



TRUSTED IDENTITIES
TRUSTED DEVICES
TRUSTED TRANSACTIONS

Investor Presentation – November 2017

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. These forward-looking statements (1) are identified by use of terms and phrases such as "expect", "believe", "will", "anticipate", "emerging", "intend", "plan", "could", "may", "estimate", "should", "objective", "goal", "possible", "potential", "project" and similar words and expressions, but such words and phrases are not the exclusive means of identifying them, and (2) are subject to risks and uncertainties and represent our present expectations or beliefs concerning future events. VASCO cautions that the forward-looking statements are qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements. These risks, uncertainties and other factors include the risk related to VASCO's ability to integrate acquisitions into the business of VASCO successfully and the amount of time and expense spent and incurred in connection with the integration; the risk that the revenue synergies, cost savings and other economic benefits that VASCO anticipates as a result of an acquisition are not fully realized or take longer to realize than expected; and the risks, uncertainties and other factors that have been described in our Annual Report on Form 10-K for the year ended December 31, 2015, and those discussed in other documents we file with the SEC, which include, but are not limited to, (a) risks of general market conditions, including currency fluctuations and the uncertainties resulting from turmoil in world economic and financial markets, (b) risks inherent to the information security industry, including rapidly changing technology, evolving industry standards, increasingly sophisticated hacking attempts, increasing numbers of patent infringement claims, changes in customer requirements, price competitive bidding, and changing government regulations, and (c) risks specific to VASCO, including, demand for our products and services, transition from hardware to software products, competition from more established firms and others, pressures on price levels and our historical dependence on relatively few products and regions, certain suppliers and certain key customers. Thus, the results that we actually achieve may differ materially from any anticipated results included in, or implied by these statements. Except for our ongoing obligations to disclose material information as required by the U.S. federal securities laws, we do not undertake any obligations or have any intention to release publicly any revisions or updates to any forward-looking statements to reflect events or circumstances in the future or to reflect the occurrence of unanticipated events or for any other reason.

Executive Management



Scott Clements, Chief Executive Officer

Joined VASCO in 2015 as CSO; became President in 2016 and was appointed CEO in 2017.

- Prior to VASCO, Scott held leadership roles at Tyco International for 11 years, most recently as Corporate SVP Business Development, focused on technology acquisitions. He also served as President of Tyco Retail Solutions and as Tyco's Chief Technology Officer.
- Decade at Honeywell International in domestic and international financial and operational leadership roles.
- Bachelor's degree in chemical engineering and advanced process control from The Ohio State University and an MBA in finance and corporate strategy from University of Michigan in Ann Arbor.



Mark Hoyt, Chief Financial Officer

- Joined VASCO in 2015 as CFO and Treasurer.
- 25+ years in Financial, Accounting and International Business Development roles, most recently as Chief Financial Officer of Groupon, Inc. operations in Europe, Middle East and Africa.
- B.S. in Accountancy from Miami University and an MBA from University of Chicago Booth School of Business. Mark is a CPA.

Company Overview

10,000+

Customers in more than 100 countries



More than half of the top 100 Global Banks



2,000+

Financial Institutions Trust VASCO

More Than 250,000,000 Licenses Sold

Emerging Needs of Banks & Enterprises

Growth In The Digital Channel

Establishing a trusted mobile device and app for mobile entry points cherished by digital generation.

Consistent User Experience Across All Channels

Digitizing customer journeys such as customer onboarding in a secure and Frictionless way across all Channels.

Fraud Prevention

Server side analytics and machine learning tools. Card Not Present, Application and Account Take-Over Fraud is growing from \$5.2B in 2015 to \$9.7B in 2020 (Aite Group).

Risk Analysis

Risk analysis across all channels to mitigate fraud. Open API platform services that automate processes. Micro-Services Architecture adapts to new technologies.

Regulatory Compliance

Simplified compliance with PSD2, FFIEC, eIDAS, ESIGN, UETA, UCC Article 9.

Support of Standards

Delivers speed to market with support for FIDO, OATH, and emerging identity frameworks.

VASCO's Trusted Identity Strategy

Developing flexible, cloud-based technologies that enable banks and other organizations to easily orchestrate Trusted Identity attributes across users, transactions & devices.

- Established presence with authentication technologies at thousands of financial institutions
- Provide superior value that enables institutions to offer new services with trust and compliance
- Cloud-based and mobile technologies such as machine learning and artificial intelligence
- Flexible, standards-based, open architecture that integrates with best-in-class 3rd party technologies

COMPLIANCE

Strong, compliant, adaptive end-user security

PROTECTION

Against brand and financial exposure due to fraud

ENABLEMENT

New digital channel growth opportunities

The Evolution of a Business Model

VASCO's capabilities have evolved with the threat environment and evolution of the digital world

LEGACY



SOFTWARE SOLUTIONS



SERVICES 2018-2020



Open Orchestrated Trust Services



Micro-service Enabled Workflows



Extensive plug-and-play integration with third party fraud tools



Trusted Devices



VASCO's Foundations for Growth and Value Creation

Experienced Technology Leadership Team

- Driving culture change

Strengthened Foundation for Profitability and Growth

- Business processes, information systems, collaboration tools

Solid Growth Outlook

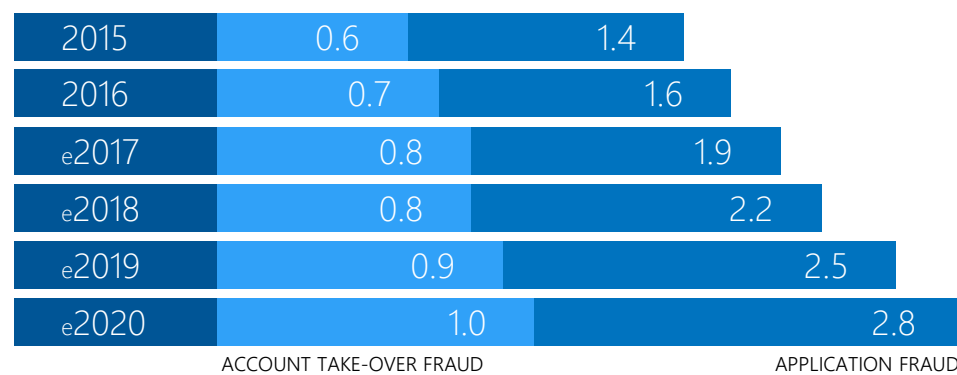
- Strong recurring software revenue - stabilizing hardware business - high gross margins

Trusted Identity (TID) Strategy Accesses Growth Markets

- Reallocating R&D investment to growth
- Strategic M&A to accelerate TID - strong balance sheet
- Strengthening marketing

Enhanced Investor Communication

U.S. Account Take Over and Application Fraud Growth 2015-2020 In Billions¹

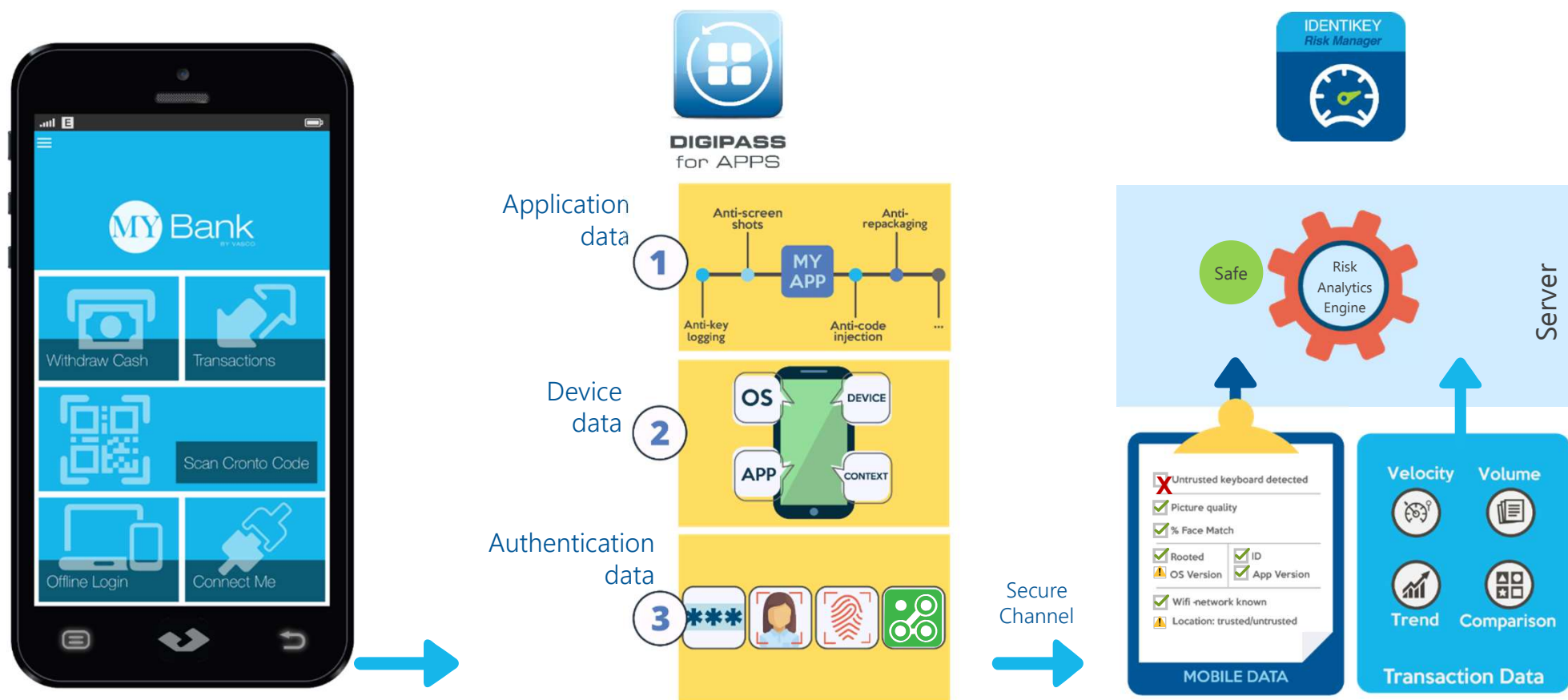


Relevant High Growth Markets 2015-2020 CAGR²



Trusted Identity Strategy

– DIGIPASS for Apps and IDENTIKEY Risk Manager Provide Strong Underlying Basis



DIGIPASS for Apps – A Library of Mobile Application Protection



//CODiE//
2016 SIIA CODiE WINNER



CRONTO Technology – Safer and Easier than a QR Code



//CODiE//
2016 SIIA CODIE WINNER

Solves the problem of weak, password-based security

Enables a frictionless “no hands” login experience

Trusted Device access online, mobile, and at the ATM

MAJOR CUSTOMERS:

Deutsche Bank, Credit Suisse,
Rabobank, Mizuho bank,
Commerzbank AG, BBVA, Raiffeisen



eSignLive

The e-Signature Choice for Financial Services and Businesses

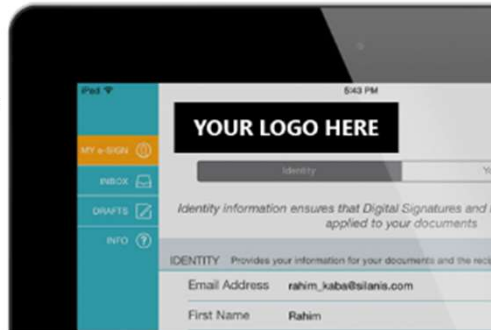


- 1) eSignLive is one of the Top 3 e-signature solutions. ⁽¹⁾
- 2) Fundamental element of VASCO's strategy to enable and protect online and mobile transactions.
- 3) E-signed transactions are growing at ~50%.⁽¹⁾
- 4) Accelerates VASCO's transition to additional software-based revenue and a SaaS business model.
- 5) Adds additional revenue growth and resources in North America.

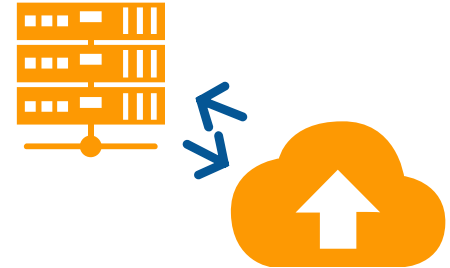


eSignLive's Key Differentiators

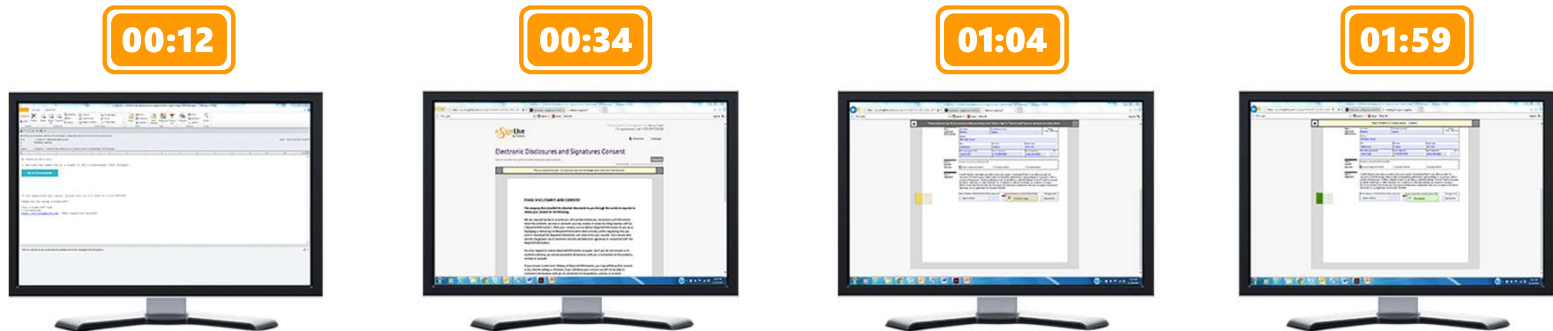
1. Full private-label option



2. Implement on-premises or in the cloud



3. Patented visual audit trail for security and compliance



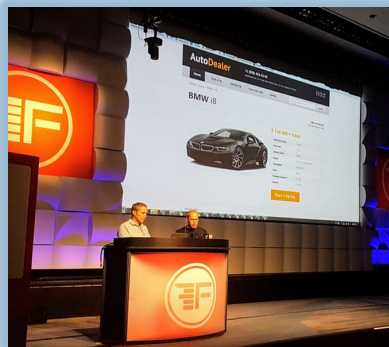
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Innovation at VASCO

VASCO Innovation Center – Cambridge University

Research Focus Areas: Blockchain
Privacy Compliance
Biometrics and Behavioral IoT
Machine Learning

Collaborative research into key technologies jointly funded by: VASCO Horizon 2020 – European Community and IWT government agency for Innovation by Science and Technology.



Finovate 2017 - VASCO's eSignLive demonstrates Digital Lending Solution integrated with blockchain distributed ledger.

Academic Partnerships



**Massachusetts
Institute of
Technology**





FINANCIAL INFORMATION

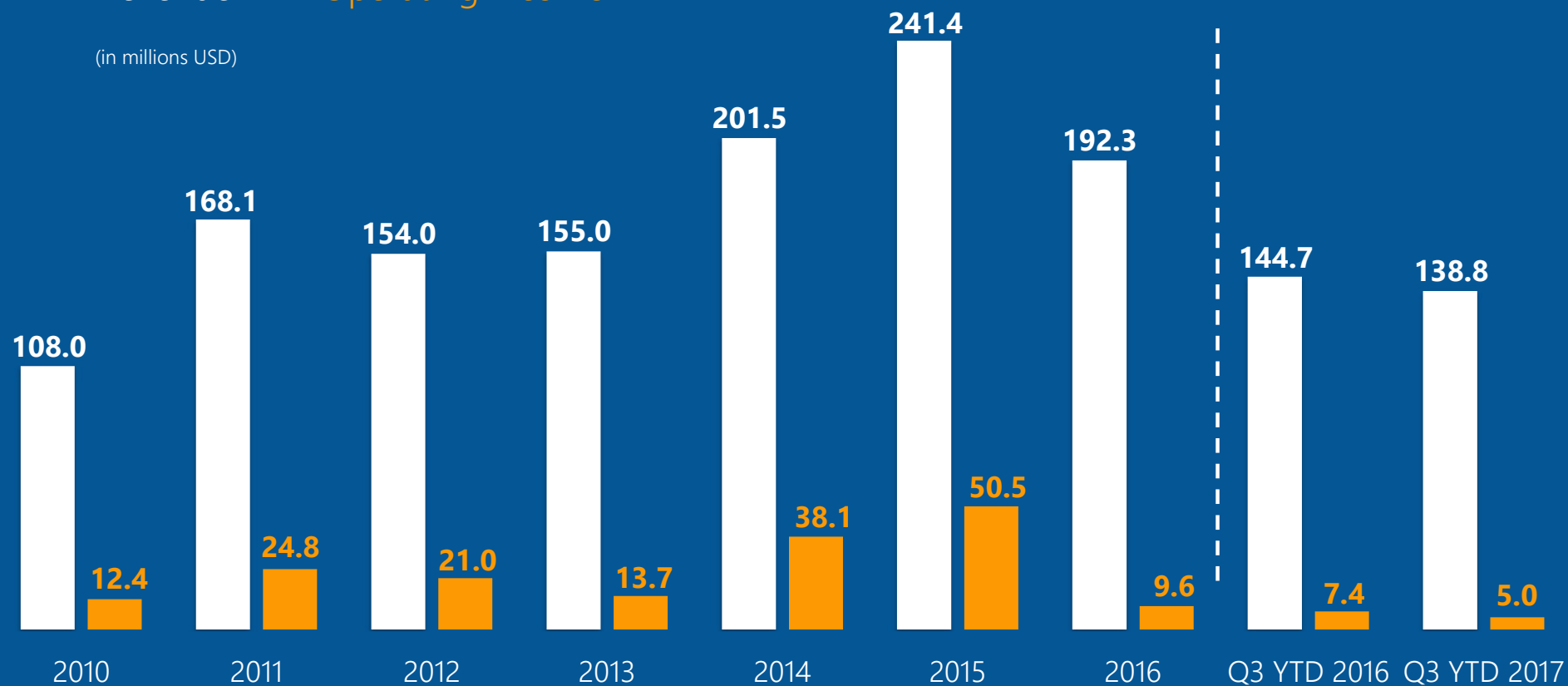
Historical Overview



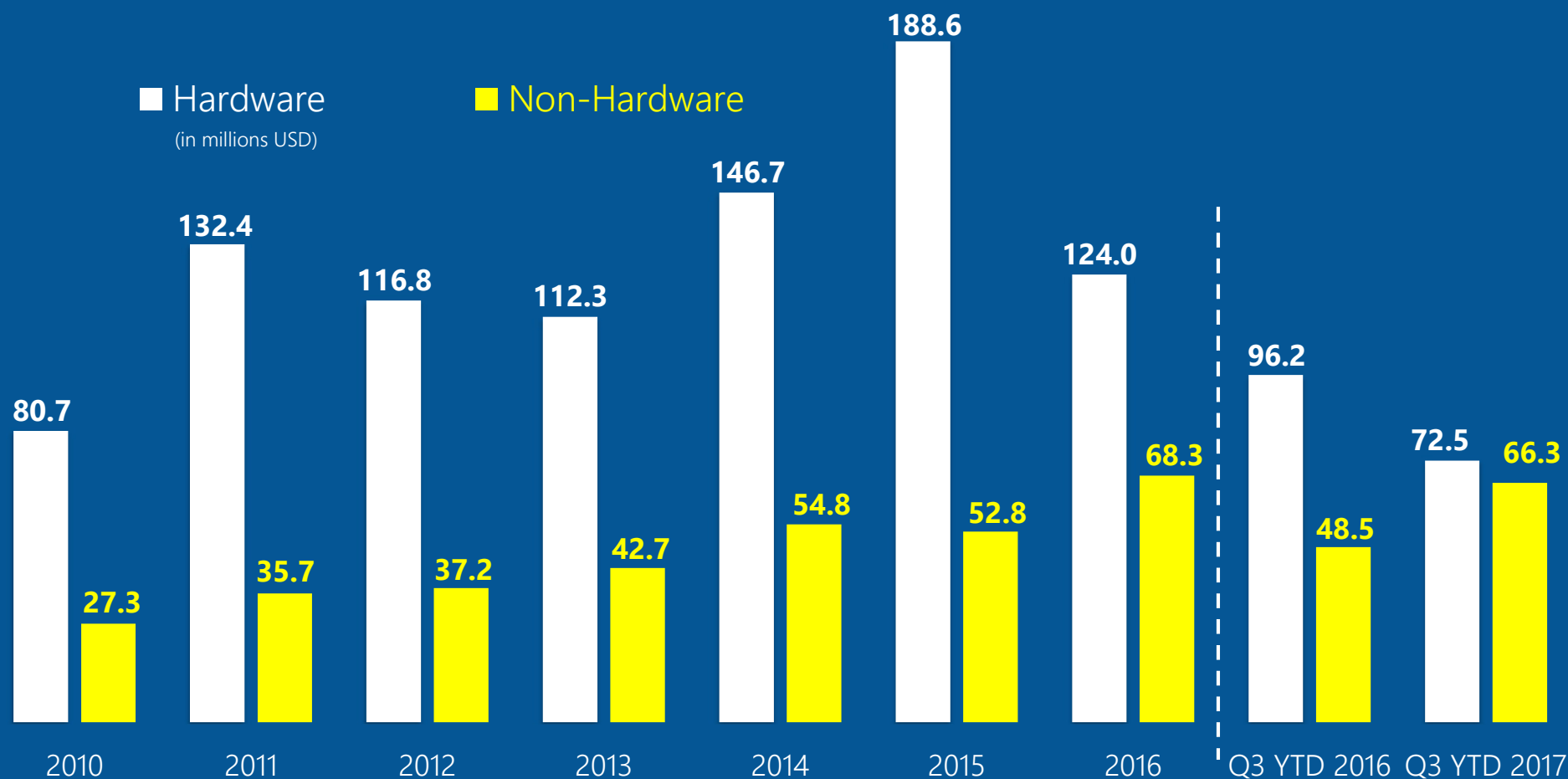
Total Revenue and Operating Income

■ Revenue ■ Operating Income

(in millions USD)



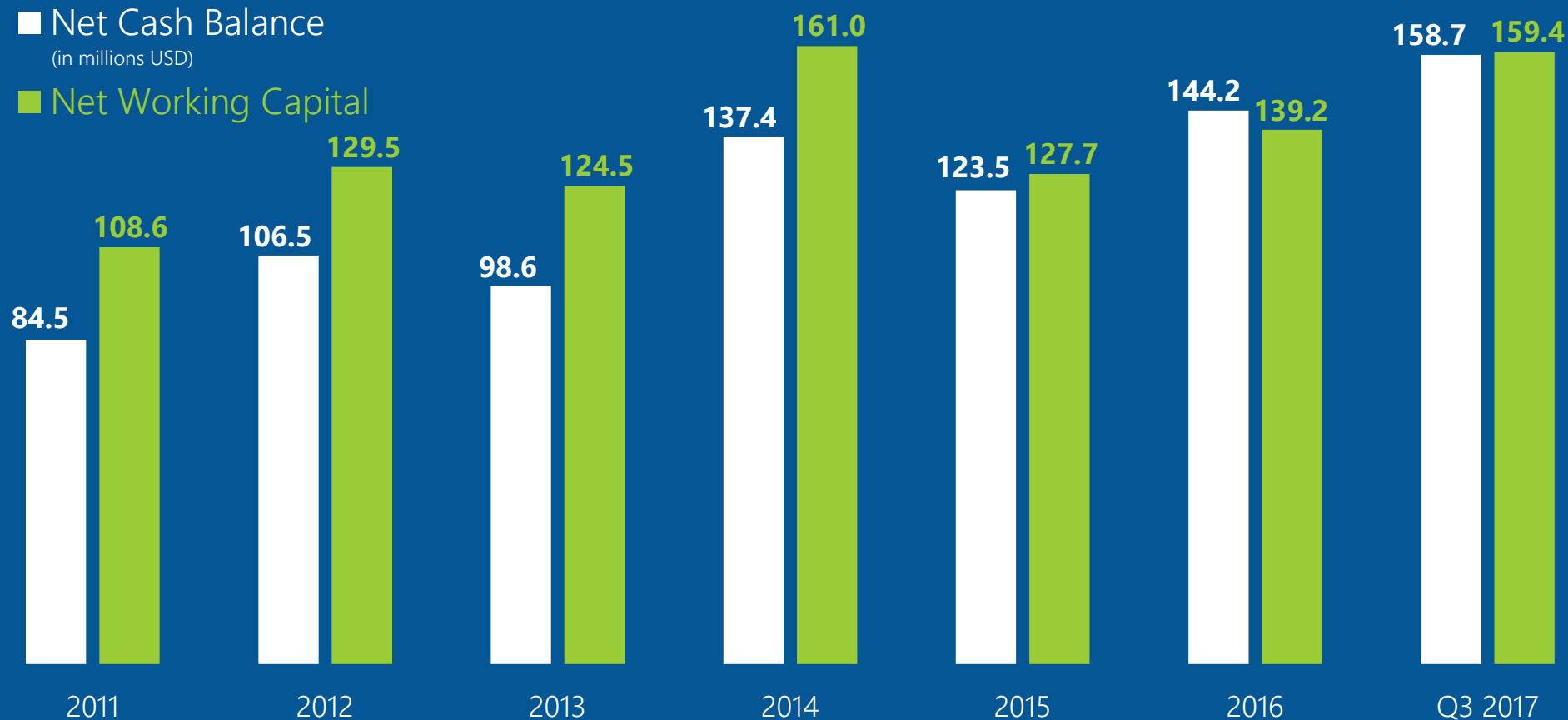
Revenue: Hardware and Non-Hardware



Cash Balance and Net Working Capital

■ Net Cash Balance
(in millions USD)

■ Net Working Capital



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