Safe Harbor

Disclaimer

This presentation may contain forward-looking information with respect to plans, projections, or future performance of Radware and its subsidiaries, the occurrence of which involves certain risks and uncertainties, including, but not limited to, general business conditions, changes in product demand, product development, profitability and other risks detailed in Radware's reports filed from time to time with the Securities and Exchange Commission, including Radware's annual report on Form 20-F. Radware disclaims any duty to update such forward looking statements.

Is a worldwide leader in
APPLICATION SECURITY & DELIVERY
Across Datacenter and Cloud

www.radware.com

Impact of digital transformation

CLOUD MIGRATION

New delivery models require new capabilities

DATACETNER COMPLEXITY

Virtualization, private/hybrid cloud, multiple vendors

Rapid changes require agility

USER EXPERIENCE FOCUS

Expectations for flawless availability

Anytime, Everywhere

Current state of cyber attacks

INTENSIFYING THREATS

Attackers sophistication +
Attack tools availability +
platforms variety
Increasing attack complexity and size

SKILL SHORTAGE

Scarce security expertise
Need for automation and fully managed services

WIDENING THREATS

Attack motivation variety +
Attacked industry diversity
Increasing attack frequency and abundance

Current state of cyber attacks

INTENSIFYING THREATS

24% of organizations report being under cyber attacks daily or weekly

SKILL SHORTAGE

Only **33%** of security officers feel confident they can mitigate application-layer DDoS attacks.

50% feel confident they can protect against network-layer DDoS attacks

WIDENING THREATS

45% of organizations experienced a data breach over the past year

Source: Radware ERT Report and Web Application Security Report

Our Mission:
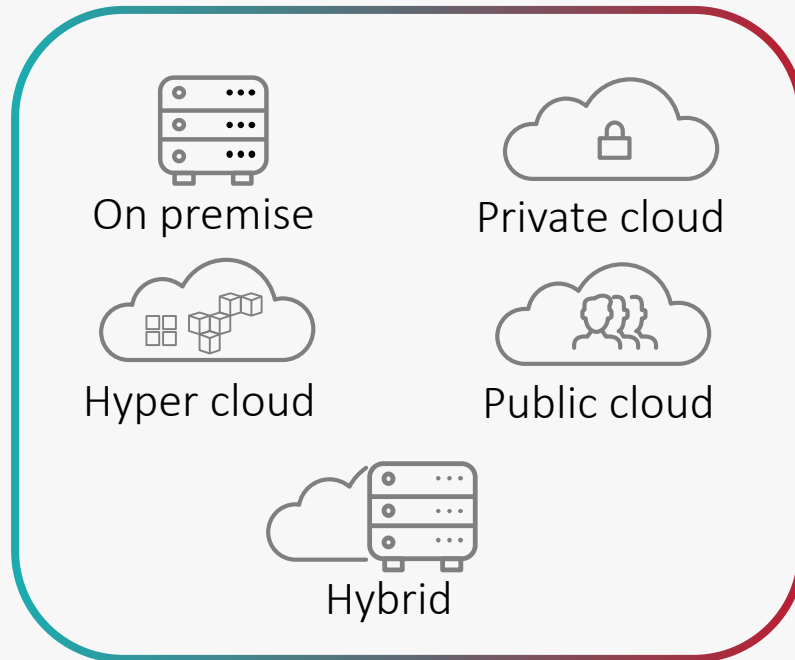# Securing The Digital User Experience

For every business model.

Through continued innovation.

With a comprehensive offering.

Solutions Architecture

Wherever it is located

On premise

Private cloud

Hyper cloud

Public cloud

Hybrid

radware

Will protect it

From
Physical Appliances
on **Perpetual License**

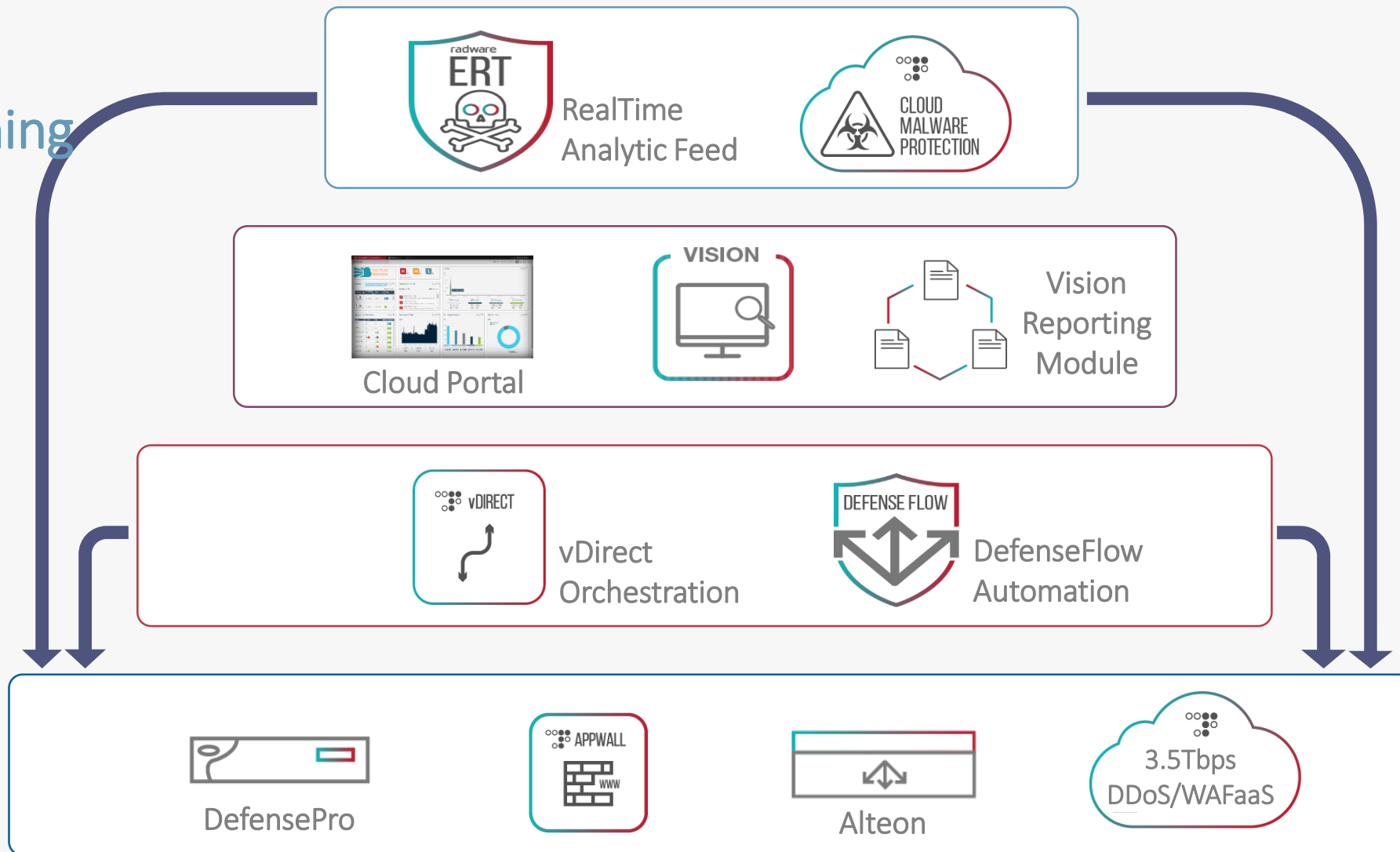To **Physical** or **Virtual Appliances**, on premise, cloud and Hybrid

Radware Solution Strategy

Big Data Machine Learning

RealTime Analytic Feed

CLOUD MALWARE PROTECTION

Management & Visibility

Cloud Portal

VISION

Vision Reporting Module

Control Plane

vDirect Orchestration

DEFENSE FLOW — DefenseFlow Automation

Data Plane

DefensePro

APPWALL

Alteon

3.5Tbps DDoS/WAFaaS

SUCCESS FACTORS
What makes it work

Supporting Assets **Leading Technology**

Market **RECOGNITION**

Strategic **BUSINESS PARTNERS**

Industry leading **TECHNOLOGY PARTNERS**

Supporting Assets **Over 12,500 Customers**

8 Of Top **12**

World's Stock Exchanges
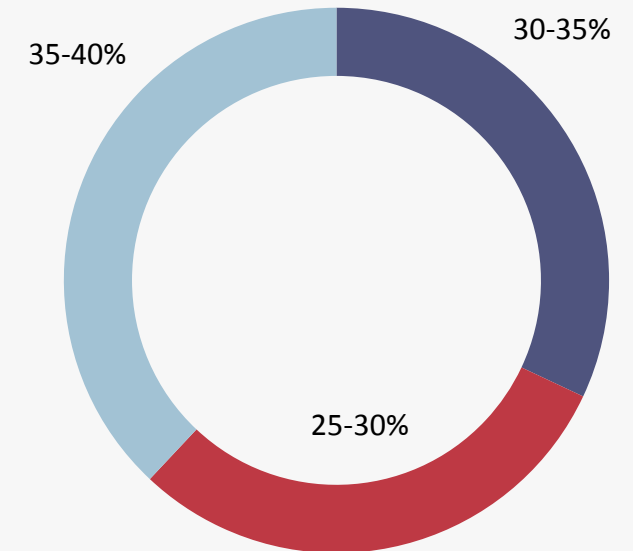
11 Of Top **20**

World's Banks

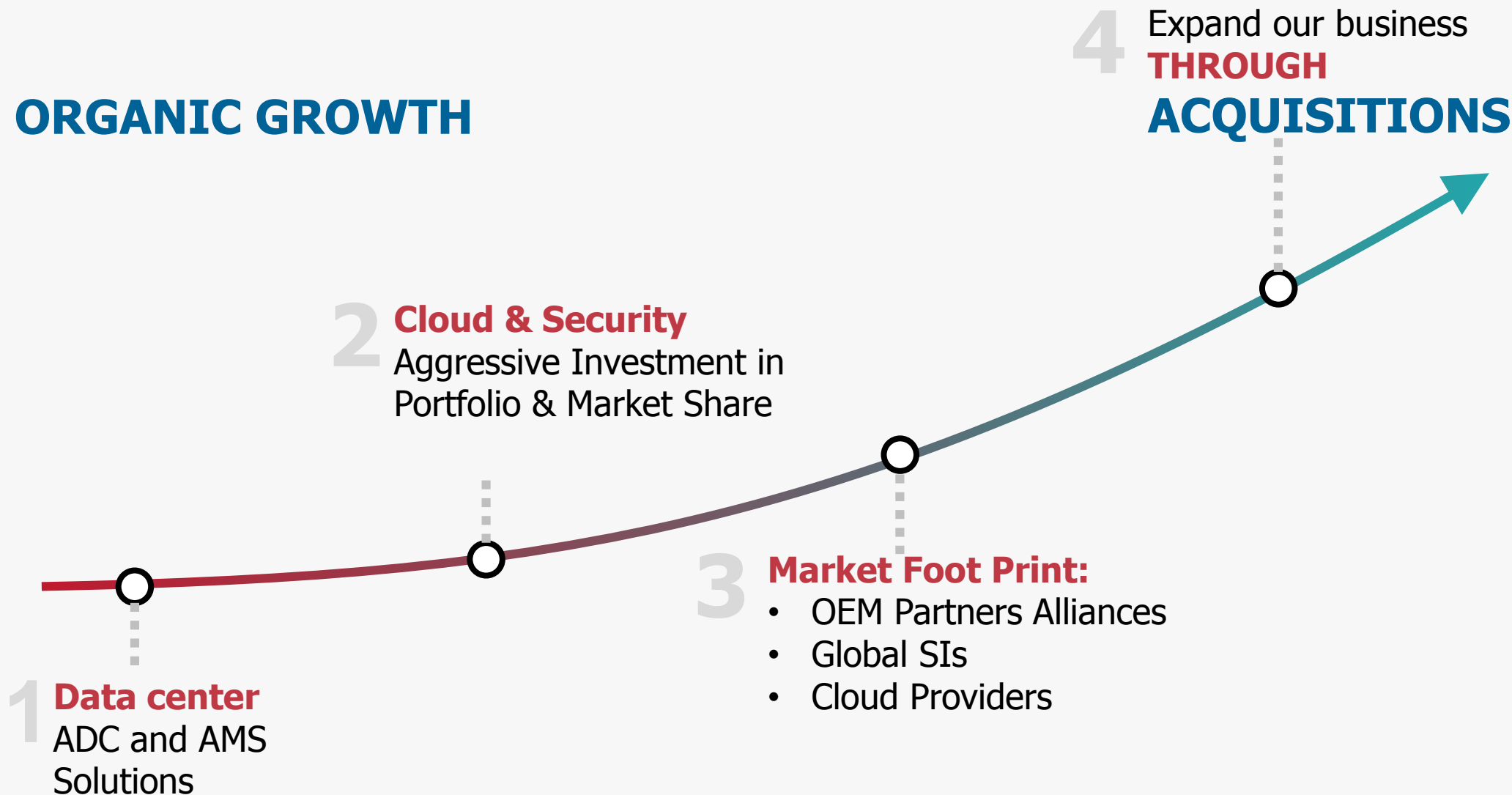**10** Of Top **10**

World Telecom Companies

3 Of Top **8**

N. American Application Software Companies

30-35%

35-40%

25-30%

- Carriers & Service Providers
- Banking, Finance & Government
- Other

Success factors

Our Business Strategy **For Growth**

ORGANIC GROWTH

4 Expand our business
THROUGH
ACQUISITIONS

2 **Cloud & Security**
Aggressive Investment in
Portfolio & Market Share

3 **Market Foot Print:**
• OEM Partners Alliances
• Global SIs
• Cloud Providers

1 **Data center**
ADC and AMS
Solutions

FINANCIALS

Updated for Q1 2018

www.radware.com

SUMMARY Q1 2018

Revenues of **$54.5M** up **11%**

Book to bill significantly **larger** than **1**

Total Deferred Revenues of **$148M** up **15%**

Strong **Cash** Generation and Cash Position

Cloud and **Subscriptions** a Material part of the Business Model
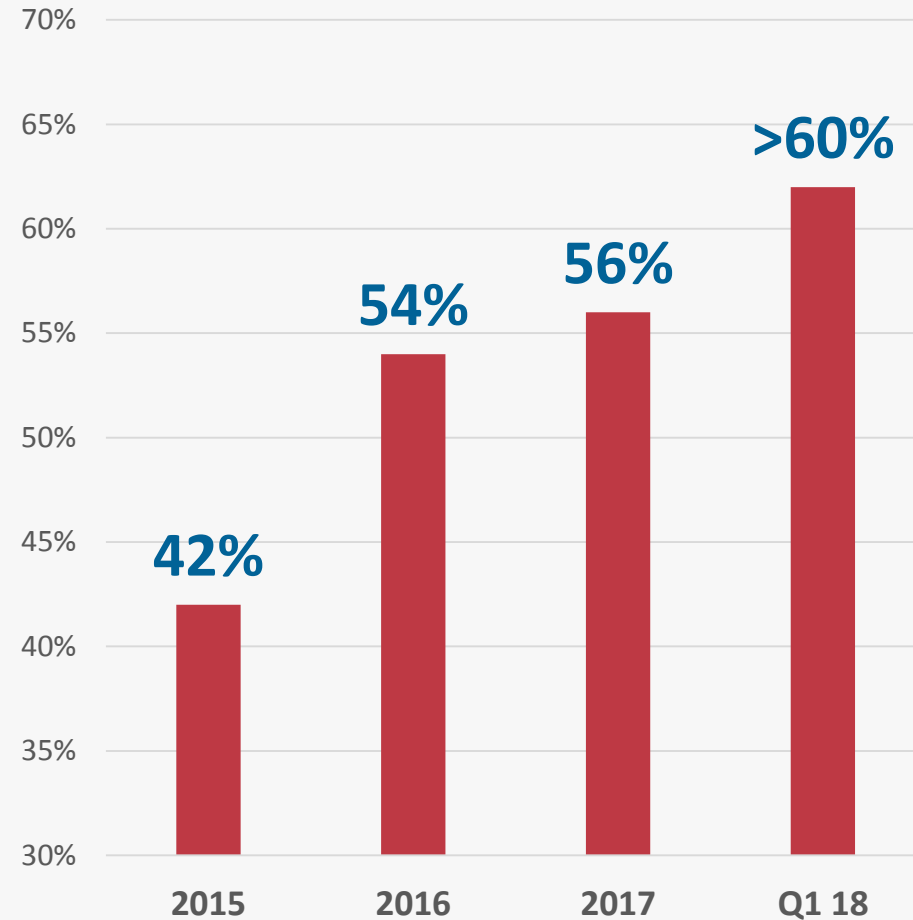
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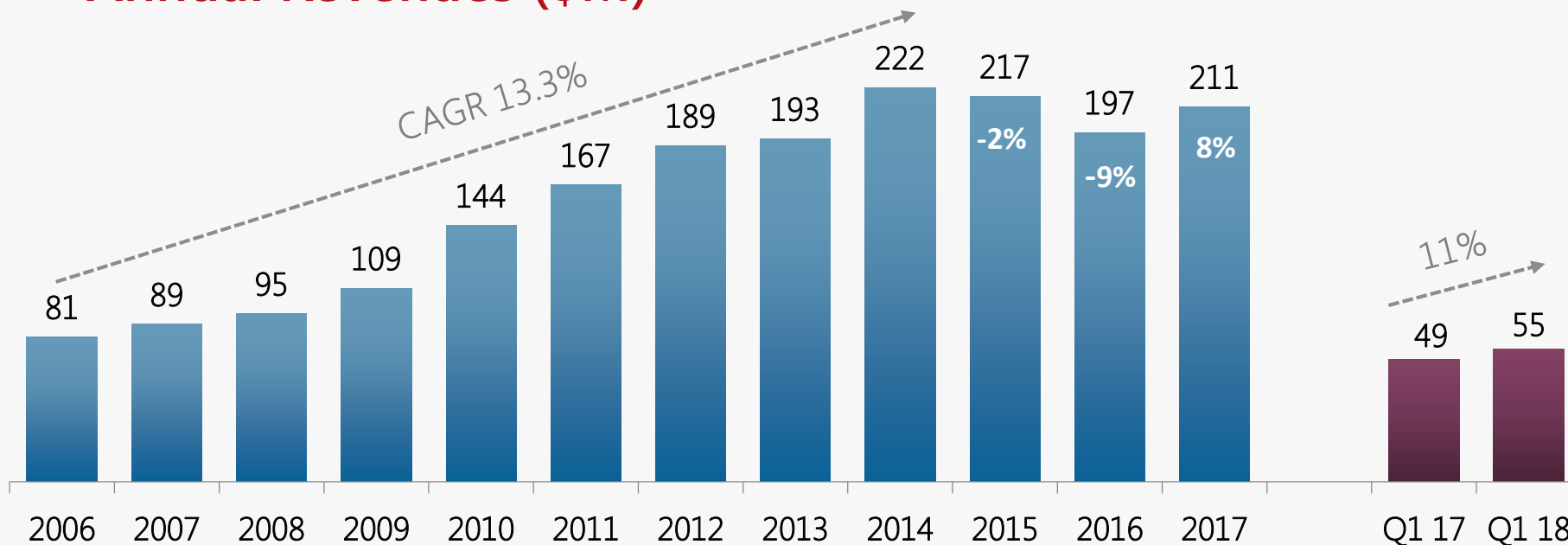
Financials

Shift to Subscriptions (1)

Business Mix
Provides Us With
**Visibility &
Confidence** For
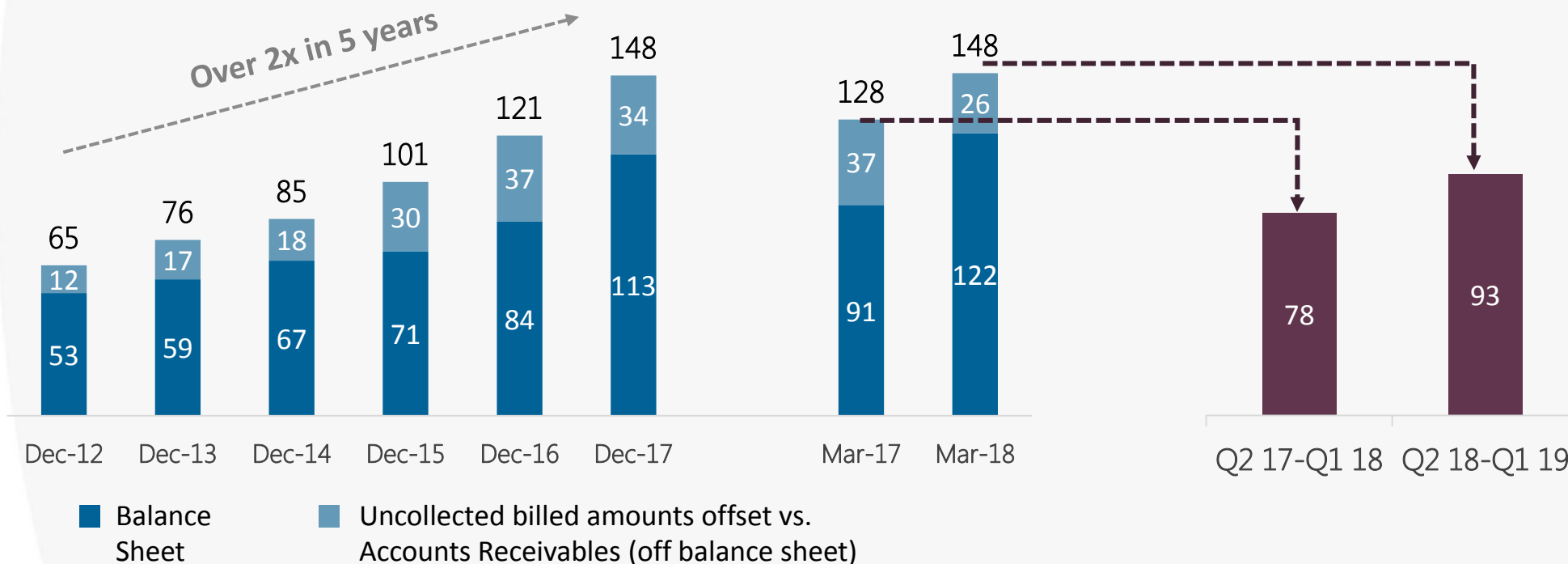Future Financial
Performance

Recurring Revenues as % of Total

Bar chart:
- 2015: **42%**
- 2016: **54%**
- 2017: **56%**
- Q1 18: **>60%**

Radware's Recurring Revenues include support, cloud services and product Subscription

Financials

Shift to Subscriptions (2)
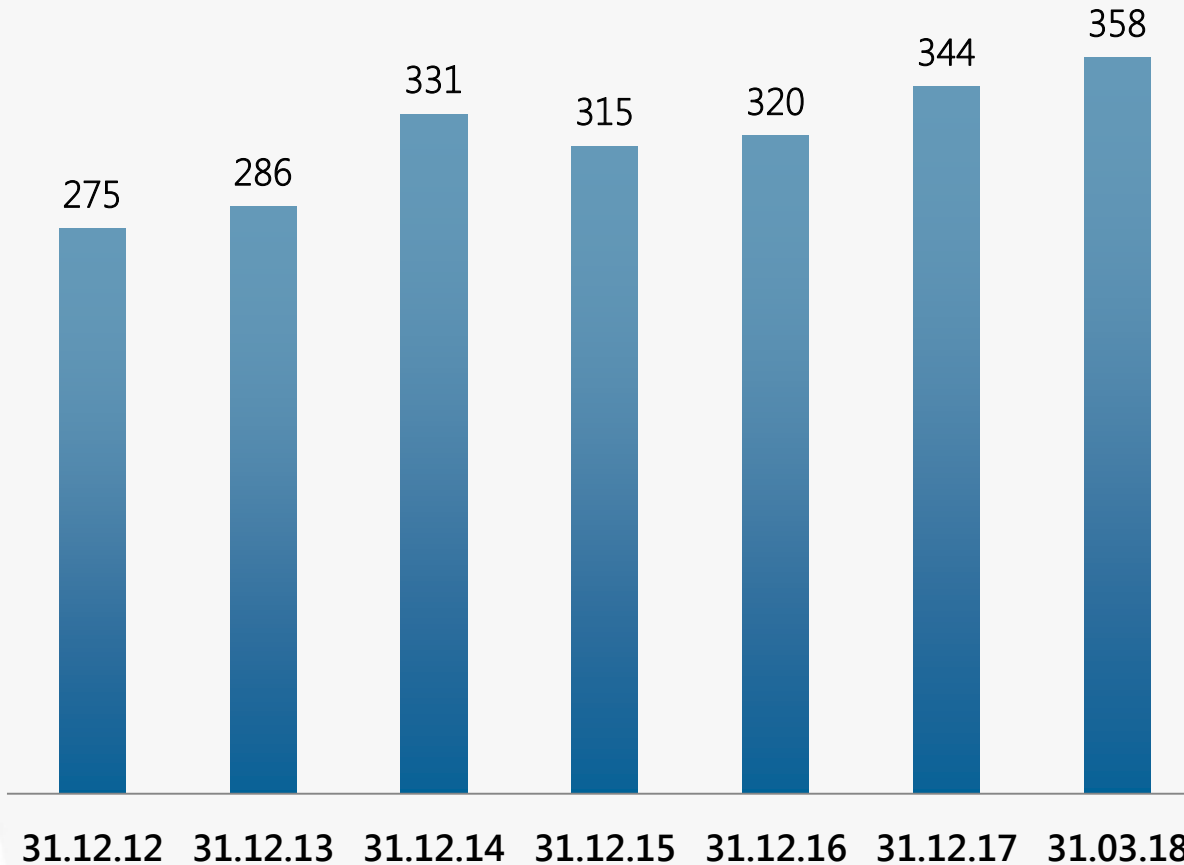
Total Deferred Revenues ($M)

60-65% of Total Deferred Revenues is scheduled to be recognized as revenues within 12 months

Over 2x in 5 years

	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17	Mar-17	Mar-18
Total	65	76	85	101	121	148	128	148
Uncollected	12	17	18	30	37	34	37	26
Balance Sheet	53	59	67	71	84	113	91	122

Q2 17-Q1 18	Q2 18-Q1 19
78	93

■ Balance Sheet   ■ Uncollected billed amounts offset vs. Accounts Receivables (off balance sheet)

Financials

Continuous Strong **Cash Generation**

Operating Cash Flow in Last 12 Months of $37.3M

Cash Balance ($M)

Chart values:
- 31.12.12: 275
- 31.12.13: 286
- 31.12.14: 331
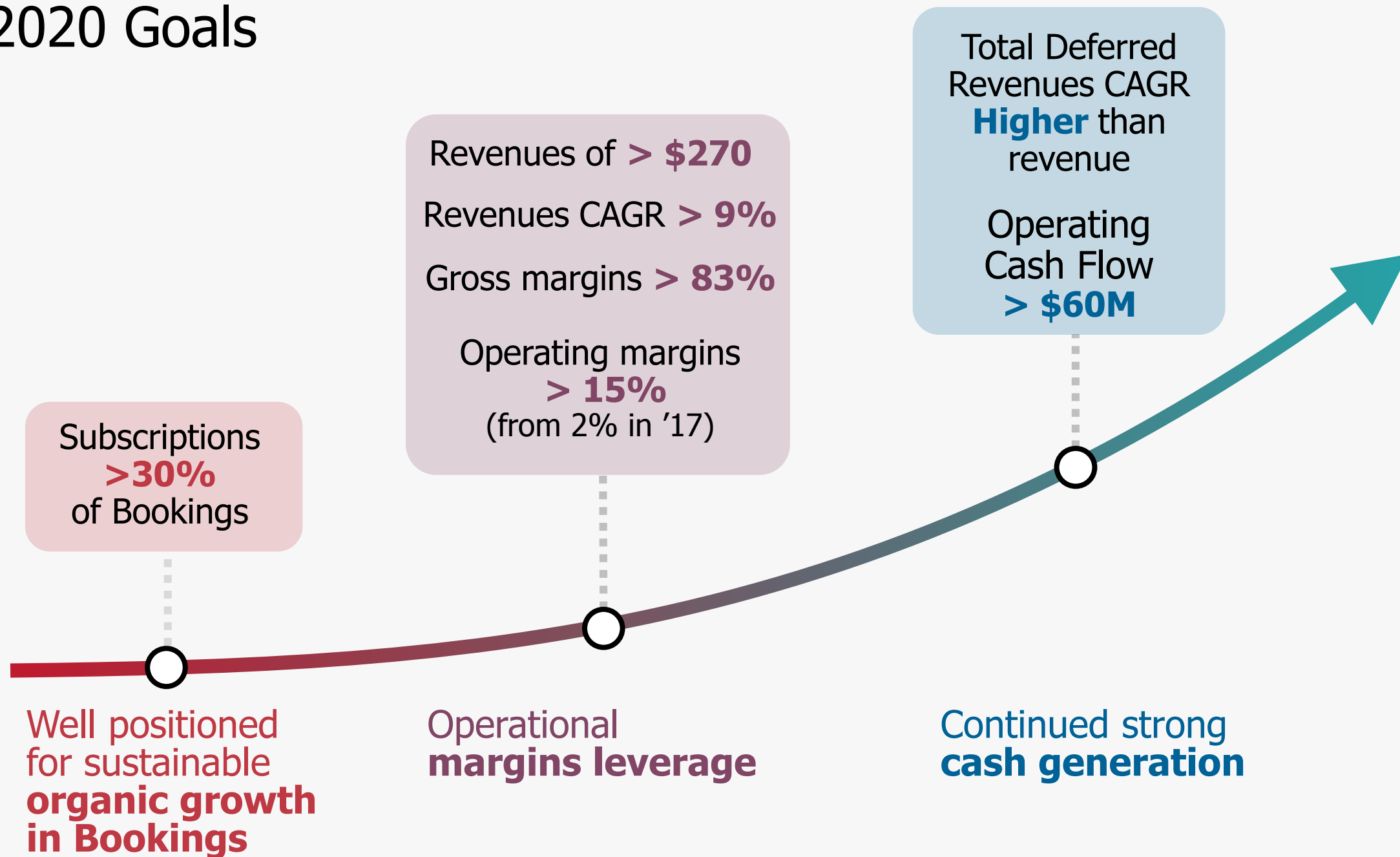- 31.12.15: 315
- 31.12.16: 320
- 31.12.17: 344
- 31.03.18: 358

Readiness to **Put Cash Balance to Work** and Expand our business **THROUGH ACQUISITIONS**

Why Radware

- **Fast growing, critical market**

- **Clear Vision and Strategy**

- **Leading attack mitigation technology, customers, partners**

- **Fast expanding subscription and cloud business**

- **Excellent visibility into 2018 and beyond**

- **Well positioned for continued long term growth**

THANK YOU

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