



Investor Kit First Quarter 2020



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

ASSETS

Current Assets

Cash and cash equivalents	\$ 65,237	\$ 61,987	\$ 61,676	\$ 59,565	\$ 45,203	\$ 52,361	\$ 34,191	\$ 39,955	\$ 40,751	\$ 40,207
Available-for-sale marketable securities	42,573	45,769	41,234	37,004	15,742	9,996	25,923	28,177	36,924	52,259
Short-term bank deposits	93,151	87,662	149,622	203,299	255,454	250,354	193,944	153,812	100,276	76,823
Trade receivables, net	16,150	16,034	18,598	18,491	17,166	14,346	14,987	12,366	22,610	26,639
Other receivables and prepaid expenses	12,252	6,401	7,687	6,308	7,071	8,632	10,182	9,390	7,469	7,342
Inventories	18,772	18,920	18,443	20,463	18,401	17,185	15,964	15,083	13,940	14,854
	248,135	236,773	297,260	345,130	359,037	352,874	295,191	258,783	221,970	218,124

Long-term Investments

Available-for-sale marketable securities	54,427	51,193	55,948	61,078	84,669	101,346	120,174	120,326	112,696	92,711
Long-term bank deposits	88,911	111,465	58,718	21,258	-	6,011	39,732	86,342	137,095	165,250
Severance pay funds	3,251	3,251	3,039	3,105	2,973	2,187	2,267	2,313	2,300	2,091
	146,589	165,909	117,705	85,441	87,642	109,544	162,173	208,981	252,091	260,052

Property and equipment, net	23,642	23,477	22,453	21,848	23,677	23,430	23,538	23,256	22,971	23,291
Other long-term assets	8,133	17,687	18,492	20,064	20,724	21,221	21,425	21,495	24,398	25,914
Operating lease right-of-use assets	-	-	-	-	-	20,539	19,868	18,849	18,144	25,169
Goodwill and intangible assets, net	42,589	42,338	42,106	41,873	41,641	54,913	54,838	56,127	55,625	55,127

Total assets

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities

Trade payables	\$ 5,367	\$ 4,320	\$ 4,744	\$ 5,424	\$ 4,483	\$ 3,830	\$ 3,802	\$ 4,005	\$ 6,315	\$ 4,899
Deferred revenues (*)	69,829	76,831	76,758	76,663	83,955	89,068	86,207	81,987	79,239	90,415
Operating lease liabilities	-	-	-	-	-	5,197	5,495	5,183	5,193	4,854
Other payables and accrued expenses	32,174	24,248	25,212	30,663	29,596	29,628	29,729	28,089	34,794	34,173
	107,370	105,399	106,714	112,750	118,034	127,723	125,233	119,264	125,541	134,341

Long-term Liabilities

Deferred revenues (*)	43,482	45,346	43,719	41,040	43,796	50,122	45,446	54,556	50,888	59,742
Operating lease liabilities	-	-	-	-	-	15,717	15,033	14,520	13,914	20,440
Other long-term liabilities	2,880	5,733	5,413	5,484	6,934	8,733	10,171	12,343	9,525	9,532
	46,362	51,079	49,132	46,524	50,730	74,572	70,650	81,419	74,327	89,714

Shareholders' Equity

Share capital	673	677	685	691	693	701	704	707	710	712
Additional paid-in capital	349,250	357,496	368,318	378,067	383,536	394,361	400,756	407,897	414,581	419,804
Accumulated other comprehensive income (loss), net of tax	(443)	(1,172)	(1,212)	(1,168)	(1,110)	6	791	1,026	1,145	306
Treasury stock, at cost	(116,442)	(116,442)	(116,442)	(116,442)	(120,717)	(120,765)	(130,770)	(139,612)	(145,226)	(163,895)
Retained earnings	82,318	89,147	90,821	93,934	101,555	105,923	109,669	116,790	124,121	126,695
	315,356	329,706	342,170	355,082	363,957	380,226	381,150	386,808	395,331	383,622

Total liabilities and shareholder's equity

*** Deferred Revenues**

Short Term	69,829	76,831	76,758	76,663	83,955	89,068	86,207	81,987	79,239	90,415
Long Term	43,482	45,346	43,719	41,040	43,796	50,122	45,446	54,556	50,888	59,742
Balance Sheet Deferred Revenues	113,311	122,177	120,477	117,703	127,751	139,190	131,653	136,543	130,127	150,157
Add: Uncollected billed amounts offset against trade receivables balance. (representing unpaid invoices not yet recognized as revenue)	34,374	25,968	32,114	32,972	39,499	20,272	39,884	28,205	54,512	30,975
Total Deferred Revenues	147,685	148,145	152,591	150,675	167,250	159,462	171,537	164,748	184,639	181,132

Note: This document should be read in conjunction with the Company's SEC Filings.



Radware Ltd. Condensed and Consolidated -

US GAAP Income Statements

(U.S. Dollars in thousands, except share and per share data - unaudited)

	FY'17	FY'18				Yr Ended 31-Dec	FY'19				Yr Ended 31-Dec	Quarter Ended		
	Yr Ended 31-Dec	Quarter Ended					Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	31-Mar	
		31-Mar	30-Jun	30-Sep	31-Dec			31-Mar	30-Jun	30-Sep				31-Dec
Revenues	\$ 211,369	\$ 54,536	\$ 57,287	\$ 58,764	\$ 63,817	\$ 234,404	\$ 61,397	\$ 60,454	\$ 62,859	\$ 67,362	\$ 252,072	\$ 60,012		
Cost of revenues	39,616	9,940	10,340	10,278	11,117	41,675	11,009	10,644	11,527	11,994	45,174	10,689		
Gross profit	171,753	44,596	46,947	48,486	52,700	192,729	50,388	49,810	51,332	55,368	206,898	49,323		
Operating expenses:														
Research and development, net	59,003	14,662	14,633	14,434	13,945	57,674	15,230	15,400	15,108	16,103	61,841	15,832		
Selling and marketing	108,744	28,183	27,803	27,263	28,137	111,386	26,661	26,680	27,094	29,121	109,556	28,202		
General and administrative	17,577	4,055	3,811	3,985	4,294	16,145	4,764	5,042	4,403	4,375	18,584	4,712		
Other income	(6,900)	-	-	-	-	-	-	-	-	-	-	-		
Total operating expenses	178,424	46,900	46,247	45,682	46,376	185,205	46,655	47,122	46,605	49,599	189,981	48,746		
Operating income (loss)	(6,671)	(2,304)	700	2,804	6,324	7,524	3,733	2,688	4,727	5,769	16,917	577		
Financial Income, net	4,830	1,689	1,701	1,487	2,397	7,274	1,791	2,119	2,137	2,745	8,792	2,724		
Income (loss) before taxes on income (tax benefit)	(1,841)	(615)	2,401	4,291	8,721	14,798	5,524	4,807	6,864	8,514	25,709	3,301		
Taxes on income (tax benefit)	5,652	380	727	1,178	778	3,063	1,156	1,061	(257)	1,183	3,143	727		
Net income (loss)	\$ (7,493)	\$ (995)	\$ 1,674	\$ 3,113	\$ 7,943	\$ 11,735	\$ 4,368	\$ 3,746	\$ 7,121	\$ 7,331	\$ 22,566	\$ 2,574		
Diluted net earnings (loss) per share	\$ (0.17)	\$ (0.02)	\$ 0.04	\$ 0.06	\$ 0.16	\$ 0.25	\$ 0.09	\$ 0.08	\$ 0.15	\$ 0.15	\$ 0.47	\$ 0.05		
Weighted average number of shares used to compute diluted net earnings (loss) per share	43,475,844	46,424,462	47,396,099	48,519,880	48,279,751	47,691,868	48,572,366	48,722,684	48,488,313	48,304,507	48,523,120	48,225,688		
Gross margin	81.3%	81.8%	82.0%	82.5%	82.6%	82.2%	82.1%	82.4%	81.7%	82.2%	82.1%	82.2%		
R&D % of total revenue	27.9%	26.9%	25.5%	24.6%	21.9%	24.6%	24.8%	25.5%	24.0%	23.9%	24.5%	26.4%		
S&M % of total revenue	51.4%	51.7%	48.5%	46.4%	44.1%	47.5%	43.4%	44.1%	43.1%	43.2%	43.5%	47.0%		
G&A % of total revenue	8.3%	7.4%	6.7%	6.8%	6.7%	6.9%	7.8%	8.3%	7.0%	6.5%	7.4%	7.9%		
Total operating expenses % of total revenues	84.4%	86.0%	80.7%	77.7%	72.7%	79.0%	76.0%	77.9%	74.1%	73.6%	75.4%	81.2%		
Operating margin	-3.2%	-4.2%	1.2%	4.8%	9.9%	3.2%	6.1%	4.4%	7.5%	8.6%	6.7%	1.0%		
Net margin	-3.5%	-1.8%	2.9%	5.3%	12.4%	5.0%	7.1%	6.2%	11.3%	10.9%	9.0%	4.3%		

Note: This document should be read in conjunction with the Company's SEC Filings.



Radware Ltd. Condensed and Consolidated -

Non-GAAP Income Statements

(U.S. Dollars in thousands, except share and per share data - unaudited)

	FY'17	FY'18				FY'18	FY'19				FY'19	FY'20	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended	
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	31-Mar
Revenues	\$ 211,369	\$ 54,536	\$ 57,287	\$ 58,764	\$ 63,817	\$ 234,404	\$ 61,397	\$ 60,454	\$ 62,859	\$ 67,362	\$ 252,072	\$ 60,012	\$ 60,012
Cost of revenues	37,688	9,652	10,069	10,012	10,855	40,588	10,543	10,175	10,473	11,455	42,646	10,153	10,153
Gross profit	173,681	44,884	47,218	48,752	52,962	193,816	50,854	50,279	52,386	55,907	209,426	49,859	49,859
Operating expenses:													
Research and development, net	54,932	13,731	13,954	13,615	13,231	54,531	14,520	14,686	14,468	15,312	58,986	15,023	15,023
Selling and marketing	101,756	26,259	26,008	25,577	26,389	104,233	25,075	24,927	25,123	27,408	102,533	26,316	26,316
General and administrative	13,156	3,378	3,290	3,244	3,539	13,451	3,651	3,483	3,638	3,651	14,423	3,690	3,690
Total operating expenses	169,844	43,368	43,252	42,436	43,159	172,215	43,246	43,096	43,229	46,371	175,942	45,029	45,029
Operating income (loss)	3,837	1,516	3,966	6,316	9,803	21,601	7,608	7,183	9,157	9,536	33,484	4,830	4,830
Financial Income, net	5,465	1,486	1,727	1,919	2,338	7,470	2,422	2,718	2,762	2,597	10,499	2,664	2,664
Income before taxes on income	9,302	3,002	5,693	8,235	12,141	29,071	10,030	9,901	11,919	12,133	43,983	7,494	7,494
Taxes on income	1,679	380	727	1,178	778	3,063	1,156	990	9	1,222	3,377	849	849
Net income	\$ 7,623	\$ 2,622	\$ 4,966	\$ 7,057	\$ 11,363	\$ 26,008	\$ 8,874	\$ 8,911	\$ 11,910	\$ 10,911	\$ 40,606	\$ 6,645	\$ 6,645
Diluted net earnings per share	\$ 0.17	\$ 0.06	\$ 0.10	\$ 0.15	\$ 0.24	\$ 0.55	\$ 0.18	\$ 0.18	\$ 0.25	\$ 0.23	\$ 0.84	\$ 0.14	\$ 0.14
Weighted average number of shares used to compute diluted net earnings per share	44,756,732	46,424,462	47,396,099	48,519,880	48,279,751	47,691,868	48,572,366	48,722,684	48,488,313	48,304,507	48,523,120	48,225,688	48,225,688
Gross margin	82.2%	82.3%	82.4%	83.0%	83.0%	82.7%	82.8%	83.2%	83.3%	83.0%	83.1%	83.1%	83.1%
R&D % of total revenue	26.0%	25.2%	24.4%	23.2%	20.7%	23.3%	23.6%	24.3%	23.0%	22.7%	23.4%	25.0%	25.0%
S&M % of total revenue	48.1%	48.1%	45.4%	43.5%	41.4%	44.5%	40.8%	41.2%	40.0%	40.7%	40.7%	43.9%	43.9%
G&A % of total revenue	6.2%	6.2%	5.7%	5.5%	5.5%	5.7%	5.9%	5.8%	5.8%	5.4%	5.7%	6.1%	6.1%
Total operating expenses % of total revenues	80.4%	79.5%	75.5%	72.2%	67.6%	73.5%	70.4%	71.3%	68.8%	68.8%	69.8%	75.0%	75.0%
Operating margin	1.8%	2.8%	6.9%	10.7%	15.4%	9.2%	12.4%	11.9%	14.6%	14.2%	13.3%	8.0%	8.0%
Tax rate	18.0%	12.7%	12.8%	14.3%	6.4%	10.5%	11.5%	10.0%	0.1%	10.1%	7.7%	11.3%	11.3%
Net margin	3.6%	4.8%	8.7%	12.0%	17.8%	11.1%	14.5%	14.7%	18.9%	16.2%	16.1%	11.1%	11.1%

Note: This document should be read in conjunction with the Company's SEC Filings.



GAAP to Non-GAAP Reconciliations

(U.S. Dollars in thousands, except share and per share data - unaudited)

	FY'17					FY'18					FY'19					FY'20	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended 31-Mar					
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar					
GAAP gross profit	\$ 171,753	\$ 44,596	\$ 46,947	\$ 48,486	\$ 52,700	\$ 192,729	\$ 50,388	\$ 49,810	\$ 51,332	\$ 55,368	\$ 206,898	\$ 49,323					
Stock-based compensation	241	58	59	54	50	221	55	59	57	53	224	38					
Amortization of intangible assets	1,137	230	212	212	212	866	411	410	997	486	2,304	498					
Acquisition related costs	550	-	-	-	-	-	-	-	-	-	-	-					
Non-GAAP gross profit	\$ 173,681	\$ 44,884	\$ 47,218	\$ 48,752	\$ 52,962	\$ 193,816	\$ 50,854	\$ 50,279	\$ 52,386	\$ 55,907	\$ 209,426	\$ 49,859					
GAAP research and development, net	\$ 59,003	\$ 14,662	\$ 14,633	\$ 14,434	\$ 13,945	\$ 57,674	\$ 15,230	\$ 15,400	\$ 15,108	\$ 16,103	\$ 61,841	\$ 15,832					
Stock-based compensation	3,867	931	679	819	694	3,123	710	714	640	791	2,855	809					
Acquisition related costs	204	-	-	-	20	20	-	-	-	-	-	-					
Non-GAAP Research and development, net	\$ 54,932	\$ 13,731	\$ 13,954	\$ 13,615	\$ 13,231	\$ 54,531	\$ 14,520	\$ 14,686	\$ 14,468	\$ 15,312	\$ 58,986	\$ 15,023					
GAAP selling and marketing	\$ 108,744	\$ 28,183	\$ 27,803	\$ 27,263	\$ 28,137	\$ 111,386	\$ 26,661	\$ 26,680	\$ 27,094	\$ 29,121	\$ 109,556	\$ 28,202					
Stock-based compensation	6,894	1,904	1,774	1,666	1,727	7,071	1,569	1,735	1,954	1,696	6,954	1,886					
Amortization of intangible assets	94	20	21	20	21	82	17	18	17	17	69	-					
Non-GAAP selling and marketing	\$ 101,756	\$ 26,259	\$ 26,008	\$ 25,577	\$ 26,389	\$ 104,233	\$ 25,075	\$ 24,927	\$ 25,123	\$ 27,408	\$ 102,533	\$ 26,316					
GAAP general and administrative	\$ 17,577	\$ 4,055	\$ 3,811	\$ 3,985	\$ 4,294	\$ 16,145	\$ 4,764	\$ 5,042	\$ 4,403	\$ 4,375	\$ 18,584	\$ 4,712					
Stock-based compensation	2,029	407	378	527	775	2,087	767	782	741	742	3,032	903					
Acquisition related costs	340	-	-	-	(222)	(222)	264	-	-	(18)	246	-					
Litigation related charges	2,052	270	143	214	202	829	82	777	24	-	883	119					
Non-GAAP general and administrative	\$ 13,156	\$ 3,378	\$ 3,290	\$ 3,244	\$ 3,539	\$ 13,451	\$ 3,651	\$ 3,483	\$ 3,638	\$ 3,651	\$ 14,423	\$ 3,690					
GAAP other income	\$ (6,900)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Court verdict	6,900	-	-	-	-	-	-	-	-	-	-	-					
Non-GAAP other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
GAAP total operating expenses	\$ 178,424	\$ 46,900	\$ 46,247	\$ 45,682	\$ 46,376	\$ 185,205	\$ 46,655	\$ 47,122	\$ 46,605	\$ 49,599	\$ 189,981	\$ 48,746					
Stock-based compensation	12,790	3,242	2,831	3,012	3,196	12,281	3,046	3,231	3,335	3,229	12,841	3,598					
Acquisition related costs	544	-	-	-	(202)	(202)	264	-	-	(18)	246	-					
Amortization of intangible assets	94	20	21	20	21	82	17	18	17	17	69	-					
Litigation related charges	2,052	270	143	214	202	829	82	777	24	-	883	119					
Court verdict	(6,900)	-	-	-	-	-	-	-	-	-	-	-					
Non-GAAP total operating expenses	\$ 169,844	\$ 43,368	\$ 43,252	\$ 42,436	\$ 43,159	\$ 172,215	\$ 43,246	\$ 43,096	\$ 43,229	\$ 46,371	\$ 175,942	\$ 45,029					
GAAP operating income (loss)	\$ (6,671)	\$ (2,304)	\$ 700	\$ 2,804	\$ 6,324	\$ 7,524	\$ 3,733	\$ 2,688	\$ 4,727	\$ 5,769	\$ 16,917	\$ 577					
Stock-based compensation	13,031	3,300	2,890	3,066	3,246	12,502	3,101	3,290	3,392	3,282	13,065	3,636					
Acquisition related costs	1,094	-	-	-	(202)	(202)	264	-	-	(18)	246	-					
Amortization of intangible assets	1,231	250	233	232	233	948	428	428	1,014	503	2,373	498					
Litigation related charges	2,052	270	143	214	202	829	82	777	24	-	883	119					
Court verdict	(6,900)	-	-	-	-	-	-	-	-	-	-	-					
Non-GAAP operating income (loss)	\$ 3,837	\$ 1,516	\$ 3,966	\$ 6,316	\$ 9,803	\$ 21,601	\$ 7,608	\$ 7,183	\$ 9,157	\$ 9,536	\$ 33,484	\$ 4,830					

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GAAP to Non-GAAP Reconciliations - continues from previous page
(U.S. Dollars in thousands, except share and per share data - unaudited)

	FY'17	FY'18				FY'18	FY'19				FY'19	FY'20
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended 31-Dec
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		
GAAP finance income	\$ 4,830	\$ 1,689	\$ 1,701	\$ 1,487	\$ 2,397	\$ 7,274	\$ 1,791	\$ 2,119	\$ 2,137	\$ 2,745	\$ 8,792	\$ 2,724
Other gain adjustment	-	-	-	-	-	-	-	(310)	(253)	-	(563)	247
Exchange rate differences, net on balance sheet items included in financial income	635	(203)	26	432	(59)	196	631	909	878	(148)	2,270	(307)
Non-GAAP finance income	\$ 5,465	\$ 1,486	\$ 1,727	\$ 1,919	\$ 2,338	\$ 7,470	\$ 2,422	\$ 2,718	\$ 2,762	\$ 2,597	\$ 10,499	\$ 2,664
GAAP income (loss) before taxes on income (tax benefit)	\$ (1,841)	\$ (615)	\$ 2,401	\$ 4,291	\$ 8,721	\$ 14,798	\$ 5,524	\$ 4,807	\$ 6,864	\$ 8,514	\$ 25,709	\$ 3,301
Stock-based compensation	13,031	3,300	2,890	3,066	3,246	12,502	3,101	3,290	3,392	3,282	13,065	3,636
Acquisition related costs	1,094	-	-	-	(202)	(202)	264	-	-	(18)	246	-
Amortization of intangible assets	1,231	250	233	232	233	948	428	428	1,014	503	2,373	498
Litigation related charges	2,052	270	143	214	202	829	82	777	24	-	883	119
Court verdict	(6,900)	-	-	-	-	-	-	-	-	-	-	-
Other loss (gain) adjustment	-	-	-	-	-	-	-	(310)	(253)	-	(563)	247
Exchange rate differences, net on balance sheet items included in financial income	635	(203)	26	432	(59)	196	631	909	878	(148)	2,270	(307)
Non-GAAP income before taxes on income	\$ 9,302	\$ 3,002	\$ 5,693	\$ 8,235	\$ 12,141	\$ 29,071	\$ 10,030	\$ 9,901	\$ 11,919	\$ 12,133	\$ 43,983	\$ 7,494
GAAP taxes on income (tax benefit)	\$ 5,652	\$ 380	\$ 727	\$ 1,178	\$ 778	\$ 3,063	\$ 1,156	\$ 1,061	\$ (257)	\$ 1,183	\$ 3,143	\$ 727
Court verdict	(724)	-	-	-	-	-	-	-	-	-	-	-
Change in the federal rate	(3,249)	-	-	-	-	-	-	-	-	-	-	-
Tax related adjustment	-	-	-	-	-	-	-	(71)	266	39	234	122
Non-GAAP taxes on income	\$ 1,679	\$ 380	\$ 727	\$ 1,178	\$ 778	\$ 3,063	\$ 1,156	\$ 990	\$ 9	\$ 1,222	\$ 3,377	\$ 849
GAAP net income (loss)	\$ (7,493)	\$ (995)	\$ 1,674	\$ 3,113	\$ 7,943	\$ 11,735	\$ 4,368	\$ 3,746	\$ 7,121	\$ 7,331	\$ 22,566	\$ 2,574
Stock-based compensation	13,031	3,300	2,890	3,066	3,246	12,502	3,101	3,290	3,392	3,282	13,065	3,636
Acquisition related costs	1,094	-	-	-	(202)	(202)	264	-	-	(18)	246	-
Amortization of intangible assets	1,231	250	233	232	233	948	428	428	1,014	503	2,373	498
Litigation related charges	2,052	270	143	214	202	829	82	777	24	-	883	119
Court verdict	(6,176)	-	-	-	-	-	-	-	-	-	-	-
Other loss (gain) adjustment	-	-	-	-	-	-	-	(310)	(253)	-	(563)	247
Exchange rate differences, net on balance sheet items included in financial income	635	(203)	26	432	(59)	196	631	909	878	(148)	2,270	(307)
Change in the federal rate	3,249	-	-	-	-	-	-	-	-	-	-	-
Tax related adjustment	-	-	-	-	-	-	-	71	(266)	(39)	(234)	(122)
Non-GAAP net income	\$ 7,623	\$ 2,622	\$ 4,966	\$ 7,057	\$ 11,363	\$ 26,008	\$ 8,874	\$ 8,911	\$ 11,910	\$ 10,911	\$ 40,606	\$ 6,645
GAAP diluted net earnings (loss) per share	\$ (0.17)	\$ (0.02)	\$ 0.04	\$ 0.06	\$ 0.16	0.25	\$ 0.09	\$ 0.08	\$ 0.15	\$ 0.15	0.47	\$ 0.05
Stock-based compensation	0.30	0.07	0.06	0.06	0.07	0.26	0.06	0.07	0.07	0.07	0.27	0.08
Acquisition related costs	0.02	-	-	-	(0.00)	(0.00)	0.01	-	-	(0.00)	0.01	-
Amortization of intangible assets	0.03	0.01	0.00	0.01	0.00	0.02	0.01	0.01	0.02	0.01	0.05	0.01
Litigation related charges	0.05	0.01	0.00	0.01	0.00	0.02	0.00	0.02	0.00	-	0.02	0.00
Court verdict	(0.14)	-	-	-	-	-	-	-	-	-	-	-
Other loss (gain) adjustment	-	-	-	-	-	-	-	(0.01)	(0.01)	-	(0.01)	0.01
Exchange rate differences, net on balance sheet items included in financial income	0.01	(0.00)	0.00	0.01	(0.00)	0.00	0.01	0.02	0.02	(0.00)	0.05	(0.01)
Change in the federal rate	0.07	-	-	-	-	-	-	-	-	-	-	-
Tax related adjustment	-	-	-	-	-	-	-	0.00	(0.01)	(0.00)	(0.00)	(0.00)
Non-GAAP diluted net earnings per share	\$ 0.17	\$ 0.06	\$ 0.10	\$ 0.15	\$ 0.24	\$ 0.55	\$ 0.18	\$ 0.18	\$ 0.25	\$ 0.23	\$ 0.84	\$ 0.14
GAAP weighted average number of shares used to compute Non-GAAP diluted net earnings per share	44,756,732	46,424,462	47,396,099	48,519,880	48,279,751	47,691,868	48,572,366	48,722,684	48,488,313	48,304,507	48,523,120	48,225,688

Note: This document should be read in conjunction with the Company's SEC Filings.



Radware Ltd. Condensed and Consolidated -

US GAAP Cash Flows

(U.S. Dollars in thousands - unaudited)

Cash flows from operating activities:

Net income (loss)

Adjustments to reconcile net income (loss) to net cash provided by operating activities:

Depreciation and amortization

Stock based compensation

Other loss (gain)

Gain from sale of available-for-sale marketable securities

Amortization of premiums, accretion of discounts and accrued interest on available-for-sale marketable securities, net

Accrued interest on bank deposits

Increase (decrease) in accrued severance pay, net

Decrease (increase) in trade receivables, net

Decrease (increase) in other receivables and prepaid expenses and other long term assets

Decrease (increase) in inventories

Increase (decrease) in trade payables

Increase (decrease) in other payables, deferred revenues and accrued expenses

Operating lease liabilities, net

Excess tax benefit from stock-based compensation

Net cash provided by (used in) operating activities

Cash flows from investing activities:

Purchase of property and equipment

proceeds from (investment in) other long-term assets

Proceeds from (investment in) bank deposits, net

Proceeds from (investment in) available-for-sale marketable securities

Payment for the acquisition of subsidiary, net of cash acquired

Purchase of intangible assets

Net cash provided by (used in) investing activities

Cash flows from financing activities:

Proceeds from exercise of stock options

Excess tax benefit from stock-based compensation

Repayment of contingent consideration

Repurchase of shares

Net cash provided by (used in) financing activities

Increase (decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

	FY'17	FY'18					FY'19					FY'20
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended 31-Mar
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		
Net income (loss)	\$ (7,493)	\$ (995)	\$ 1,674	\$ 3,113	\$ 7,943	\$ 11,735	\$ 4,368	\$ 3,746	\$ 7,121	\$ 7,331	\$ 22,566	\$ 2,574
Adjustments to reconcile net income (loss) to net cash provided by operating activities:												
Depreciation and amortization	11,234	2,504	2,443	2,433	2,402	9,782	2,687	2,701	3,106	2,789	11,283	2,630
Stock based compensation	13,031	3,300	2,890	3,066	3,247	12,503	3,101	3,290	3,392	3,282	13,065	3,636
Other loss (gain)	-	-	-	-	-	-	-	(310)	(253)	26	(537)	246
Gain from sale of available-for-sale marketable securities	(18)	-	-	-	-	-	-	-	-	-	-	(83)
Amortization of premiums, accretion of discounts and accrued interest on available-for-sale marketable securities, net	1,546	276	414	192	513	1,395	178	149	141	150	618	196
Accrued interest on bank deposits	226	(66)	(146)	(1,217)	(962)	(2,391)	(829)	3,160	(804)	596	2,123	(195)
Increase (decrease) in accrued severance pay, net	(210)	239	(97)	(8)	189	323	868	65	(109)	64	888	216
Decrease (increase) in trade receivables, net	3,390	(37)	(2,564)	107	1,325	(1,169)	3,170	(641)	2,621	(7,557)	(2,407)	(4,029)
Decrease (increase) in other receivables and prepaid expenses and other long term assets	(7,879)	7,199	(2,501)	(206)	(1,765)	2,727	(1,965)	(1,721)	(1,163)	(2,599)	(7,448)	(459)
Decrease (increase) in inventories	(1,658)	(148)	477	(2,020)	2,062	371	1,216	1,221	881	1,143	4,461	(914)
Increase (decrease) in trade payables	(734)	(1,047)	424	680	(941)	(884)	(710)	(28)	203	2,873	2,338	(1,416)
Increase (decrease) in other payables, deferred revenues and accrued expenses	20,028	939	(455)	2,691	11,684	14,859	11,029	(6,774)	4,932	(4,248)	4,939	19,409
Operating lease liabilities, net	-	-	-	-	-	-	375	285	194	109	963	(838)
Excess tax benefit from stock-based compensation	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	31,463	12,164	2,559	8,831	25,697	49,251	23,488	5,143	20,262	3,959	52,852	20,973
Cash flows from investing activities:												
Purchase of property and equipment	(7,210)	(2,089)	(1,187)	(1,595)	(3,998)	(8,869)	(1,961)	(2,382)	(1,810)	(2,002)	(8,155)	(2,452)
proceeds from (investment in) other long-term assets	(6)	(91)	131	-	-	40	(29)	(33)	73	(7)	4	(2)
Proceeds from (investment in) bank deposits, net	(37,200)	(17,000)	(9,067)	(15,000)	(29,935)	(71,002)	(82)	19,529	(5,674)	2,187	15,960	(4,506)
Proceeds from (investment in) available-for-sale marketable securities	(3,657)	(1,186)	(686)	(1,035)	(2,765)	(5,672)	(9,661)	(33,574)	(1,997)	(1,131)	(46,363)	2,523
Payment for the acquisition of subsidiary, net of cash acquired	(8,269)	-	-	-	-	-	(12,282)	43	-	-	(12,239)	-
Purchase of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) investing activities	(56,342)	(20,366)	(10,809)	(17,630)	(36,698)	(85,503)	(24,015)	(16,417)	(9,408)	(953)	(50,793)	(4,437)
Cash flows from financing activities:												
Proceeds from exercise of stock options	10,890	4,952	7,939	6,688	2,224	21,803	7,733	3,109	3,751	3,406	17,999	1,589
Excess tax benefit from stock-based compensation	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of contingent consideration	-	-	-	-	(1,310)	(1,310)	-	-	-	-	-	-
Repurchase of shares	(413)	-	-	-	(4,275)	(4,275)	(48)	(10,005)	(8,841)	(5,616)	(24,510)	(18,669)
Net cash provided by (used in) financing activities	10,477	4,952	7,939	6,688	(3,361)	16,218	7,685	(6,896)	(5,090)	(2,210)	(6,511)	(17,080)
Increase (decrease) in cash and cash equivalents	(14,402)	(3,250)	(311)	(2,111)	(14,362)	(20,034)	7,158	(18,170)	5,764	796	(4,452)	(544)
Cash and cash equivalents at the beginning of the period	79,639	65,237	61,987	61,676	59,565	65,237	45,203	52,361	34,191	39,955	45,203	40,751
Cash and cash equivalents at the end of the period	\$ 65,237	\$ 61,987	\$ 61,676	\$ 59,565	\$ 45,203	\$ 45,203	\$ 52,361	\$ 34,191	\$ 39,955	\$ 40,751	\$ 40,751	\$ 40,207

Note: This document should be read in conjunction with the Company's SEC Filings.



Radware Ltd. - Revenues mix
(U.S. Dollars in thousands - unaudited)

Revenue by geography:

	FY'17 Yr Ended 31-Dec	FY'18 Quarter Ended				FY'18 Yr Ended 31-Dec	FY'19 Quarter Ended				FY'19 Yr Ended 31-Dec	FY'20 Quarter Ended 31-Mar
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		
Americas	\$ 97,901	\$ 24,177	\$ 23,888	\$ 26,699	\$ 27,727	\$ 102,491	\$ 24,653	\$ 27,626	\$ 24,463	\$ 29,689	\$ 106,431	\$ 29,238
EMEA	56,589	15,129	19,797	17,672	23,152	75,750	18,369	16,902	19,381	20,622	75,274	18,176
APAC	56,879	15,230	13,602	14,392	12,938	56,163	18,375	15,926	19,015	17,051	70,367	12,598
Total revenue	\$ 211,369	\$ 54,536	\$ 57,287	\$ 58,764	\$ 63,817	\$ 234,404	\$ 61,397	\$ 60,454	\$ 62,859	\$ 67,362	\$ 252,072	\$ 60,012

Revenue % of total:

Americas	46.3%	44.3%	41.7%	45.4%	43.4%	43.7%	40.2%	45.7%	38.9%	44.1%	42.2%	48.7%
EMEA	26.8%	27.7%	34.6%	30.1%	36.3%	32.3%	29.9%	28.0%	30.8%	30.6%	29.9%	30.3%
APAC	26.9%	27.9%	23.7%	24.5%	20.3%	24.0%	29.9%	26.3%	30.3%	25.3%	27.9%	21.0%
Total revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by vertical:

Enterprise	\$ 138,639	\$ 39,802	\$ 39,924	\$ 40,098	\$ 42,122	\$ 161,945	\$ 40,226	\$ 39,422	\$ 45,251	\$ 47,679	\$ 172,578	\$ 42,618
Carrier	72,730	14,734	17,363	18,666	21,695	72,459	21,171	21,032	17,608	19,683	79,494	17,394
Total revenue	\$ 211,369	\$ 54,536	\$ 57,287	\$ 58,764	\$ 63,817	\$ 234,404	\$ 61,397	\$ 60,454	\$ 62,859	\$ 67,362	\$ 252,072	\$ 60,012

Revenue % of total:

Enterprise	65.6%	73.0%	69.7%	68.2%	66.0%	69.1%	65.5%	65.2%	72.0%	70.8%	68.5%	71.0%
Carrier	34.4%	27.0%	30.3%	31.8%	34.0%	30.9%	34.5%	34.8%	28.0%	29.2%	31.5%	29.0%
Total revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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