

Investor Presentation

April 2017





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IS A WORLDWIDE LEADER
in **Application Security & Delivery**
across Datacenter and Cloud

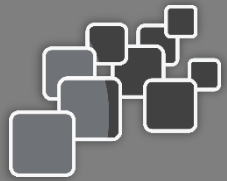


The New Digital Enterprise

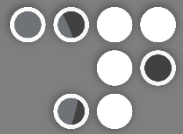




Securing User Experience in the Ever-changing Application Ecosystem



APPLICATIONS



RADWARE



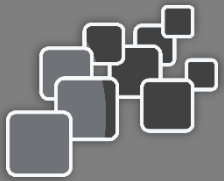
DELIVERY INFRASTRUCTURE

OUR MISSION

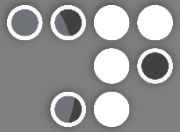
To Secure The **Digital User Experience** In The Ever-changing Application Ecosystem



Ever-changing Delivery Infrastructure



APPLICATIONS



RADWARE



DELIVERY INFRASTRUCTURE

IT Keeps Changing

Applications are migrating to the cloud



Datacenter architecture is rapidly changing



Data Center Virtualization



Private/Hybrid Cloud



Software Defined Data Center (SDDC)

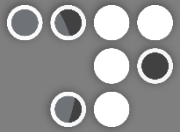


Ever-increasing Security Threats



APPLICATIONS

Application Protection



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DELIVERY INFRASTRUCTURE

Threats Risking Application User Experience are Ever-Intensifying



An increase of more than 60%

Since 2010 in the number of new vulnerabilities

Source: National Vulnerability Database (NVD)

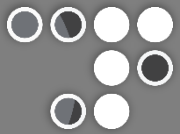
* Source: https://techtalk.gfi.com/2015s-mvps-the-most-vulnerable-players/?_ga=1.183299750.1428529425.1486291764

Ever-increasing Expectations for Availability and Performance



APPLICATIONS

Application Delivery



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DELIVERY INFRASTRUCTURE

Users want their apps

Fast and Available  **1^{SEC} Delay**
in load time:

Is equal to **\$2.5 Million** **In losses**
a year

* Source: Gomez.com, Akamai.com, 2013



Radware is Positioned to Capture the Opportunity



Comprehensive suite of transformed **solutions** to address the core challenges



Cloud delivery disrupts vendor landscape to reward **fast innovators**



New competence in serving flexible **business models**



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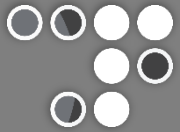
Comprehensive Suite of Transformed Solutions



APPLICATIONS

Application Protection

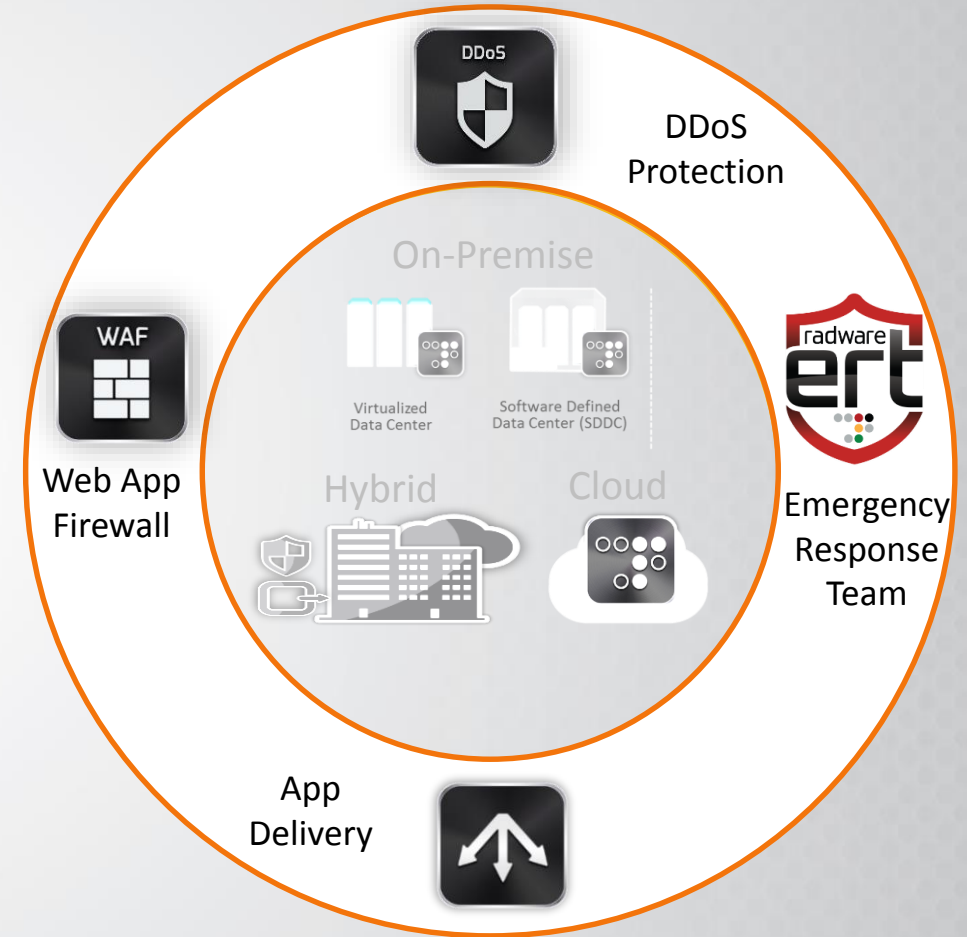
Application Delivery



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DELIVERY INFRASTRUCTURE





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Innovation - Key Differentiators



Integrated Application Delivery
By Adding Analytics And Security
Components



Multi-layer Continuously Adaptive Security Including Behavioral Ddos, WAF And Data Protection Thru Big-data Analytics And Machine Learning




Automation
For Simple Life-cycle
Management And Event
Automation



**Multi-cloud Migration,
Hybrid Deployments**
Across Data-centers, Public
And Hyper-scale Clouds



**Fully Managed Cloud
Services Catalog**
And Cyber Threat Intelligence
Services



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Comprehensive suite of transformed **solutions** to address the core challenges



Cloud delivery disrupts vendor landscape to reward **fast innovators**



New competence in serving flexible **business models**



Flexible Deployment Options To Support Any Business Model

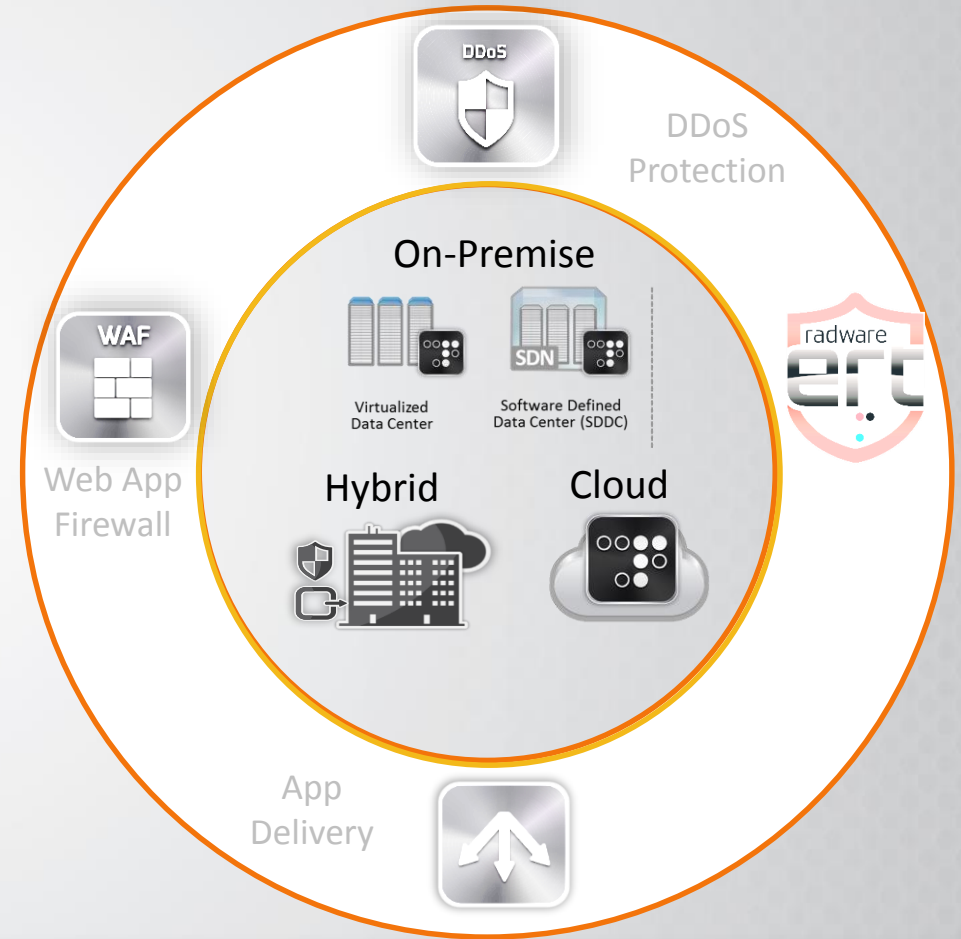
FROM:

Physical appliances
on Perpetual license



TO:

- Physical or virtual appliances
- On-premise solutions or cloud services or hybrid solutions
- Perpetual and/or subscription based product licenses
- Self-managed or fully managed





Supporting Assets - Leading Technology

Market
RECOGNITION



OEM agreements
with industry leaders



Industry leading
TECHNOLOGY PARTNERS





Supporting Assets - Over 10,000 Customers



7 OF TOP 14

World's Stock Exchanges



12 OF TOP 22

World's Commercial Banks



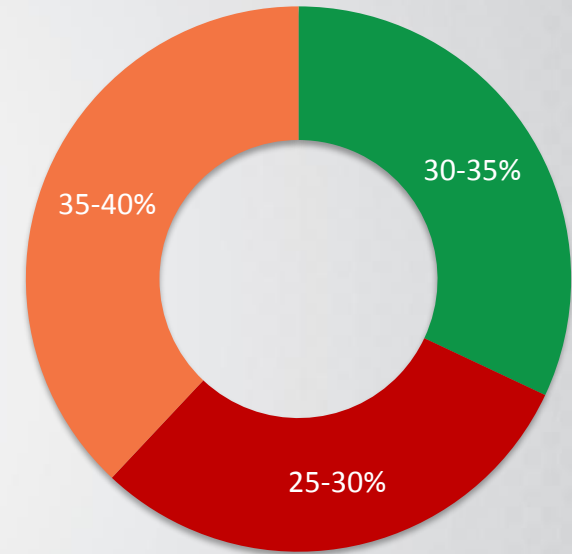
6 OF TOP 10

World Carriers



3 OF TOP 7

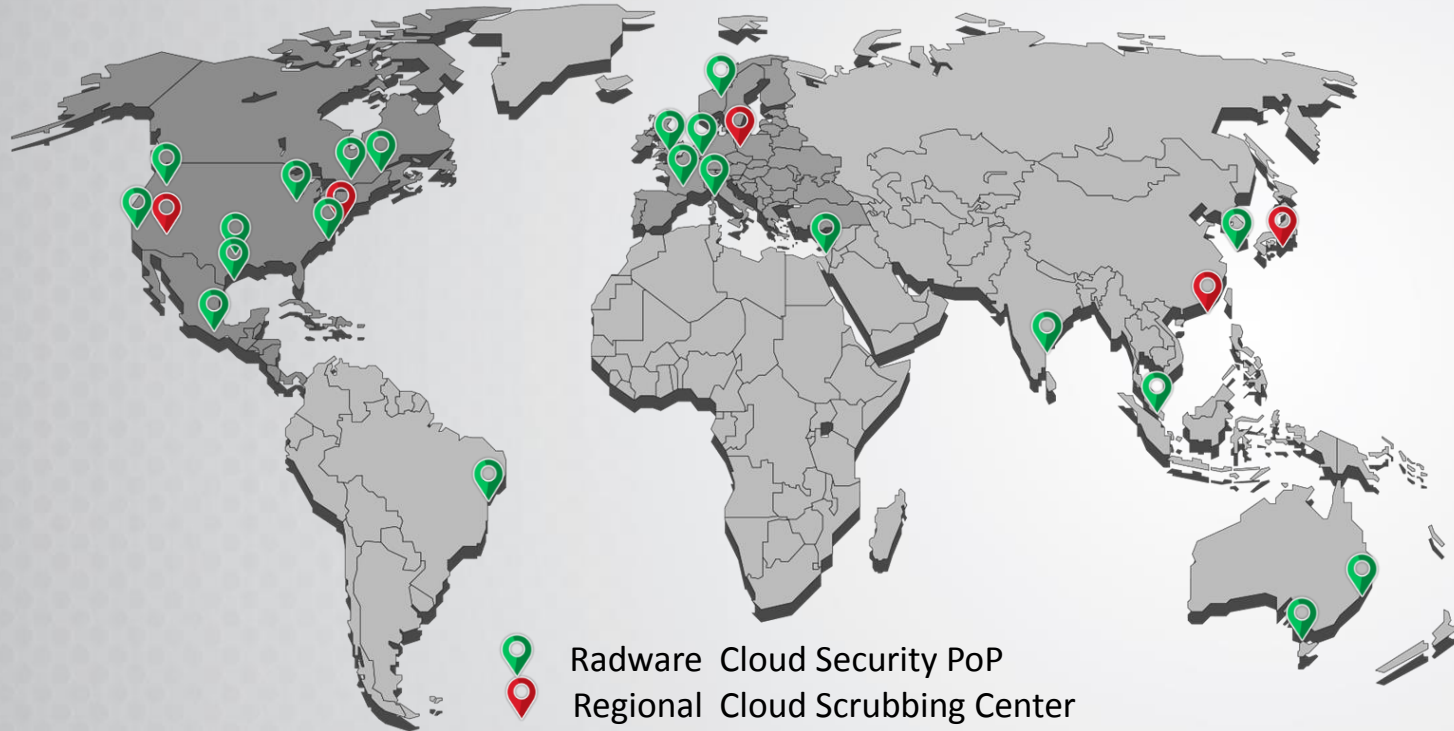
World Cloud Service Providers



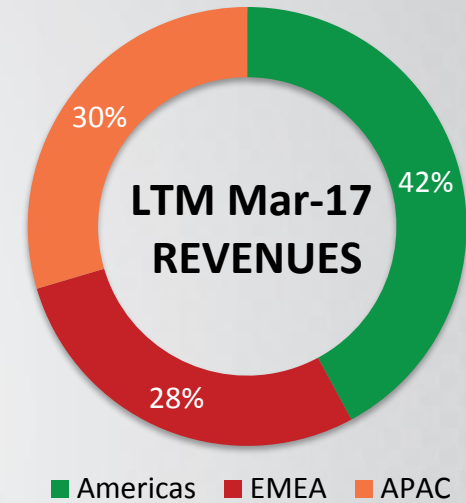
- Carriers & Service Providers
- Banking, Finance & Government
- Other



Supporting Assets - Global Presence



OVER 2TB Of Global Mitigation Capacity



BALANCED Geographic Exposure



~1,000 Employees



35 Offices



Our Business Strategy For Growth

Enhance and leverage **Integration** of application security & delivery solutions

Continue innovate industry leading **Solutions and Services** for:

- Cloud & SDDC
- Cloud service providers
- Integrative cyber security
- Encrypted Internet
- Cloud security services

Increase our **Market Foot Print:**

- Cloud and CDN providers
- OEMs and alliances
- SIs and resellers
- Enhanced GTM resources



ORGANIC GROWTH



Expand our business through **Acquisitions**

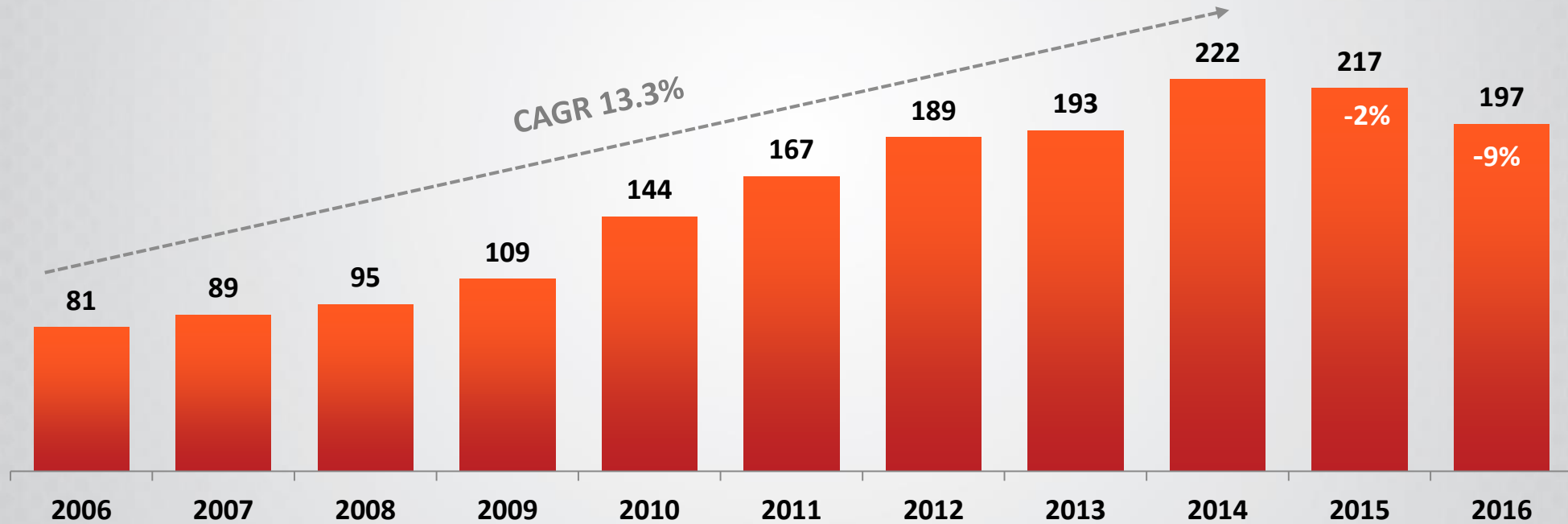
Financials





Historical Track Record of Growth

Annual Revenues (\$M)

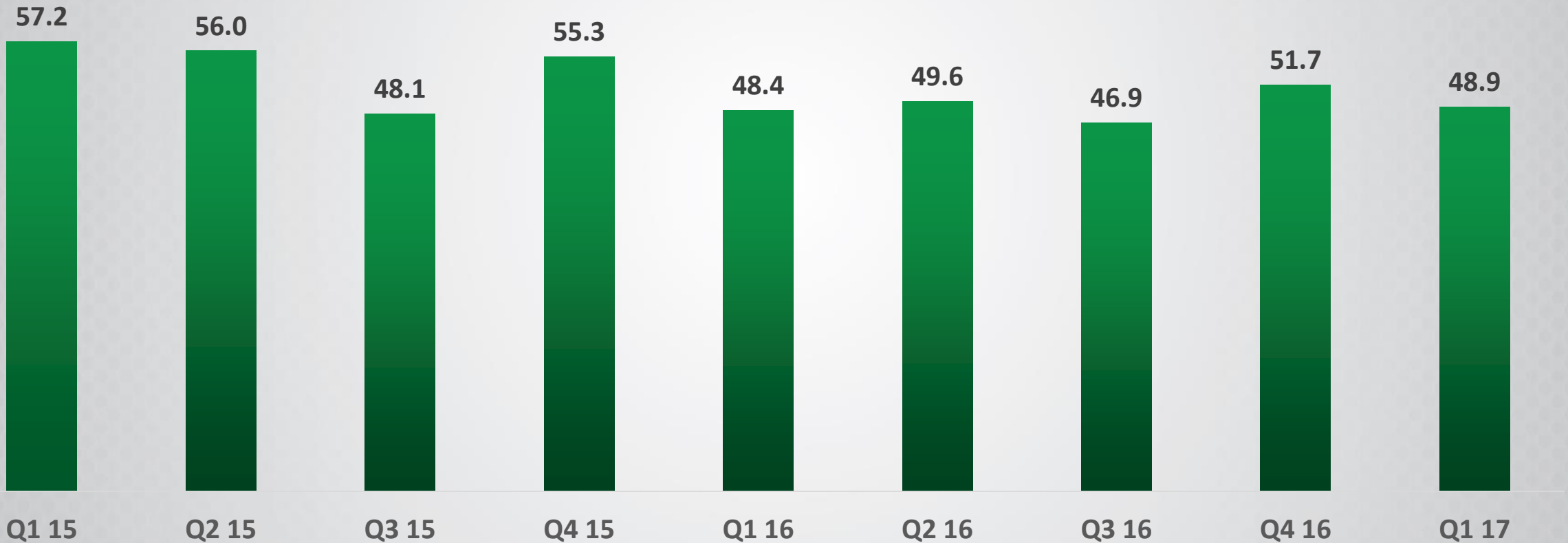




Business Model in Transition

Quarterly Revenues (\$M)

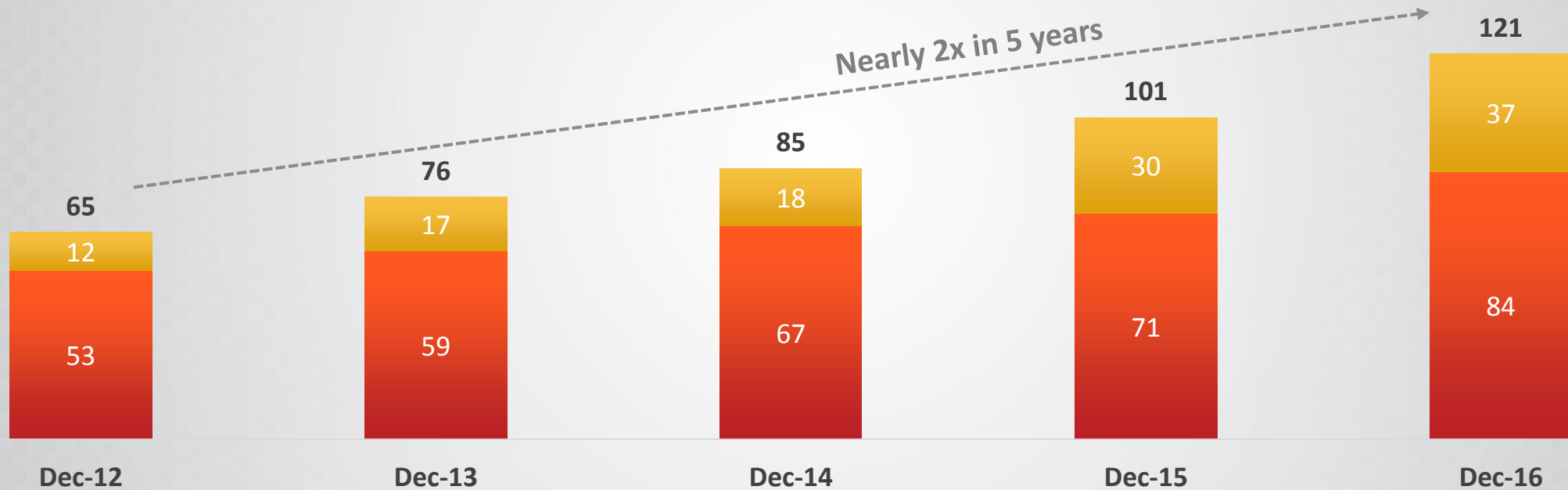
Subscription % of Bookings is increasing, affecting revenues recognition






Shift to Subscriptions

Deferred Revenues (\$M)



■ Balance Sheet

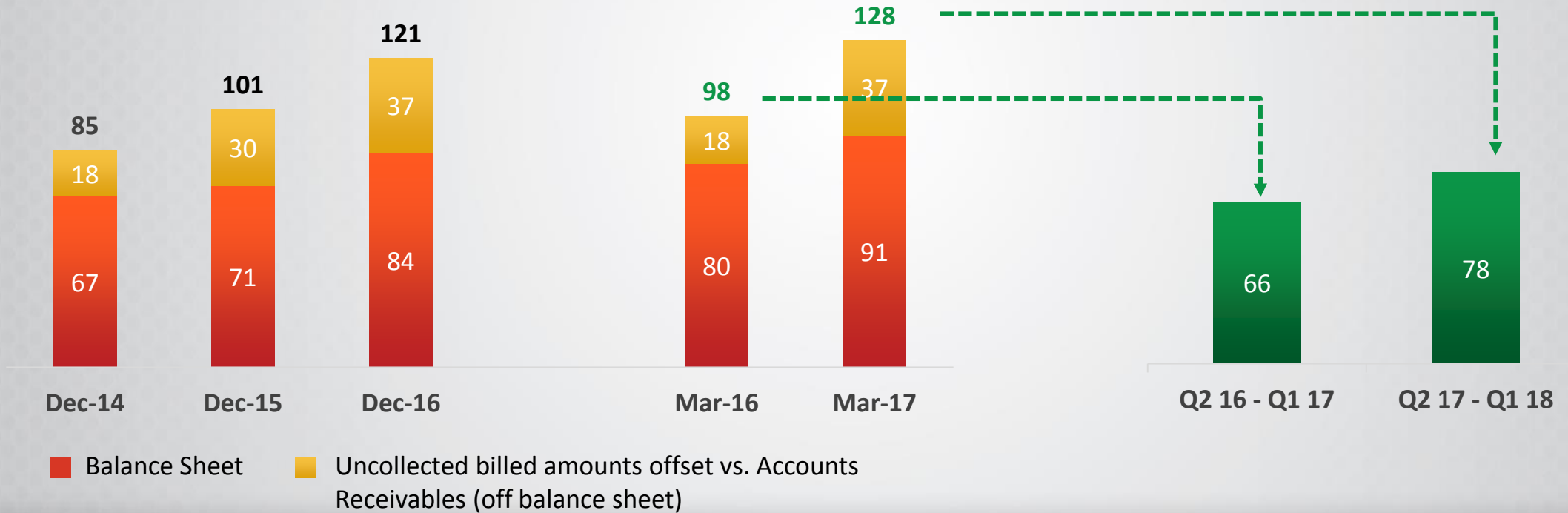
■ Uncollected billed amounts offset vs. Accounts Receivables (off balance sheet)



Shift to Subscriptions

Deferred Revenues (\$M)

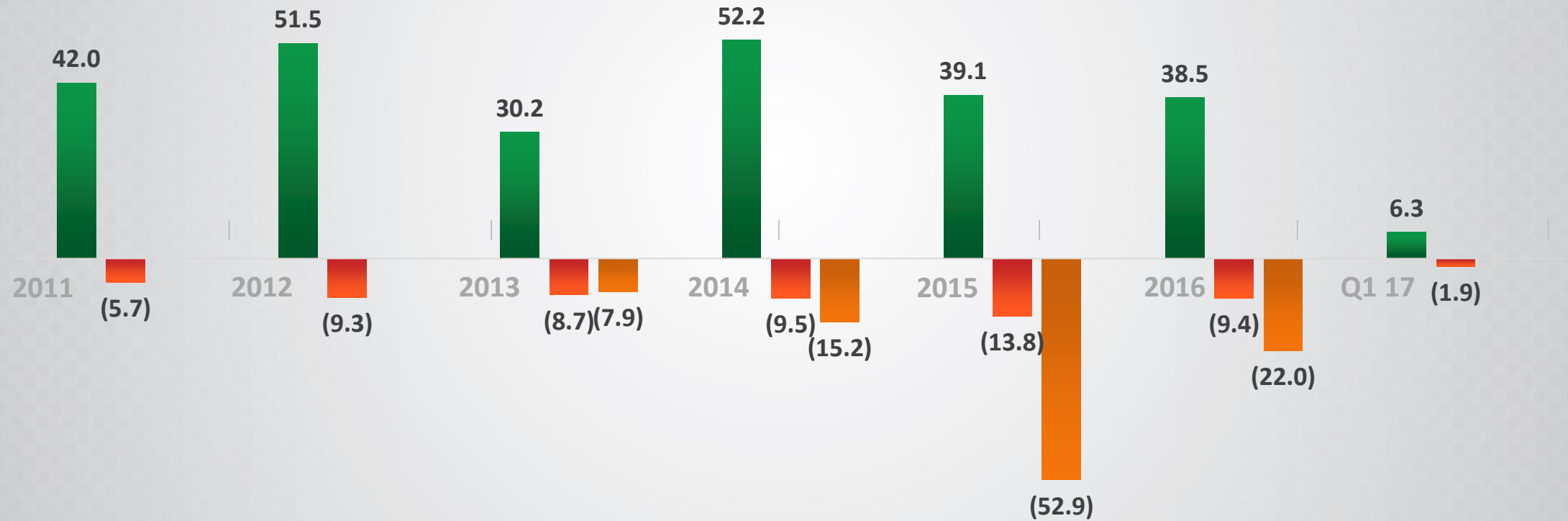
60-65% of Total Deferred Revenues is scheduled to be recognized as revenues within 12 months





Continuous Strong Cash Generation

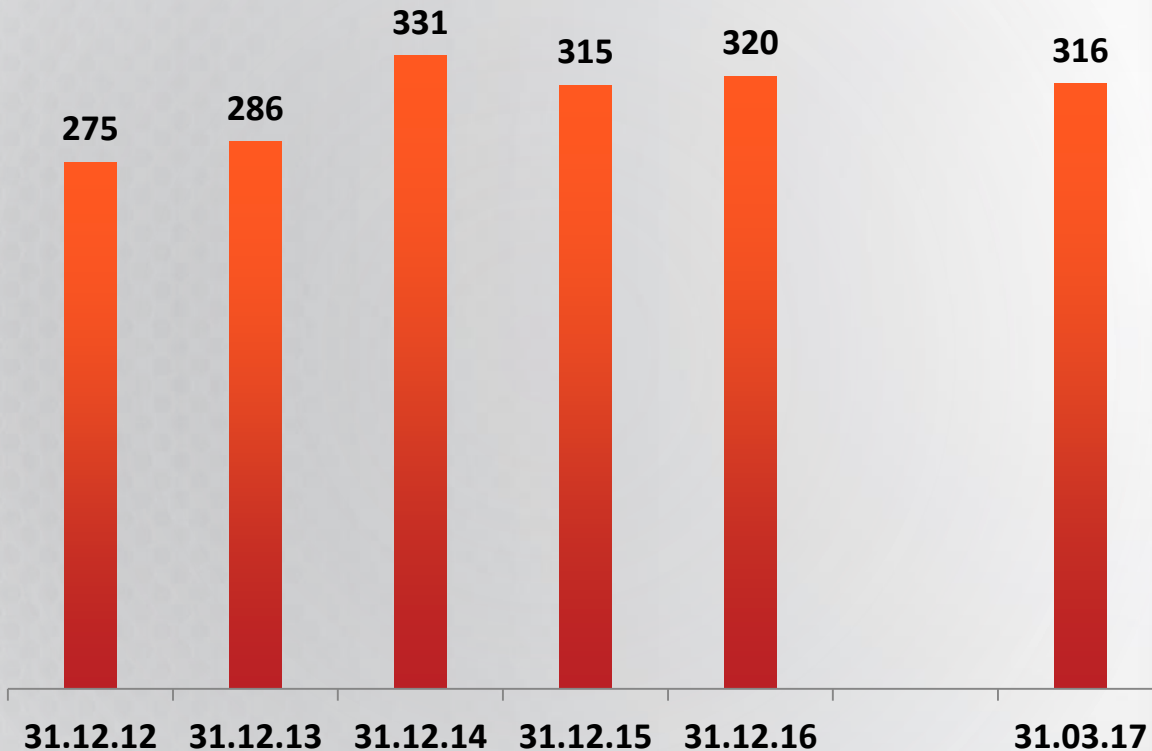
■ OCF ■ Capex ■ Buyback (\$M)





Readiness to Put Cash Balance to Work

Cash Balance (\$M)



Expanding our
business through
Acquisitions

- Technology Driven
- Business Driven



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Every second counts

