### Radware Ltd. Condensed Consolidated Balance Sheets (U.S. Dollars in thousands)

	September 30, 2016	December 31, 2015	
A	(Unaudited)		
Assets			
Current assets			
Cash and cash equivalents	38,858	33,744	
Available-for-sales marketable securities	20,016	16,003	
Short-term bank deposits	148,122	80,922	
Trade receivables, net	21,346	26,410	
Other receivables and prepaid expenses	4,297	5,042	
Inventories	16,812	16,322	
	249,451	178,443	
long-term investments			
Long-term investments Available-for-sales marketable securities	75,692	87,814	
Long-term bank deposits	28,187	96,643	
Severance pay funds	2,812	2,724	
Severance pay runus		· · · · ·	
	106,691	187,181	
Property and equipment, net	27,404	26,203	
Intangible assets, net	2,679	3,518	
Other assets	6,739	5,473	
Goodwill	30,069	30,069	
Total assets	423,033	430,887	
	423,033	430,887	
Liabilities and shareholders' equity			
Current Liabilities			
Trade payables	5,051	9,255	
Deferred revenues	48,618	46,061	
Other payables and accrued expenses	22,201	22,098	
	75,870	77,414	
Long-term liabilities			
Deferred revenues	24,400	25,136	
Other long-term liabilities	14,075	9,214	
other long-term habilities	38,475	34,350	
	·		
Shareholders' equity			
Share capital	662	661	
Additional paid-in capital	321,338	312,784	
Accumulated other comprehensive income, net of tax	505	1,257	
Treasury stock, at cost	(105,761)	(94,049)	
Retained earnings	91,944	98,470	
Total shareholders' equity	308,688	319,123	
Total liabilities and shareholders' equity	423,033	430,887	

# Radware Ltd. Condensed Consolidated Statements of Income (U.S Dollars in thousands, except share and per share data)

	For the Three months ended September 30,		For the Nine r Septerr	
	2016	2015	2016	2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues	46,863	48,059	144,873	161,310
Cost of revenues	8,558	8,506	26,099	28,290
Gross profit	38,305	39,553	118,774	133,020
Operating expenses:				
Research and development, net	13,072	12,825	39,497	37,015
Selling and marketing	24,853	22,739	75,630	68,401
General and administrative	4,245	4,481	13,907	12,978
Total operating expenses	42,170	40,045	129,034	118,394
Operating income (loss)	(3,865)	(492)	(10,260)	14,626
Financial income, net	1,706	1,373	4,878	3,473
Income (loss) before taxes on income	(2,159)	881	(5,382)	18,099
Taxes on income	(288)	(220)	(1,144)	(3,793)
Net income (loss)	(2,447)	661	(6,526)	14,306
Basic net earnings (loss) per share	(0.06)	0.01	(0.15)	0.31
Weighted average number of shares used to compute basic net earnings (loss) per share	43,752,220	45,842,187	44,053,422	46,180,689
Diluted net earnings (loss) per share	(0.06)	0.01	(0.15)	0.30
Weighted average number of shares used to compute diluted net earnings (loss) per share	43,752,220	46,557,853	44,053,422	47,221,057

## Radware Ltd.

### Reconciliation of GAAP to Non-GAAP Financial Information (U.S Dollars in thousands, except share and per share data)

	For the Three months ended September 30,		For the Nine months ended September 30,	
	2016	2015	2016	2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
GAAP gross profit	38,305	39,553	118,774	133,020
Stock-based compensation	47	30	128	99
Amortization of intangible assets	253	253	760	860
Non-GAAP gross profit	38.605	39,836	119,662	133,979
NOI-GAAP gross profit	56,005	39,830	119,002	155,979
GAAP Research and development, net	13,072	12,825	39,497	37,015
Stock-based compensation	941	619	2,391	1,881
Non-GAAP Research and development, net	12,131	12,206	37,106	35,134
GAAP selling and marketing	24,853	22,739	75,630	68,401
Stock-based compensation	1,256	1,005	3,918	2,911
Amortization of intangible assets	27	29	79	95
Non-GAAP selling and marketing	23,570	21,705	71,633	65,395
	4.245	4 404	12 007	42.070
GAAP general and administrative	4,245	4,481	13,907	12,978
Stock-based compensation	434	790	1,862	2,182
Litigation related charges	889	868	3,486	2,639
Non-GAAP general and administrative	2,922	2,823	8,559	8,157
GAAP total operating expenses	42,170	40,045	129,034	118,394
Stock-based compensation	2,631	2,414	8,171	6,974
Amortization of intangible assets	27	29	79	95
Litigation related charges	889	868	3,486	2,639
Non-GAAP total operating expenses	38,623	36,734	117,298	108,686
GAAP operating income (loss)	(3,865)	(492)	(10,260)	14,626
Stock-based compensation	2,678	2,444	8,299	7,073
Amortization of intangible assets	280	282	839	955
Litigation related charges	889	868	3,486	2,639
Non-GAAP operating income (loss)	(18)	3,102	2,364	25,293
GAAP finance income	1,706	1,373	4,878	3,473
Exchange rate differences, net on balance sheet items included in financial income	176	535	333	1,059
Non-GAAP finance income	1,882	1,908	5,211	4,532
	(2.450)		(5.202)	40.000
GAAP income (loss) before taxes on income	(2,159)	881	(5,382)	18,099
Stock-based compensation	2,678	2,444	8,299	7,073
Amortization of intangible assets	280	282	839	955
Litigation related charges	889	868	3,486	2,639
Exchange rate differences, net on balance sheet items included in financial income	176	535	333	1,059
Non-GAAP income before taxes on income	1,864	5,010	7,575	29,825
GAAP net income (loss)	(2,447)	661	(6,526)	14,306
Stock-based compensation	2,678	2,444	8,299	7,073
Amortization of intangible assets	280	282	839	955
Litigation related charges	889	868	3,486	2,639
Exchange rate differences, net on balance sheet items included in financial income	176	535	333	1,059
Non GAAP net income	1,576	4,790	6,431	26,032
GAAP Net income (loss) per diluted share	(0.06)	0.01	(0.15)	0.30
Stock-based compensation	0.06	0.05	0.19	0.15
Amortization of intangible assets	0.01	0.01	0.02	0.02
Litigation related charges	0.02	0.02	0.08	0.06
Exchange rate differences, net on balance sheet items included in financial income	0.01	0.01	0.01	0.02
Non GAAP Net income per diluted share	0.04	0.10	0.15	0.55

44,260,343

#### Radware Ltd. Condensed Consolidated Statements of Cash Flow (U.S. Dollars in thousands)

2016         2015         2015         2015         2015           Cash flow from operating activities:         (Unaudited)         (Unaudited)         (Unaudited)           Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:         2,614         2,437         7,709         6,990           Stock based compensation         2,674         2,444         8,299         7,073           So and rom size of available-for-sale marketable securities         (551)         (717)         (1,778)         (1,140)           Amortization of premium, accretion of discounts and accrued interest on available-for-sale marketable securities         201         (519         4453         1,350           Increase (increase) in acrete avence pay, net         (511         84         200         125           Decrease (increase) in order evence pay, net         (631         (78)         (440)         433           Decrease (increase) in order evence pay, net         (1,98)         (1,288)         (2,404)         (3,791)           Increase (decrease) in other current assets and prepaid expenses and deferred income taxes, net         169         (1,852)         (260)         (2,681)           Decrease (in order spayables         (1,016)         (1,288)         (4,204)         (3,791)         (1,272)         (2,700)		For the three months ended September 30,		For the nine months ended September 30,	
Cash flow from operating activities:         (2.447)         661         (6,526)         14,306           Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:         2,614         2,437         7,709         6,990           Stock based compensation         2,678         2,444         8,299         7,073           Gain from sale of available-for-sale marketable securities         (1,179)         (1,178)         (1,178)           Mantization of premium, accretion of discounts and accrued interest on available-for-sale         385         767         1,277         2,688           Accrued interest on bank deposits         201         (519)         84         290         125           Decrease (increase) in accrued severance pay, net         (51)         84         290         125           Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net         149         (1,852)         (260)         (2,611)           Decrease (increase) in inventories         (1,078)         (1,128)         (4,204)         (3,791)           Increase (decrease) in deferred revenues         (6,773)         (5,101)         1.821         (2,002)         12,333         23,487           Increase (decrease) in deferred revenues         (2,511)         (1,128)         (3,071)		2016	2015	2016	2015
Net income (loss)         (2,447)         661         (6,526)         14,306           Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:         2,614         2,437         7,709         6,990           Stock based compensation         2,678         2,444         8,299         7,073         (1,140)           Amoritzation of premium, accretion of discounts and accrued interest on available-for- sale         (651)         (7,17)         (1,778)         (1,140)           Amoritzation of premium, accretion of discounts and accrued interest on available-for- sale         385         767         1,277         2,688           Accrued interest on bank deposits         (1)         84         290         125           Decrease (increase) in nother current assets and prepaid expenses and deferred income taxes, net         149         (1,852)         (260)         (2,681)           Decrease (increase) in other current assets and prepaid expenses         (1,036)         (1,288)         (4,204)         (3,791)           Increase (decrease) in other current assets and prepaid expenses         (6773)         (5,101)         1,821         (2,154)           Increase (decrease) in other current assets and prepaid expenses         (6273)         (5,200)         12,333         23,487           Cash flows from investing activitites		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:       2,614       2,437       7,709       6,990         Stock based compensation       2,678       2,444       8,299       7,073         Gain from sale of available-for-sale marketable securities       (651)       (717)       (1,178)       (1,140)         Mandrization of permium, accretion of discounts and accrued interest on available-for-sale       385       767       1,277       2,688         Accrued interest on bank deposits       201       (519)       (455)       (1,350)         Increase (direcase) in accrued severance pay, net       (51)       84       290       125         Decrease (increase) in inventories       (631)       (78)       (490)       453         Decrease (increase) in inventories       (1,036)       (1,288)       (4,204)       (3,791)         Increase (decrease) in other current assets and prepaid expenses       (421)       (1,151)       4,512       2,200         Decrease in inventories       (1,036)       (1,288)       (4,204)       (3,791)       increase (decrease) in other payables and accrued expenses       (212)       (2,700)       15,333       23,487         Cash flows from investing activities       (1,272)       (2,700)       15,333       23,487 <tr< th=""><th>Cash flow from operating activities:</th><th></th><th></th><th></th><th></th></tr<>	Cash flow from operating activities:				
Depretation and amortization         2,614         2,437         7,709         6,900           Stock based compensation         2,678         2,444         8,299         7,073           Gain from sale of available-for-sale marketable securities         (651)         (717)         (1,778)         (1,140)           Amortization of premium, accretion of discounts and accrued interest on available-for-sale         385         767         1,277         2,688           Accrued interest on bank deposits         201         (519)         (455)         (1,330)           Increase (decrease) in accrued severance pay, net         505         4         4,556           Decrease (increase) in inventories         (631)         (78)         (490)         453           Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net         149         (1,852)         (260)         (2,681)           Decrease (increase) in other payables         (1,036)         (1,288)         (4,204)         (3,791)           Increase (decrease) in other payables and accrued expenses         (421)         1,115         4,212         (2,254)           Increase (decrease) in other payables and accrued expenses         (421)         1,115         4,512         2,302           Excess ta ko neutify from stock-based compensation	Net income (loss)	(2,447)	661	(6,526)	14,306
Stock based compensation         2,678         2,444         8,299         7,073           Gain from sale of available-for-sale marketable securities         (651)         (717)         (1,140)           Manotization of premium, accretion of discounts and accrued interest on available-for-sale         385         767         1,277         2,688           Marchization of premium, accretion of discounts and accrued interest on available-for-sale         385         767         1,277         2,688           Marchization of premium, accretion of discounts and accrued interest on available-for-sale         385         767         1,277         2,688           Marchization of discounts and accrued severance pay, net         (51)         84         290         125           Decrease (increase) in trade receivables, net         4,711         (423)         5,064         1,456           Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net         149         (1,852)         (260)         (2,681)           Increase (decrease) in other payables and accrued expenses         (1,036)         (1,288)         (4,204)         (3,791)           Increase (decrease) in other payables and accrued expenses         (421)         1,115         4,512         2,302           Increase (decrease) in other payables and accrued expenses         (421)         1	Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Gain from sale of available-for-sale marketable securities         (651)         (717)         (1,778)         (1,140)           Amortization of premium, accretion of discounts and accrued interest on available-for-sale marketable securities         385         767         1,277         2,688           Accrued interest on bank deposits         201         (519)         (455)         (1,350)           Increase (decrease) in accrued severance pay, net         211         (423)         5,664         1,456           Decrease (increase) in ther current assets and prepaid expenses and deferred income taxes, net         149         (1,852)         (260)         (2,681)           Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net         149         (1,288)         (4,204)         (3,791)           Increase (decrease) in other role revenues         (6,773)         (5,101)         1,821         (2,154)           Increase (decrease) in other payables and accrued expenses         (421)         1,115         4,512         2,022           Excess tax benefit from stock-based compensation         0         (230)         74         (690)           Net cash provided by (used in) operating activities         (1,272)         (2,700)         15,333         23,487           Parchase of property and equipment         (2,561)         (3,518)	Depreciation and amortization	2,614	2,437	7,709	6,990
Amortization of premium, accretion of discounts and accrued interest on available-for-sale marketable securitiesAnortization of premium, accretion of discounts and accrued interest on available-for-sale marketable securitiesAnortization of premium, accretion of discounts and accrued interest on available-for-salemarketable securities201(519)(455)(1,350)Increase (increase) in accrued severance pay, net(51)84290125Decrease (increase) in intrade receivables, net4,711(423)5,0641,456Decrease (increase) in intrade receivables, net(631)(78)(490)453Decrease (increase) in intrade receivables(1,036)(1,288)(4,204)(3,791)Increase (decrease) in deferred revenues(6,773)(5,101)1,821(2,154)Increase (decrease) in other payables and accrued expenses(421)1,1154,5122,202Excess tax benefit from stock-based compensation0(230)74(690)Net cash provided by (used in) operating activities(1,272)(2,700)15,33323,487Cash flows from investing activities:(3)0(84)Proceeds from sale, investment in bank deposits, net16,0972,5581,708(3,287)Proceeds from sale, investment in bank deposits, net16,0972,5581,708(3,2487)Proceeds from sale, redemption of and purchase of available-for-sale marketable securities, net4,33919,7067,60036,224Net cash provided by (used in) investing activities330868<	Stock based compensation	2,678	2,444	8,299	7,073
marketable securities       385       767       1,277       2,688         Accrued interest on bank deposits       201       (519)       (455)       (1,350)         Increase (fercase) in acrued severance pay, net       (51)       84       290       125         Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net       149       (1,852)       (260)       (2,681)         Decrease (increase) in inventories       (53)       (44)       (4,204)       (3,791)         Increase (decrease) in other current assets and prepaid expenses       (1,036)       (1,288)       (4,204)       (3,791)         Increase (decrease) in other revenues       (6,773)       (5,101)       1,821       (2,154)         Increase (decrease) in other payables and accrued expenses       (421)       1,115       4,512       2,002         Excess tax benefit from stock-based compensation       0       (230)       74       (690)         Net cash provided by (used in) operating activities       (1,272)       (2,700)       15,333       23,487         Cash flows from investing activities:       (3)       (3)       0       (84)         Proceeds from sale, investment in bank deposits, net       16,097       2,958       1,708       (37,887)         Proceceds	Gain from sale of available-for-sale marketable securities	(651)	(717)	(1,778)	(1,140)
Accrued interest on bank deposits       201       (519)       (455)       (1,350)         Increase (decrease) in accrued severance pay, net       (51)       84       290       125         Decrease (increase) in trade receivables, net       4,711       (423)       5,064       1,456         Decrease (increase) in inventories       (631)       (78)       (490)       453         Decrease (increase) in inventories       (631)       (78)       (490)       453         Decrease (increase) in inventories       (6773)       (5,101)       1,821       (2,154)         Increase (decrease) in deferred revenues       (6773)       (5,101)       1,821       (2,154)         Increase (decrease) in other payables and accrued expenses       (421)       1,115       4,512       2,202         Excess tax benefit from stock-based compensation       0       (230)       74       (690)         Net cash provided by (used in) operating activities       1,272       (2,700)       15,333       23,487         Cash flows from investing activities:        1,390       (31)       0       (84)         Proceeds from sale, investment in bank deposits, net       (3)       (33)       0       (84)         Proceeds from sale, redemption of and purchase of available-for-sale marketab	Amortization of premium, accretion of discounts and accrued interest on available-for- sale				
Increase (decrease) in accrued severance pay, net         (51)         84         290         125           Decrease (increase) in trade receivables, net         4,711         (423)         5,064         1,456           Decrease (increase) in intrade receivables, net         149         (1,852)         (260)         (2,681)           Decrease (increase) in inventories         (631)         (78)         (490)         453           Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net         (6,773)         (5,101)         1,821         (2,154)           Increase (decrease) in other rayables and accrued expenses         (6773)         (5,101)         1,821         (2,154)           Increase (decrease) in other rayables and accrued expenses         (421)         1,115         4,512         2,002           Excess tax benefit from stock-based ompensation         0         (2,30)         74         (600)           Net cash provided by (used in) operating activities:         (1,272)         (2,700)         15,333         23,487           Cash flows from investing activities:         (3)         (33)         0         (84)           Proceeds from sale, investment in bank deposits, net         16,097         2,958         1,708         (37,887)           Proceeds from sale, redemption o	marketable securities	385	767	1,277	2,688
Decrease (increase) in trade receivables, net         4,711         (423)         5,064         1,456           Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net         149         (1,852)         (260)         (2,681)           Decrease (increase) in deferred revenues         (631)         (78)         (490)         453           Decrease (increase) in deferred revenues         (6,773)         (1,036)         (1,288)         (4,204)         (3,791)           Increase (decrease) in deferred revenues         (6,773)         (5,101)         1,821         (2,154)           Increase (decrease) in other payables and accrued expenses         (421)         1,115         4,512         2,202           Excess tax benefit from stock-based compensation         0         (230)         74         (690)           Net cash provided by (used in) operating activities         0         (1,272)         (2,700)         15,333         23,487           Cash flows from investing activities:          (3)         (33)         0         (84)           Proceeds from sale, investment in bank deposits, net         16,097         2,958         1,708         (37,887)           Proceeds from sale, redemption of and purchase of available-for-sale marketable securities ,net         4,339         19,706         <	Accrued interest on bank deposits	201	(519)	(455)	(1,350)
Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net149(1,852)(260)(2,681)Decrease (increase) in inventories(631)(78)(490)453Decrease (increase) in other payables(1,036)(1,288)(4,204)(3,791)Increase (decrease) in other payables and accued expenses(6,773)(5,101)1,821(2,154)Increase (decrease) in other payables and accued expenses(421)1,1154,5122,202Excess tax benefit from stock-based compensation0(220)74(660)Net cash provided by (used in) operating activities(1,272)(2,700)15,33323,487Cash flows from investing activities:(3)(3)0(84)Purchase of property and equipment(3)(3)0(84)Proceeds from sale, inextment in bank deposits, net16,0972,9581,708(37,887)Proceeds from sale, redemption of and purchase of available-for-sale marketable securities ,net4,33919,7067,60036,224Net cash provided by (used in) investing activities:3308683308,571Proceeds from sale, redemption of and purchase of available-for-sale marketable securities ,net0230(74)690Repurchase of shares0230(74)690(35,246)Net cash provided by (used in) investing activities3308683308,571Excess tax benefit from stock-based compensation0230(74)690Repur	Increase (decrease) in accrued severance pay, net	(51)	84	290	125
Decrease (increase) in inventories         (631)         (78)         (490)         453           Decrease in trade payables         (1,036)         (1,288)         (4,204)         (3,791)           Increase (decrease) in other payables and accrued expenses         (6,773)         (5,101)         1,821         (2,154)           Increase (decrease) in other payables and accrued expenses         (6,773)         (5,101)         1,821         (2,202)           Excess tax benefit from stock-based compensation         0         (230)         74         (690)           Net cash provided by (used in) operating activities         (1,272)         (2,700)         15,333         23,487           Cash flows from investing activities:         (1,272)         (2,700)         15,333         23,487           Purchase of property and equipment         (2,561)         (3,518)         (8,071)         (10,718)           Investment in other long-term assets, net         (3)         (33)         0         (84)           Proceeds from sale, redemption of and purchase of available-for-sale marketable securities, net         16,097         2,958         1,708         (37,887)           Proceeds from sale, redemption of and purchase of available-for-sale marketable securities, net         17,872         19,113         1,237         (12,465)	Decrease (increase) in trade receivables, net	4,711	(423)	5,064	1,456
Decrease in trade payables $(1,036)$ $(1,288)$ $(4,204)$ $(3,791)$ Increase (decrease) in other payables and accrued expenses $(6,773)$ $(5,101)$ $1,821$ $(2,154)$ Increase (decrease) in other payables and accrued expenses $(421)$ $1,115$ $4,512$ $2,202$ Excess tax benefit from stock-based compensation $0$ $(2230)$ $74$ $(690)$ Net cash provided by (used in) operating activities $(1,272)$ $(2,700)$ $15,333$ $23,487$ Cash flows from investing activities: $(1,272)$ $(2,700)$ $15,333$ $23,487$ Purchase of property and equipment $(2,561)$ $(3,518)$ $(8,071)$ $(10,718)$ Investment in other long-term assets, net $(3)$ $(33)$ $0$ $(84)$ Proceeds from sale, investment in bank deposits, net $16,097$ $2,958$ $1,708$ $(37,887)$ Proceeds from sale, redemption of and purchase of available-for-sale marketable securities, net $17,872$ $19,113$ $1,227$ $(12,465)$ Cash flows from financing activities: $16,930$ $7,600$ $36,224$ $17,872$ $19,113$ $1,237$ $(12,465)$	Decrease (increase) in other current assets and prepaid expenses and deferred income taxes, net	149	(1,852)	(260)	(2,681)
Decrease in trade payables $(1,036)$ $(1,288)$ $(4,204)$ $(3,791)$ Increase (decrease) in other payables and accrued expenses $(6,773)$ $(5,101)$ $1,821$ $(2,154)$ Increase (decrease) in other payables and accrued expenses $(421)$ $1,115$ $4,512$ $2,202$ Excess tax benefit from stock-based compensation $0$ $(2230)$ $74$ $(690)$ Net cash provided by (used in) operating activities $(1,272)$ $(2,700)$ $15,333$ $23,487$ Cash flows from investing activities: $(1,272)$ $(2,700)$ $15,333$ $23,487$ Purchase of property and equipment $(2,561)$ $(3,518)$ $(8,071)$ $(10,718)$ Investment in other long-term assets, net $(3)$ $(33)$ $0$ $(84)$ Proceeds from sale, investment in bank deposits, net $16,097$ $2,958$ $1,708$ $(37,887)$ Proceeds from sale, redemption of and purchase of available-for-sale marketable securities, net $17,872$ $19,113$ $1,227$ $(12,465)$ Cash flows from financing activities: $16,930$ $7,600$ $36,224$ $17,872$ $19,113$ $1,237$ $(12,465)$	Decrease (increase) in inventories	(631)	(78)	(490)	453
Increase (decrease) in deferred revenues(6,773)(5,101)1,821(2,154)Increase (decrease) in other payables and acrued expenses(421)1,1154,5122,202Excess tax benefit from stock-based compensation0(230)74(690)Net cash provided by (used in) operating activities(1,272)(2,700)15,33323,487Cash flows from investing activities:Purchase of property and equipment(2,561)(3,518)(8,071)(10,718)Investment in other long-term assets, net(3)(33)0(84)Proceeds from sale, investment in bank deposits, net16,0972,9581,708(37,887)Proceeds from sale, redemption of and purchase of available-for-sale marketable securities and $1,827$ 19,1131,227(12,465)Cash flows from financing activities:Proceeds from exercise of stock options3308683308,571(12,465)Cash flows from financing activities:0(24,780)(11,712)(44,507)(14,507)Net cash provided by (used in) innexing activities3308683308,571Proceeds from exercise of stock options3308683308,571(11,712)Repurchase of shares0(24,780)(11,712)(44,507)Net cash provided by (used in) financing activities330(23,682)(11,456)(35,246)Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of		. ,		. ,	(3,791)
Increase (decrease) in other payables and accrued expenses $(421)$ $1,115$ $4,512$ $2,202$ Excess tax benefit from stock-based compensation $0$ $(230)$ $74$ $(690)$ Net cash provided by (used in) operating activities $(1,272)$ $(2,700)$ $15,333$ $23,487$ Cash flows from investing activities:Purchase of property and equipment $(2,561)$ $(3,518)$ $(8,071)$ $(10,718)$ Investment in other long-term assets, net $(3)$ $(33)$ $0$ $(84)$ Proceeds from sale, investment in bank deposits, net $16,097$ $2,958$ $1,708$ $(37,887)$ Proceeds from sale, redemption of and purchase of available-for-sale marketable securities ,net $4,339$ $19,706$ $7,600$ $36,224$ Net cash provided by (used in) investing activities $17,872$ $19,113$ $1,237$ $(12,465)$ Cash flows from financing activities: $0$ $230$ $(74)$ $690$ Repurchase of shares $0$ $(24,780)$ $(11,712)$ $(44,507)$ Net cash provided by (used in) financing activities $330$ $868$ $330$ $8,571$ Excess tax benefit from stock-based compensation $0$ $230$ $(74)$ $690$ Repurchase of shares $0$ $(24,780)$ $(11,712)$ $(44,507)$ Net cash provided by (used in) financing activities $330$ $868$ $330$ $8,571$ Excess tax benefit from stock-based compensation $0$ $230$ $(74)$ $690$ Repurchase of shares $0$ $(24,780)$ <					,
Excess tax benefit from stock-based compensation $0$ $(230)$ $74$ $(690)$ Net cash provided by (used in) operating activities $(1,272)$ $(2,700)$ $15,333$ $23,487$ Cash flows from investing activities:Purchase of property and equipment $(2,561)$ $(3,518)$ $(8,071)$ $(10,718)$ Investment in other long-term assets, net $(3)$ $(33)$ $0$ $(84)$ Proceeds from sale, investment in bank deposits, net $16,097$ $2,958$ $1,708$ $(37,887)$ Proceeds from sale, redemption of and purchase of available-for-sale marketable securities ,net $4,339$ $19,706$ $7,600$ $36,224$ Net cash provided by (used in) investing activities $17,872$ $19,113$ $1,237$ $(12,465)$ Cash flows from financing activities:Proceeds from exercise of stock optionsSao $330$ $868$ $330$ $8,571$ Excess tax benefit from stock-based compensation0 $230$ $(74)$ $690$ Repurchase of shares $0$ $(24,780)$ $(11,712)$ $(44,507)$ Net cash provided by (used in) financing activities $330$ $(23,682)$ $(11,456)$ $(35,246)$ Increase (decrease) in cash and cash equivalents $16,930$ $(7,269)$ $5,114$ $(24,224)$ Cash and cash equivalents at the beginning of the period $21,928$ $28,024$ $33,744$ $44,979$					
Net cash provided by (used in) operating activities $(1,272)$ $(2,700)$ $15,333$ $23,487$ Cash flows from investing activities:Purchase of property and equipment $(2,561)$ $(3,518)$ $(8,071)$ $(10,718)$ Investment in other long-term assets, net $(3)$ $(33)$ $0$ $(84)$ Proceeds from sale, investment in bank deposits, net $16,097$ $2,958$ $1,708$ $(37,887)$ Proceeds from sale, redemption of and purchase of available-for-sale marketable securities , net $4,339$ $19,706$ $7,600$ $36,224$ Net cash provided by (used in) investing activities $17,872$ $19,113$ $1,237$ $(12,465)$ Cash flows from financing activities: $0$ $230$ $(74)$ $690$ Repurchase of shares $0$ $(24,780)$ $(11,712)$ $(44,507)$ Net cash provided by (used in) financing activities $330$ $(23,682)$ $(11,456)$ $(35,246)$ Increase (decrease) in cash and cash equivalents $16,930$ $(7,269)$ $5,114$ $(24,224)$ Cash and cash equivalents at the beginning of the period $21,928$ $28,024$ $33,744$ $44,979$				-	
Purchase of property and equipment $(2,561)$ $(3,518)$ $(8,071)$ $(10,718)$ Investment in other long-term assets, net $(3)$ $(33)$ $0$ $(84)$ Proceeds from sale, investment in bank deposits, net $16,097$ $2,958$ $1,708$ $(37,887)$ Proceeds from sale, redemption of and purchase of available-for-sale marketable securities , net $4,339$ $19,706$ $7,600$ $36,224$ Net cash provided by (used in) investing activities $17,872$ $19,113$ $1,237$ $(12,465)$ Cash flows from financing activities: $0$ $230$ $(74)$ $690$ Proceeds from exercise of stock options $330$ $868$ $330$ $8,571$ Excess tax benefit from stock-based compensation $0$ $(24,780)$ $(11,712)$ $(44,507)$ Net cash provided by (used in) financing activities $330$ $(23,682)$ $(11,456)$ $(35,246)$ Increase (decrease) in cash and cash equivalents $16,930$ $(7,269)$ $5,114$ $(24,224)$ Cash and cash equivalents at the beginning of the period $21,928$ $28,024$ $33,744$ $44,979$	Net cash provided by (used in) operating activities	(1,272)		15,333	23,487
Investment in other long-term assets, net(3)(33)0(84)Proceeds from sale, investment in bank deposits, net16,0972,9581,708(37,887)Proceeds from sale, redemption of and purchase of available-for-sale marketable securities , net4,33919,7067,60036,224Net cash provided by (used in) investing activities17,87219,1131,237(12,465)Cash flows from financing activities:Proceeds from exercise of stock options3308683308,571Excess tax benefit from stock-based compensation0230(74)690Repurchase of shares0(24,780)(11,712)(44,507)Net cash provided by (used in) financing activities330(7,269)5,114(24,224)Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	Cash flows from investing activities:				
Investment in other long-term assets, net(3)(33)0(84)Proceeds from sale, investment in bank deposits, net16,0972,9581,708(37,887)Proceeds from sale, redemption of and purchase of available-for-sale marketable securities , net4,33919,7067,60036,224Net cash provided by (used in) investing activities17,87219,1131,237(12,465)Cash flows from financing activities:3308683308,571Proceeds from exercise of stock options3308683308,571Excess tax benefit from stock-based compensation0230(74)690Repurchase of shares0(24,780)(11,712)(44,507)Net cash provided by (used in) financing activities330(7,269)5,114(24,224)Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	Purchase of property and equipment	(2,561)	(3,518)	(8,071)	(10,718)
Proceeds from sale, investment in bank deposits, net16,0972,9581,708(37,887)Proceeds from sale, redemption of and purchase of available-for-sale marketable securities ,net4,33919,7067,60036,224Net cash provided by (used in) investing activities17,87219,1131,237(12,465)Cash flows from financing activities:Proceeds from exercise of stock optionsSago (744)690Repurchase of sharesNet cash provided by (used in) financing activities3308683308,571Excess tax benefit from stock-based compensation0230(74)690Repurchase of shares0(24,780)(11,712)(44,507)Net cash provided by (used in) financing activities330(7,269)5,114(24,224)Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	Investment in other long-term assets, net		(33)	0	(84)
Net cash provided by (used in) investing activities17,87219,1131,237(12,465)Cash flows from financing activities:Proceeds from exercise of stock options3308683308,571Excess tax benefit from stock-based compensation0230(74)690Repurchase of shares0(24,780)(11,712)(44,507)Net cash provided by (used in) financing activities330(23,682)(11,456)(35,246)Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	-			1,708	
Cash flows from financing activities:Proceeds from exercise of stock optionsStock-based compensationStock-based compensationRepurchase of sharesO(24,780)Net cash provided by (used in) financing activitiesIncrease (decrease) in cash and cash equivalentsCash and cash equivalents at the beginning of the periodCash and cash equivalents at the beginning of the period	Proceeds from sale, redemption of and purchase of available-for-sale marketable securities , net	4,339	19,706	7,600	36,224
Proceeds from exercise of stock options3308683308,571Excess tax benefit from stock-based compensation0230(74)690Repurchase of shares0(24,780)(11,712)(44,507)Net cash provided by (used in) financing activities330(23,682)(11,456)(35,246)Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	Net cash provided by (used in) investing activities	17,872	19,113	1,237	(12,465)
Excess tax benefit from stock-based compensation0230(74)690Repurchase of shares0(24,780)(11,712)(44,507)Net cash provided by (used in) financing activities330(23,682)(11,456)(35,246)Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	Cash flows from financing activities:				
Repurchase of shares       0       (24,780)       (11,712)       (44,507)         Net cash provided by (used in) financing activities       330       (23,682)       (11,456)       (35,246)         Increase (decrease) in cash and cash equivalents       16,930       (7,269)       5,114       (24,224)         Cash and cash equivalents at the beginning of the period       21,928       28,024       33,744       44,979	Proceeds from exercise of stock options	330	868	330	8,571
Net cash provided by (used in) financing activities330(23,682)(11,456)(35,246)Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	Excess tax benefit from stock-based compensation	0	230	(74)	690
Increase (decrease) in cash and cash equivalents16,930(7,269)5,114(24,224)Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	Repurchase of shares	0	(24,780)	(11,712)	(44,507)
Cash and cash equivalents at the beginning of the period21,92828,02433,74444,979	Net cash provided by (used in) financing activities	330	(23,682)	(11,456)	(35,246)
	Increase (decrease) in cash and cash equivalents	16,930	(7,269)	5,114	(24,224)
Cash and cash equivalents at the end of the period         38,858         20,755         38,858         20,755	Cash and cash equivalents at the beginning of the period	21,928		33,744	
	Cash and cash equivalents at the end of the period	38,858	20,755	38,858	20,755