr>
<td>Other (income) expenses, net</td>
<td>(322)</td>
<td>286</td>
<td>634</td>
<td>268</td>
<td>(813)</td>
<td>(208)</td>
</tr>
<tr>
<td>Provision for (benefit from)</td>
<td>11,205</td>
<td>8,655</td>
<td>(21,631)</td>
<td>500</td>
<td>(11,654)</td>
<td>5,196</td>
</tr>
<tr>
<td>income taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>16,621</td>
<td>13,974</td>
<td>11,504</td>
<td>9,195</td>
<td>9,564</td>
<td>7,609</td>
</tr>
<tr>
<td>of property and equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of intangible</td>
<td>373</td>
<td>386</td>
<td>393</td>
<td>417</td>
<td>219</td>
<td>219</td>
</tr>
<tr>
<td>assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock based compensation</td>
<td>20,149</td>
<td>17,494</td>
<td>10,549</td>
<td>5,506</td>
<td>10,779</td>
<td>10,019</td>
</tr>
<tr>
<td>One-time tax related expense</td>
<td>716</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>716</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$67,966</td>
<td>$56,660</td>
<td>$31,693</td>
<td>$17,427</td>
<td>$37,227</td>
<td>$31,872</td>
</tr>
</tbody>
</table>
# Reconciliation of Revenues

($ in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2017</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$108,423</td>
<td></td>
</tr>
<tr>
<td>Y/Y revenue growth under US GAAP</td>
<td></td>
<td>14.5%</td>
</tr>
<tr>
<td>Plus: impact of MSSP contract signed in Feb 2016</td>
<td></td>
<td>2.1%</td>
</tr>
<tr>
<td>Plus: foreign exchange impact</td>
<td></td>
<td>1.3%</td>
</tr>
<tr>
<td><strong>Normalized revenue growth</strong></td>
<td></td>
<td><strong>17.9%</strong></td>
</tr>
</tbody>
</table>