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

	December 31, 2019	December 31, 2018	
	(Unaudited)	(Unaudited)	
Assets			
Current assets			
Cash and cash equivalents	40,751	45,203	
Available-for-sale marketable securities	36,924	15,742	
Short-term bank deposits	100,276	255,454	
Trade receivables, net	22,610	17,166	
Other receivables and prepaid expenses	8,032	7,071	
Inventories	13,940	18,401	
	222,533	359,037	
Long-term investments			
Available-for-sale marketable securities	112,696	84,669	
Long-term bank deposits	137,095	-	
Severance pay funds	2,300	2,973	
	252,091	87,642	
Property and equipment, net	22,971	23,677	
Intangible assets, net	14,481	9,467	
Other long-term assets	24,293	20,724	
Operating lease right-of-use assets	18,144	-	
Goodwill	41,144	32,174	
Total assets	595,657	532,721	
	<u> </u>	<u> </u>	
Liabilities and shareholders' equity			
Current Liabilities			
Trade payables	6,878	4,483	
Deferred revenues	79,239	83,955	
Operating lease liabilities	5,193	-	
Other payables and accrued expenses	34,689	29,596	
Other payables and accraca expenses	125.999	118,034	
Long-term liabilities			
Deferred revenues	50,888	43,796	
Operating lease liabilities	13,914	-	
Other long-term liabilities	9,525	6,934	
	74,327	50,730	
Charachald and an In			
Shareholders' equity	710	602	
Share capital	710	693	
Additional paid-in capital	414,581	383,536	
Accumulated other comprehensive income (loss), net of tax	1,145	(1,110)	
Treasury stock, at cost	(145,226)	(120,717)	
Retained earnings	124,121	101,555	
Total shareholders' equity	395,331	363,957	
Total liabilities and shareholders' equity	595,657	532,721	
. ,			

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

For the three months ended For the year ended December 31 December 31 2019 2018 2019 2018 (Unaudited) (Unaudited) (Unaudited) (Unaudited) Revenues 67,362 63,817 252,072 234,404 11,994 Cost of revenues 11,117 45,174 41,675 206,898 192,729 Gross profit 55,368 52,700 Operating expenses, net: Research and development, net 16,103 13,945 61,841 57,674 Selling and marketing 109,556 111,386 29,121 28,137 General and administrative 4,294 18,584 16,145 4,375 49,599 46,376 189,981 185,205 Total operating expenses, net Operating income 5,769 6,324 16,917 7,524 Financial income, net 2,745 2,397 8,792 7,274 Income before taxes on income 8,514 8,721 25,709 14,798 Taxes on income 1,183 778 3,143 3,063 Net income 7,331 7,943 22,566 11,735 Basic net earnings per share 0.16 0.17 0.48 0.26 Weighted average number of shares used to compute basic net 46,900,711 46,357,278 46,816,899 45,289,296 earnings per share Diluted net earnings per share 0.15 0.16 0.47 0.25 Weighted average number of shares used to compute diluted net 48,304,507 48,279,751 48,523,120 47,691,868

earnings per share

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

Page		For the three months ended December 31,		For the year ended December 31,	
SAAP geny sprint					
Amont-Cut-Ope prises profest 55,007 23,002 200,412 133,815	GAAP gross profit				
Non-GAP 1998	Stock-based compensation	53	50	224	221
SAMP Present ch and devel opment. net 16,103 13,465 61,841 57,674 506-bessed compensation 791 694 28,555 3,123 306-bessed compensation 791 791 792 793 3,123	Amortization of intangible assets	486	212	2,304	866
Stock based compensat on	Non-GAAP gross profit	55,907	52,962	209,426	193,816
Stock based compensat on					
Acquisition costs 1,00	GAAP research and development, net	16,103	13,945	61,841	57,674
Non-GAAP Research and development, net	Stock-based compensation	791	694	2,855	3,123
Management 1,000	Acquisition costs		20		20
Stock-based compensation 1,696 1,727 6,954 7,71	Non-GAAP Research and development, net	15,312	13,231	58,986	54,531
Stock-based compensation 1,696 1,727 6,954 7,71					
Americation of intangible assets 17	GAAP selling and marketing	29,121	28,137	109,556	111,386
Non-GAPP general and administrative	Stock-based compensation	1,696	1,727	6,954	7,071
CAMP general and administrative	Amortization of intangible assets	17	21	69	82
Stock-based compensation 742 775 3,032 2,087 Acquisition costs 18 1229 246 1229 118gation costs - 202 883 829 1243 13,451	Non-GAAP selling and marketing	27,408	26,389	102,533	104,233
Stock-based compensation 742 775 3,032 2,087 Acquisition costs 18 1229 246 1229 118gation costs - 202 883 829 1243 13,451					
Acquisition costs 1,8 2,221 246 (222) 246 (222) (224)	GAAP general and administrative	4,375	4,294	18,584	16,145
Litigation costs	Stock-based compensation	742	775	3,032	2,087
Non-GAAP general and administrative 3,651 3,539 14,422 13,451	Acquisition costs	(18)	(222)	246	(222)
Acquisition costs 18,981 185,05 180,05	Litigation costs		202	883	829
Stock-based compensation 3,229 3,106 12,841 12,1281 12,000 246 (201 201	Non-GAAP general and administrative	3,651	3,539	14,423	13,451
Stock-based compensation 3,229 3,106 12,841 12,1281 12,000 246 (201 201					
Stock-based compensation 3,279 3,196 12,241 12,781 12,602 246 (202) Amortsation of intangible assets 17 21 69 82 118 83 878 83 878 83 836	GAAP total operating expenses, net	49,599	46,376	189,981	185,205
Acquisition costs	Stock-based compensation	3,229		12,841	
Amortization of intangible assets	•				
Non-GAP total operating expenses, net 46,371 43,159 175,942 172,215	Amortization of intangible assets	17	21	69	82
SAPP operating income 5,769 6,324 16,917 7,524	Litigation costs	-	202	883	829
SAP Department S.769 S	Non-GAAP total operating expenses, net	46,371	43,159	175,942	172,215
Stock-based compensation 3,282 3,246 13,065 12,502 Add Acquisition costs 18 (202) 246 (202) Amortization of intangible assets 1503 233 2,373 948 Utigation costs 18 (202) 246 (202) Amortization of intangible assets 1503 233 2,373 948 21,601					
Stock-based compensation	GAAP operating income	5,769	6,324	16,917	7,524
Acquisition costs 18 2021 246 2021 246 2021 246 2021 248 233 2,373 948 235 233 2,373 948 235 2021 238 239 2021 238 239 2021 238 239 2021 238 239 238	Stock-based compensation				
Manorization of intangible assets 503 233 2,373 948 101 10	·				
Litigation costs - 202 833 829	Amortization of intangible assets	503	233	2,373	948
CAAP financial income, net		-			
CAAP financial income, net	-	9,536			
Description Check pair adjustment Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196					
Description Check pair adjustment Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196	GAAP financial income, net	2.745	2.397	8.792	7.274
Exchange rate differences, net on balance sheet items included in financial income, net 148 159 2,270 196		-	-,		-
Non-GAAP financial income, net 2,597 2,338 10,499 7,470		(148)	(59)		196
SAP Income before taxes on income 8,514 8,721 25,709 14,798					
Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment 5 (563) Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Non-GAPA income before taxes on income 1,183 778 3,143 3,063 Amortization of deferred tax liability related to intangible assets 39 - 286 - Tax related to other gain adjustment (52) Township of the content			_,		
Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment 5 (563) Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Non-GAPA income before taxes on income 1,183 778 3,143 3,063 Amortization of deferred tax liability related to intangible assets 39 - 286 - Tax related to other gain adjustment (52) Township of the content	GAAP income before taxes on income	8.514	8.721	25.709	14.798
Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (18) (59) 2,270 196 Non-GAAP income before taxes on income 1,183 778 3,143 3,063 Amortization of deferred tax liability related to intangible assets 39 - 286 - Tax related to other gain adjustment - - - (52) - Non-GAAP taxes on income 1,222 778 3,377 3,063 GAAP net income 7,331 7,943 22,566 11,735 Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs [18] (202) 246 (202) Acquisition costs [50] 23 23 22 883				,	
Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Cheer gain adjustment - 202 800 800 829 829 829 829 829 829 829 829 829 829	·				
Litigation costs	Amortization of intangible assets			2.373	
Other gain adjustment - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Non-GAAP income before taxes on income 12,133 12,141 43,983 29,071 GAAP taxes on income 1,183 778 3,143 3,063 Amortization of deferred tax liability related to intangible assets 39 - 286 - Tax related to other gain adjustment - - - (52) - Non-GAAP taxes on income 7,331 7,943 22,566 11,735 GAAP net income 7,331 7,943 22,566 11,735 Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs [18] (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - - (563) - Cack page rate differences, net on balance sheet items included in financial income, net (148) (5	Litigation costs	-			829
Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196	Other gain adjustment	-			-
Amortization of deferred tax liability related to intangible assets 39 - 286 - - (52) - (52) - (52) - (52) - (52) - (52) - (52) - (52) - (52) (52) - (52) (52) - (52)		(148)	(59)		196
Amortization of deferred tax liability related to intangible assets 39 - 286 - Tax related to other gain adjustment - - - (52) - Non-GAAP taxes on income 1,222 778 3,377 3,063 GAAP net income 7,331 7,943 22,566 11,735 Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of indered tax liability related to intangible assets 3 - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 - GAAP diluted net earnings per share 0.15	Non-GAAP income before taxes on income	12,133	12,141	43,983	29,071
Amortization of deferred tax liability related to intangible assets 39 - 286 - Tax related to other gain adjustment - - - (52) - Non-GAAP taxes on income 1,222 778 3,377 3,063 GAAP net income 7,331 7,943 22,566 11,735 Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of indered tax liability related to intangible assets 3 - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 - GAAP diluted net earnings per share 0.15					
Amortization of deferred tax liability related to intangible assets 39 - 286 - Tax related to other gain adjustment - - - (52) - Non-GAAP taxes on income 1,222 778 3,377 3,063 GAAP net income 7,331 7,943 22,566 11,735 Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of indered tax liability related to intangible assets 3 - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 - GAAP diluted net earnings per share 0.15	GAAP taxes on income	1,183	778	3,143	3,063
Tax related to other gain adjustment - - (52) - Non-GAPP taxes on income 1,222 778 3,377 3,063 GAAP net income 7,331 7,943 22,566 11,735 Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of deferred tax liability related to intangible assets (39) - (286) - Tax related to other gain adjustment - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 <					
Non-GAAP taxes on income 1,222 778 3,377 3,063		-	-		-
Stock-based compensation 3,282 3,246 13,065 12,502	Non-GAAP taxes on income	1,222	778		3,063
Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of deferred tax liability related to intangible assets (39) - (286) - Tax related to other gain adjustment - - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs 0.00 0.00 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02<					
Stock-based compensation 3,282 3,246 13,065 12,502 Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of deferred tax liability related to intangible assets (39) - (286) - Tax related to other gain adjustment - - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs 0.00 0.00 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02<	GAAP net income	7,331	7,943	22,566	11,735
Acquisition costs (18) (202) 246 (202) Amortization of intangible assets 503 233 2,373 948 Litigation costs - 202 883 829 Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of deferred tax liability related to intangible assets (39) - (286) - Tax related to other gain adjustment - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.00 0.01 0.00					
Amortization of intangible assets Litigation costs					
Litigation costs - 202 883 829 Other gain adjustment - - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of deferred tax liability related to intangible assets (39) - (286) - Tax related to other gain adjustment - - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP dilluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 0.01 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0	•				
Other gain adjustment - - (563) - Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of deferred tax liability related to intangible assets (39) - (286) - Tax related to other gain adjustment - - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 0.00 0.01 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) 0.00 0.00 0.01 Amor					
Exchange rate differences, net on balance sheet items included in financial income, net (148) (59) 2,270 196 Amortization of deferred tax liability related to intangible assets (39) - (286) - Tax related to other gain adjustment - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Uitgation costs 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 0.00 0.01 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 0.00 0.00 Tax relate		-			-
Amortization of deferred tax liability related to intangible assets Tax related to other gain adjustment Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP diluted net earnings per share 0.15 Stock-based compensation 0.07 0.07 0.07 0.27 0.26 Acquisition costs (0.00) Amortization of intangible assets 0.01 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 Amortization adjustment Exchange rate differences, net on balance sheet items included in financial income, net Amortization of deferred tax liability related to intangible assets (0.00) 0.00		(148)	(59)		196
Tax related to other gain adjustment - - 52 - Non-GAAP net income 10,911 11,363 40,606 26,008 GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 0.00 0.01 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00 0.00					-
GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00 0.00		-	-		-
GAAP diluted net earnings per share 0.15 0.16 0.47 0.25 Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00 0.00	Non-GAAP net income	10,911	11,363	40,606	26,008
Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00					
Stock-based compensation 0.07 0.07 0.27 0.26 Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00	GAAP diluted net earnings per share	0.15	0.16	0.47	0.25
Acquisition costs (0.00) (0.00) 0.01 (0.00) Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00 0.00					
Amortization of intangible assets 0.01 0.00 0.05 0.02 Litigation costs 0.00 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00 0.00	·				
Litigation costs 0.00 0.00 0.02 0.02 Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00	·				
Other gain adjustment 0.00 0.00 (0.01) 0.00 Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00					
Exchange rate differences, net on balance sheet items included in financial income, net (0.00) (0.00) 0.05 0.00 Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00	=				
Amortization of deferred tax liability related to intangible assets (0.00) 0.00 (0.01) 0.00 Tax related to other gain adjustment 0.00 0.00 0.00 0.00					
Tax related to other gain adjustment 0.00 0.00 0.00 0.00					
<u>V.23</u> <u>V.24</u> <u>V.04</u> <u>U.J3</u>					
	non oreal unated het earnings per share	0.23	0.24	0.04	0.33

48,304,507

48,279,751

48,523,120

47,691,868

Weighted average number of shares used to compute Non-GAAP diluted net earnings per share

Radware Ltd.

Condensed Consolidated Statements of Cash Flow

(U.S. Dollars in thousands)

	For the three months ended December 31.		For the year ended December 31,	
	2019	2018	2019	2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited
Cash flow from operating activities:				
Netincome	7,331	7,943	22,566	11,735
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	2,789	2,402	11,283	9,782
Stock based compensation	3,282	3,247	13,065	12,503
Amortization of premium, accretion of discounts and accrued interest on	150	513	C10	1 205
available-for-sale marketable securities, net	150	513	618	1,395
Other loss (gain)	26	-	(537)	-
Accrued interest on bank deposits	596	(962)	2,123	(2,391)
Increase in accrued severance pay, net	64	189	888	323
Decrease (increase) in trade receivables, net	(7,557)	1,325	(2,407)	(1,169)
Decrease (increase) in other receivables and prepaid expenses and other long-				
term assets	(2,599)	(1,765)	(7,448)	2,727
Decrease in inventories	1,143	2,062	4,461	371
Decrease (increase) in trade payables	2,873	(941)	2,338	(884)
ncrease (decrease) in deferred revenues	(6,416)	10,048	2,260	14,440
ncrease in other payables and accrued expenses	2,168	1,636	2,679	419
Operating lease liabilities, net	109	1,030	963	415
Net cash provided by operating activities	3,959	25,697	52,852	49,251
necessity provided by operating activities			32,032	13,231
Cash flows from investing activities:				
Purchase of property and equipment	(2,002)	(3,998)	(8,155)	(8,869)
Proceeds from (investment in) other long-term assets, net	(7)	-	4	40
Proceeds from (investment in) bank deposits, net	2,187	(29,935)	15,960	(71,002)
Investment in sale, redemption of and purchase of available-for-sale	(1,131)	(2,765)	(46,363)	(5,672)
marketable securities ,net	(1,151)	(2,763)	(40,303)	(5,072)
Payment for acquisition of subsidiary, net of cash acquired	-	-	(12,239)	-
Net cash used in investing activities	(953)	(36,698)	(50,793)	(85,503)
Cash flows from financing activities:				
Proceeds from exercise of stock options	3,406	2,224	17,999	21,803
Repayment of contingent consideration	-	(1,310)	-	(1,310)
Repurchase of shares	(5,616)	(4,275)	(24,510)	(4,275)
Net cash provided by (used in) financing activities	(2,210)	(3,361)	(6,511)	16,218
Increase (decrease) in cash and cash equivalents	796	(14,362)	(4,452)	(20,034)
Cash and cash equivalents at the beginning of the period	39,955	59,565	45,203	65,237
Cash and cash equivalents at the end of the period	40,751	45,203	40,751	45,203