



Investor Presentation

Q2 2019

August 2019





Safe Harbour

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.

Radware Is a worldwide leader in
**APPLICATION
SECURITY & DELIVERY**

Across Datacenter and Cloud



Our Mission: Securing The Digital User Experience



For every
business model



Through
continued innovation



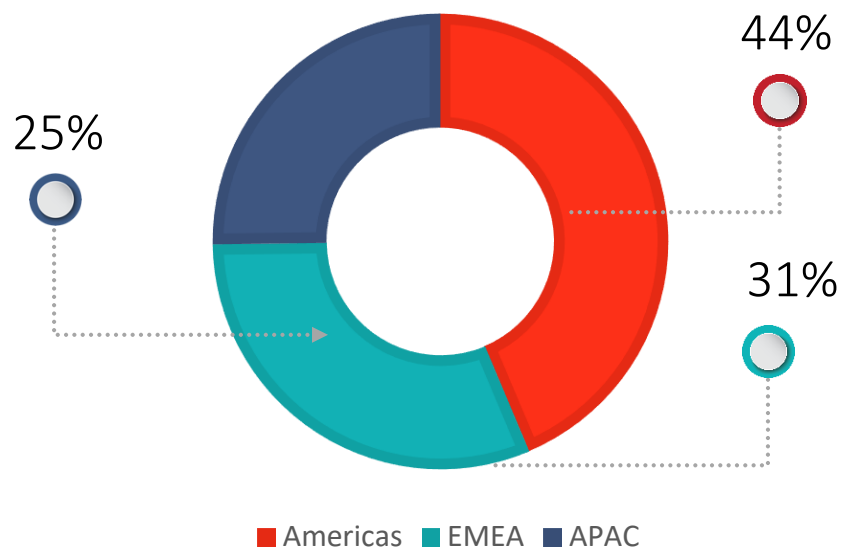
With a comprehensive offering



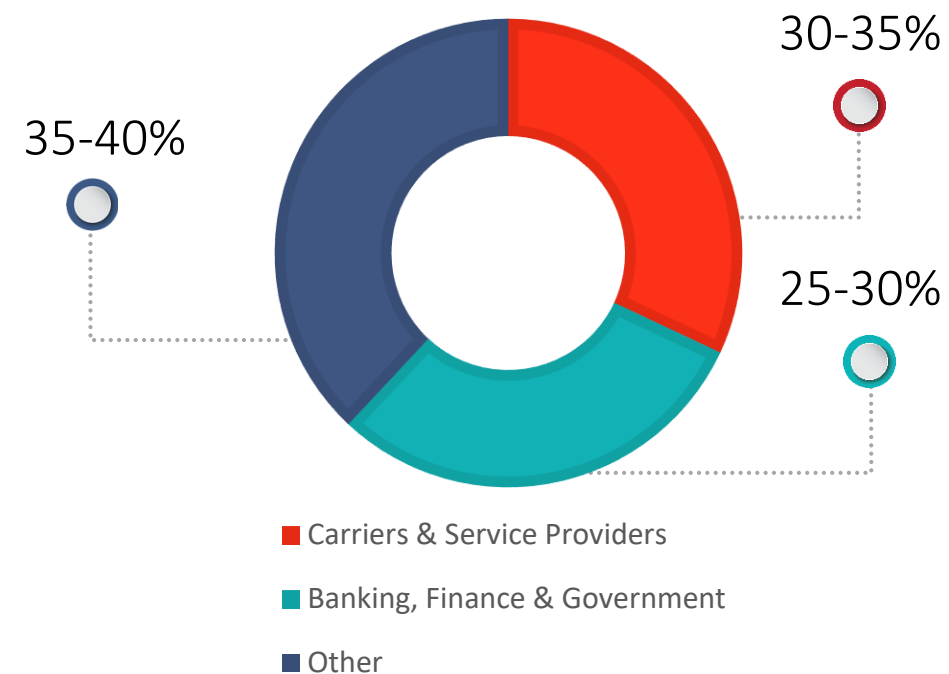
Where We Are

REVENUES BY REGION

(LTM to Jun-19)



VERTICAL EXPOSURE



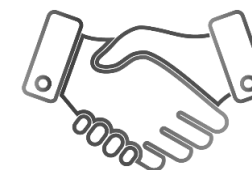
**\$234M FY18
Revenues**



**~1,100
Employees**

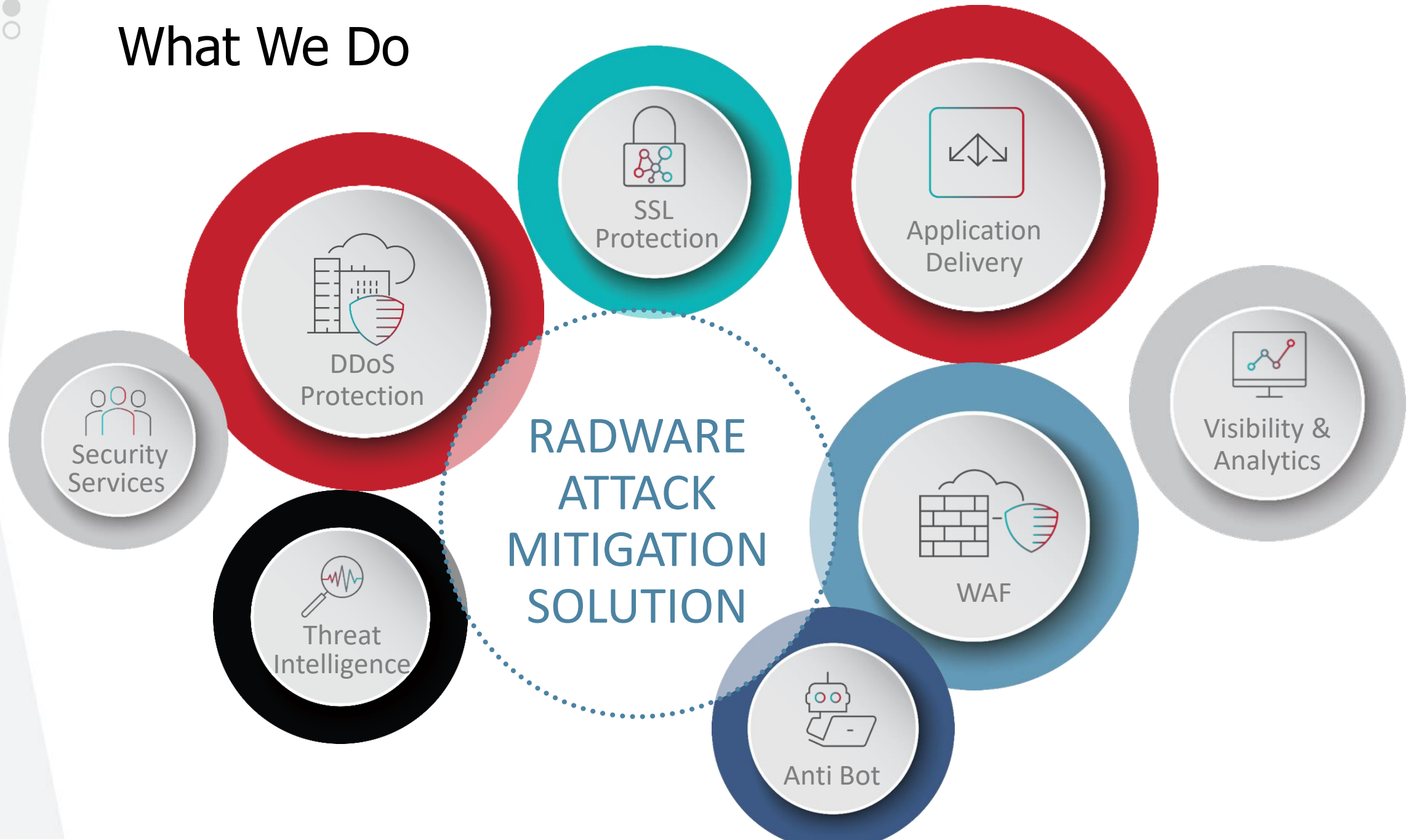


**35
Offices**



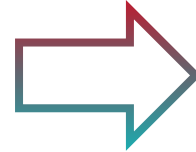
**12,500
Customers**

What We Do



Dimensions of Evolution

Physical Appliances
on **Perpetual License**



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

Hardware sales organization



To **Managed Security Services**
organization

Technology Savvy large
mid to large organization
with Physical **datacenter**



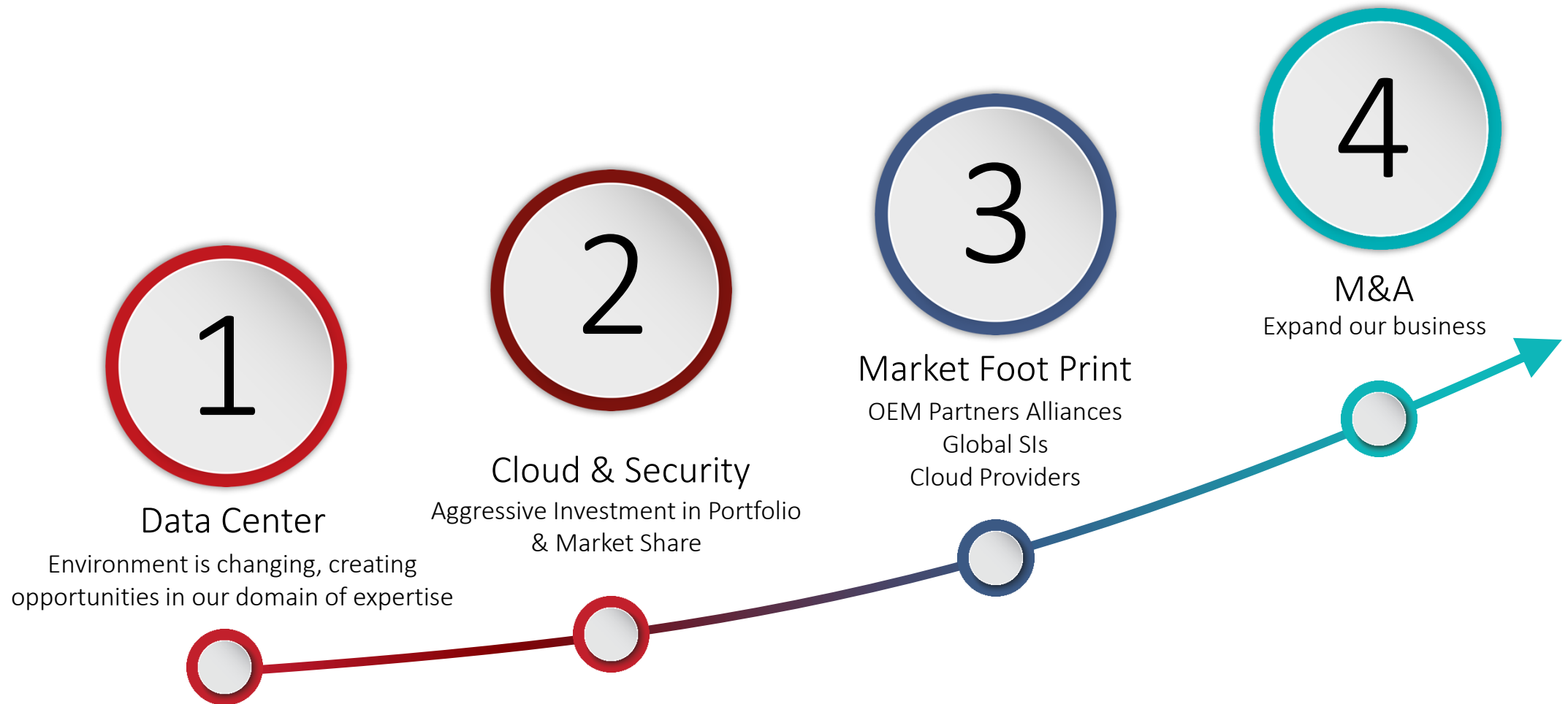
All sizes Enterprise and
Service Providers, and
cloud-native companies

Low **visibility**,
end-of-quarter driven

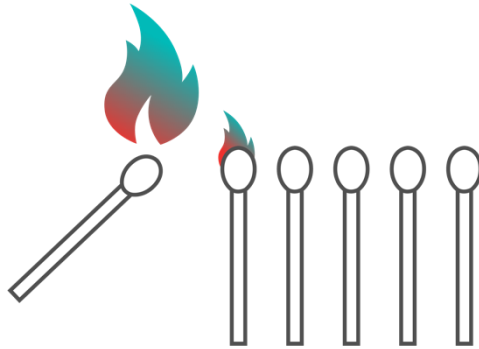


High visibility, ~60%
recurring revenue driven

Our Business Strategy for Growth



Datacenter Dynamics Create Opportunities



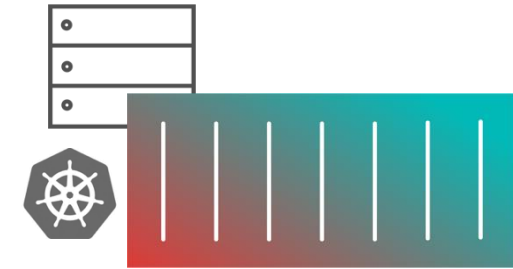
Cyber attacks reach a tipping point

Complexity, IoT,
cloud attacks



Infrastructure is shifting

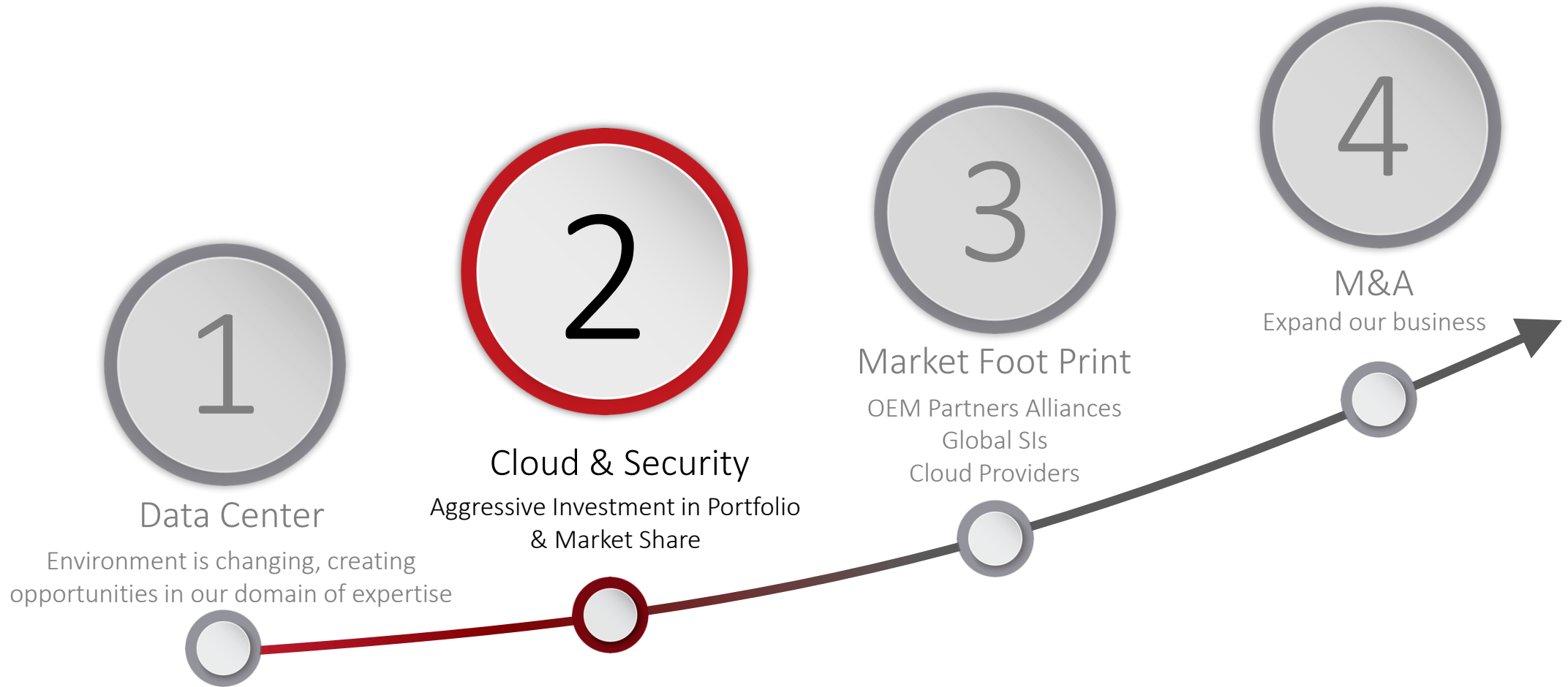
from Datacenter to
private, hybrid and
public cloud



Application Infrastructure is shifting

From monolithic / 3-tier to
kubernetes and micro
services, containers

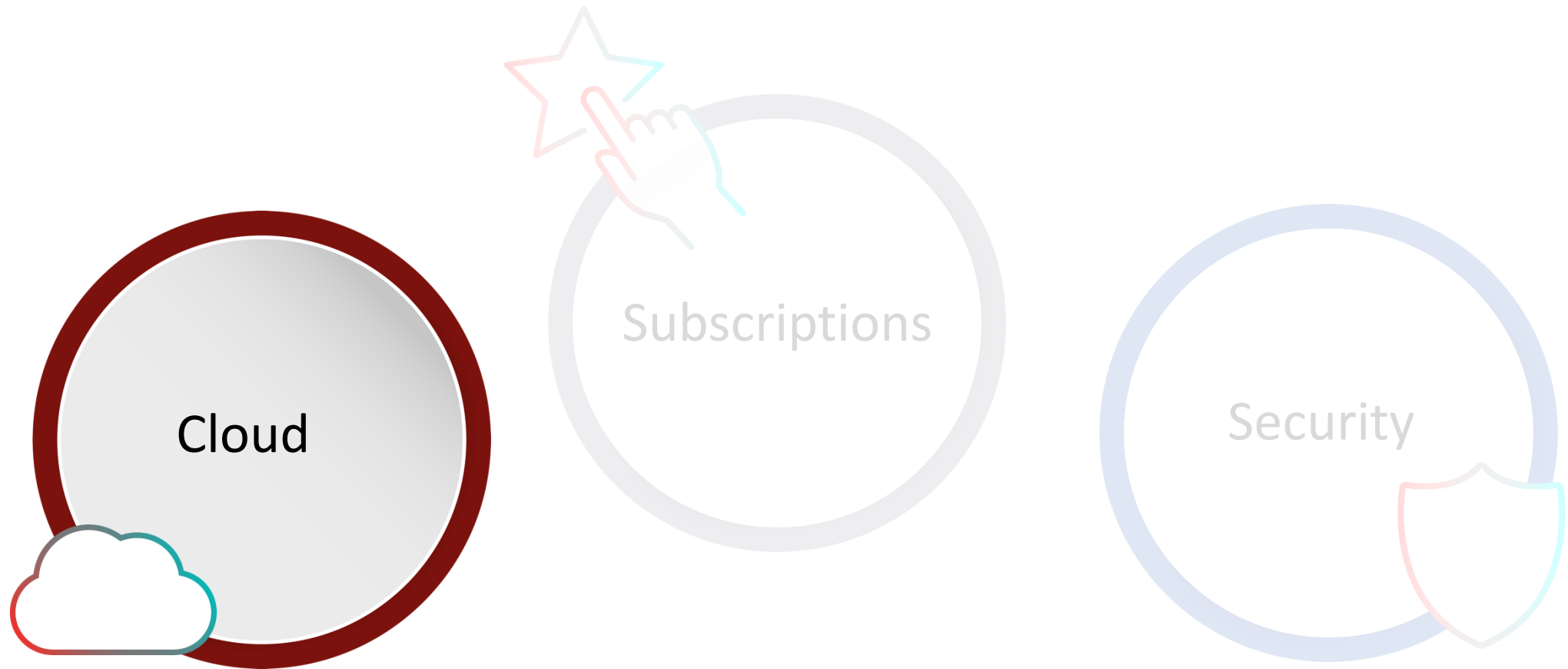
Continued Portfolio Evolution



Cloud and Security are the Growth Drivers



Cloud and Security are the Growth Drivers



A Growing Global Cloud Service Infrastructure



11 Scrubbing centers worldwide

24 Cloud WAF PoPs

>5Tbps Of global mitigation capacity

Strong Cloud Service Commitments



TIME TO DETECT

Measures how quickly attack is detected



TIME TO ALERT

Measures how quickly administrators are notified



TIME TO DIVERSION

Measures how quickly diversion is initiated
(for on-demand / hybrid deployments)



TIME TO MITIGATE

Measures how quickly attack is stopped



CONSISTENCY OF MITIGATION

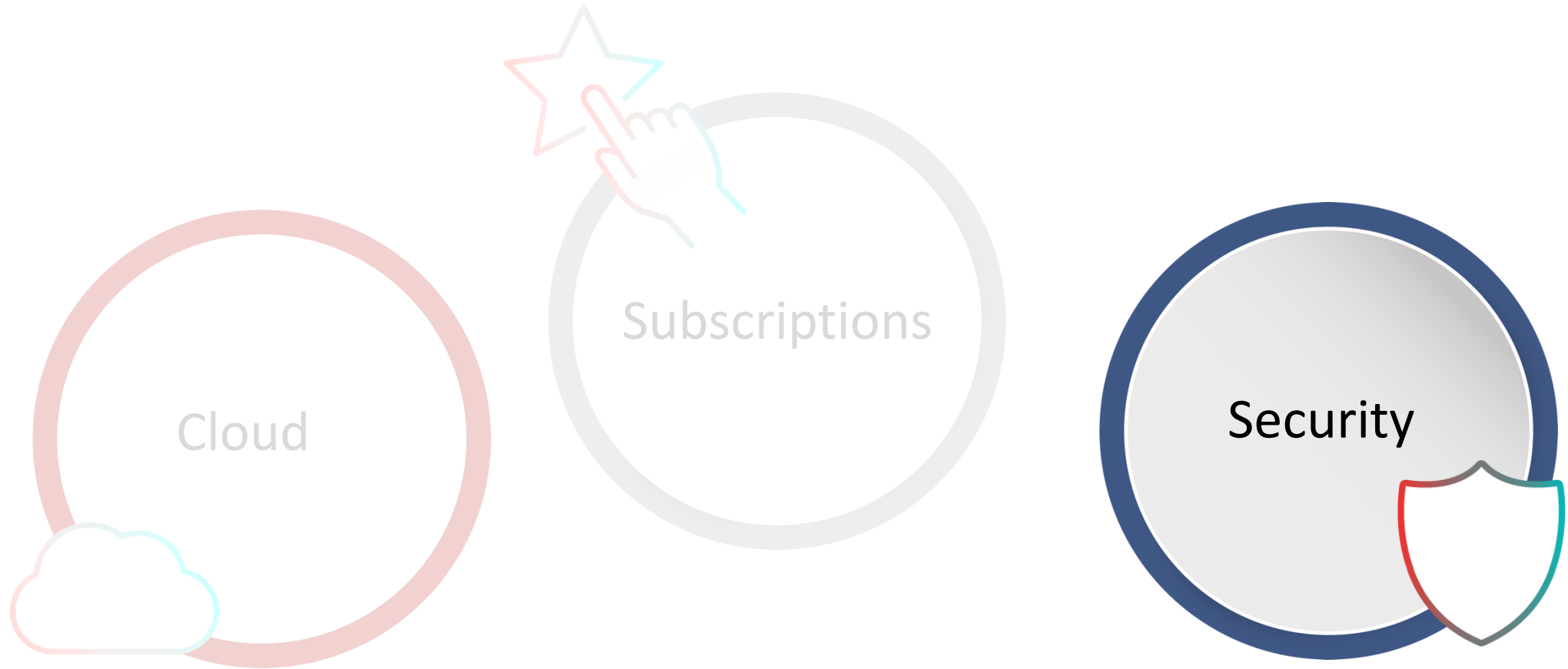
Measures the quality of mitigation and that bad traffic is indeed blocked



SERVICE AVAILABILITY

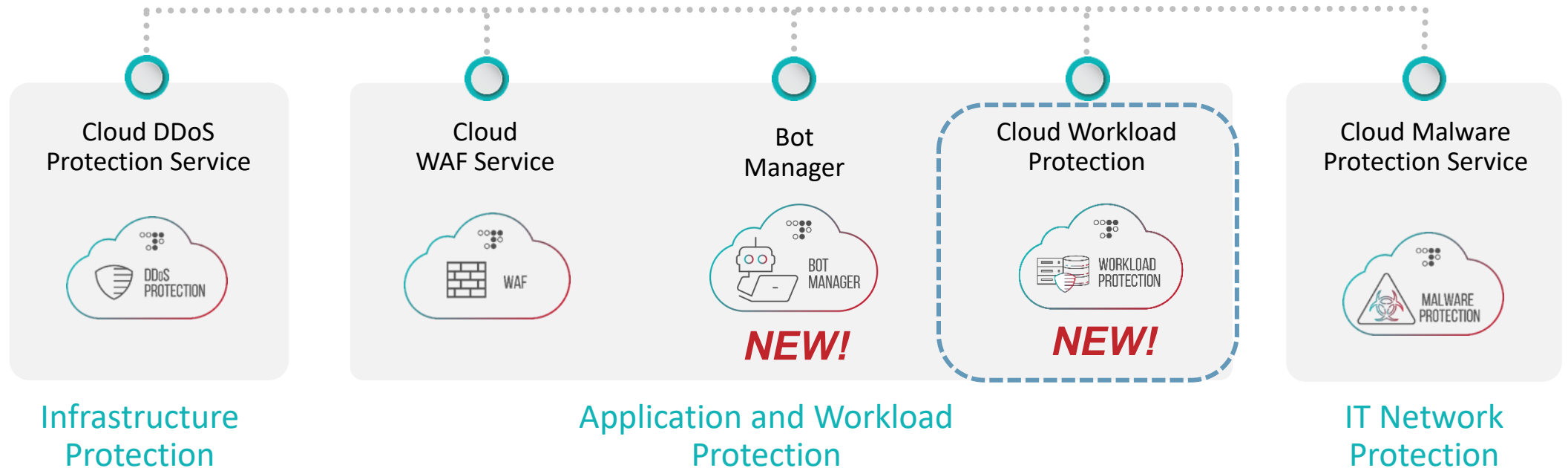
Measures service availability and consistency

Cloud and Security are the Growth Drivers



Recent Expansion of Cloud Security Services

Fully-managed **enterprise-grade cloud services** that **protect** from multi-vector threats and **optimize** application performance

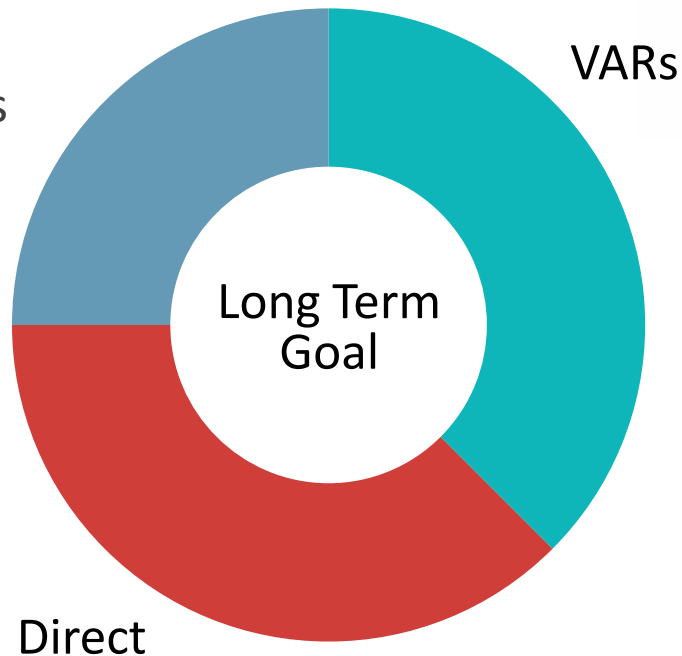


Main Strategic Focus for 2019: Market



Increasing Market Footprint through 3rd Parties

Strategic
Partners, System
Integrators,
Service Providers
to increase to
> 20%
of bookings



1 Deeper and broader relationships with strategic partners, adding Radware solutions to their price lists

2 System Integrators growing role in developing cyber-security strategies

3 3rd party relationships are a force multiplier and lead to new logos

Main Driver of 3rd Parties Growth Plan



Virtual DDoS
for Firepower

Virtual WAF
& SSL

Cloud DDoS
& WAF

DDoS
Appliances

Part of Cisco Security Story:
Magic Quadrant for Enterprise Network Firewalls, 2018





Summary

- The cloud transition and cyber security opportunity **are immense**
- Our offering is broad, innovative and **highly competitive**
- The organization is ready and **tuned to customer needs**
- Our strategy **is clear**



Financials

Updated for Q2 2019



Q2 19 Business Indicators

+6%

Revenue growth

Total Deferred Revenues*

\$172M

Up 12%

* As defined by the Company

EPS

+80%

From \$0.10 to \$0.18

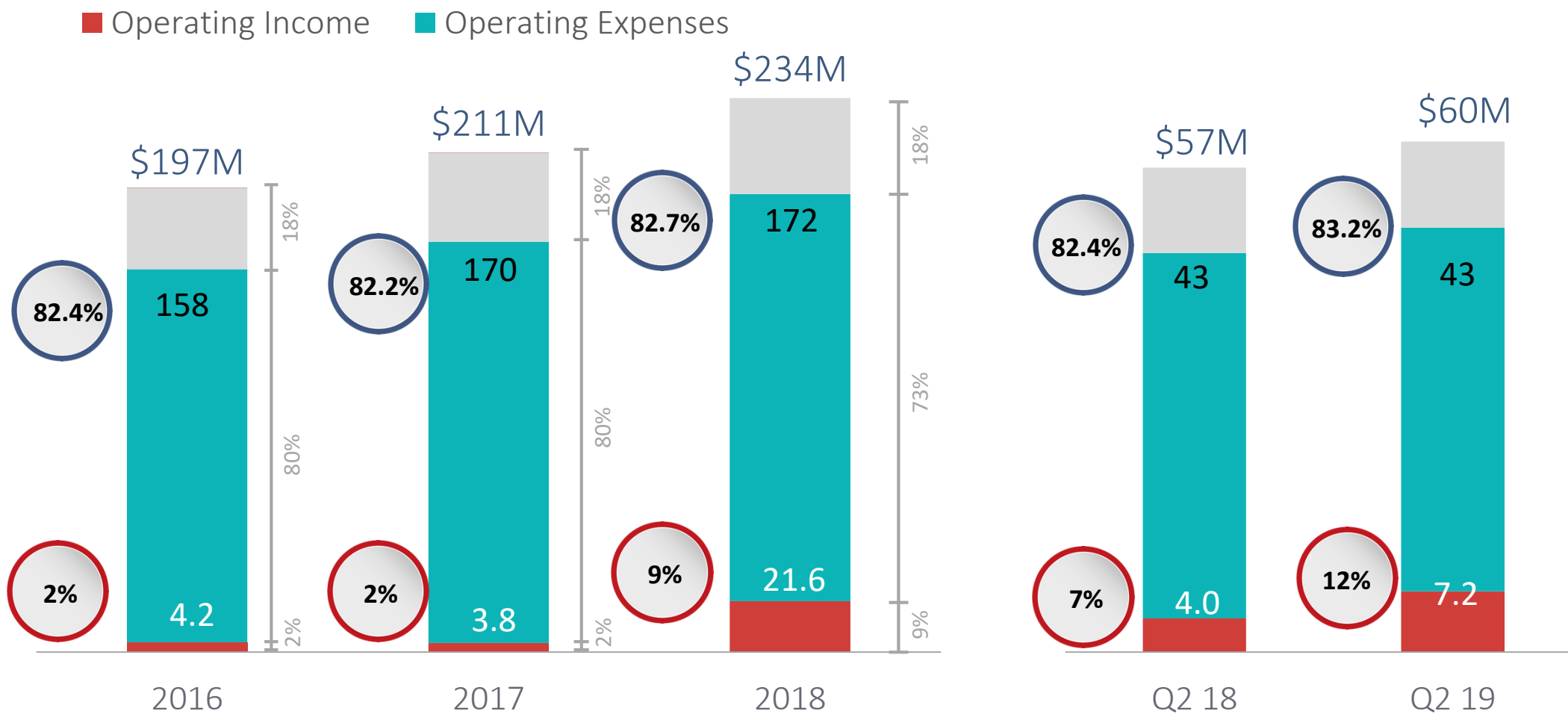
12%

Operating Margin

\$29M

H1 Operating Cash Flow
almost 2x from H1 18

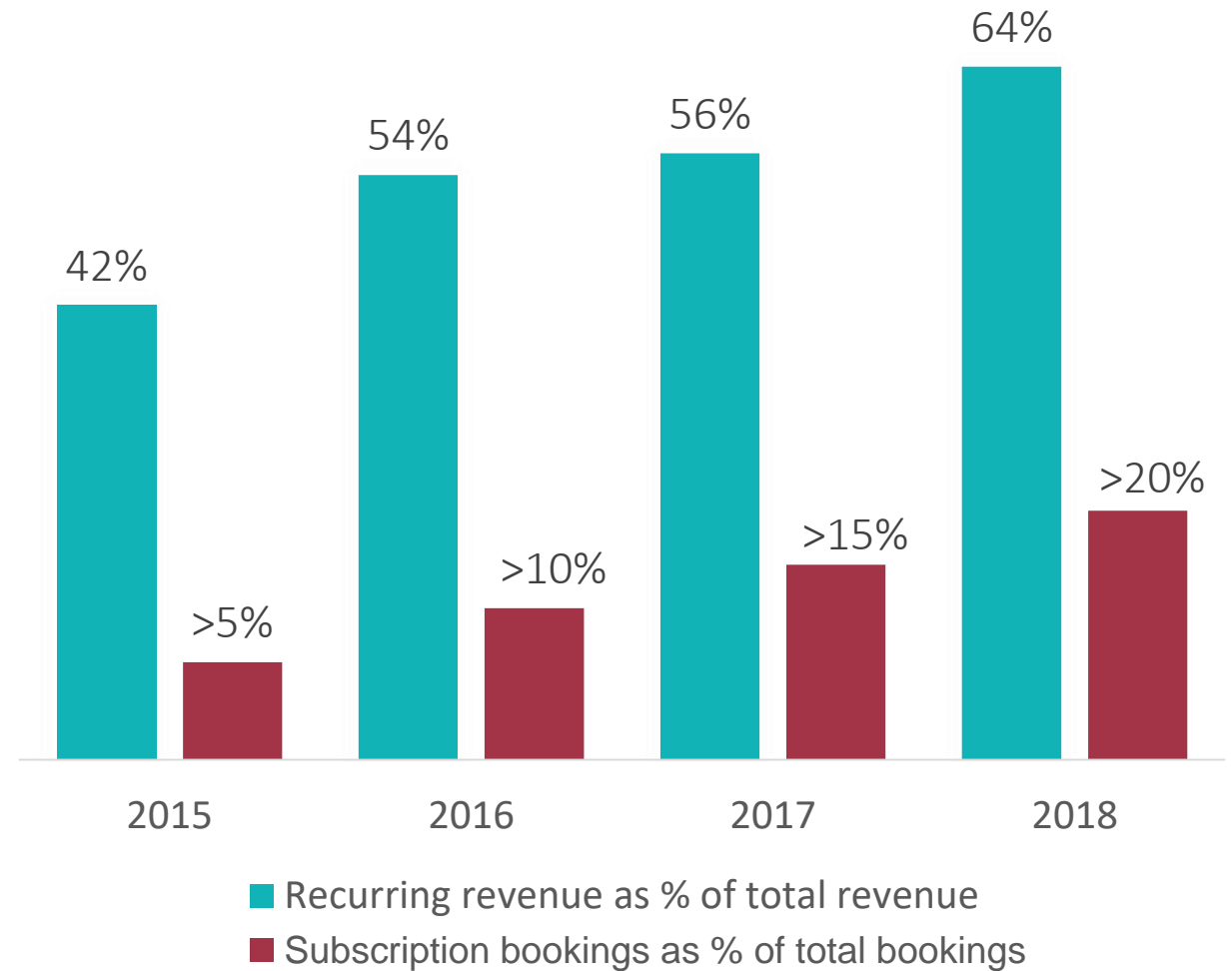
Operating Leverage



Shift to Subscriptions

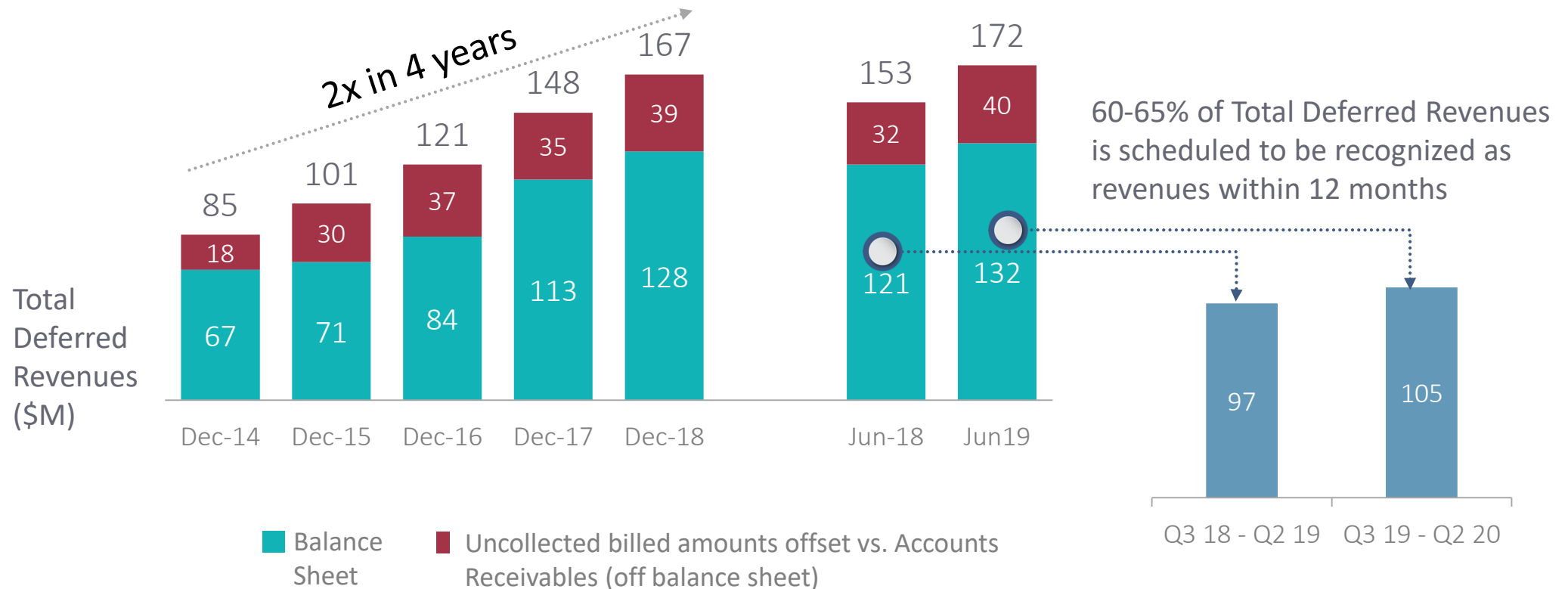
SUBSCRIPTIONS ARE THE MAIN GROWTH DRIVER

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

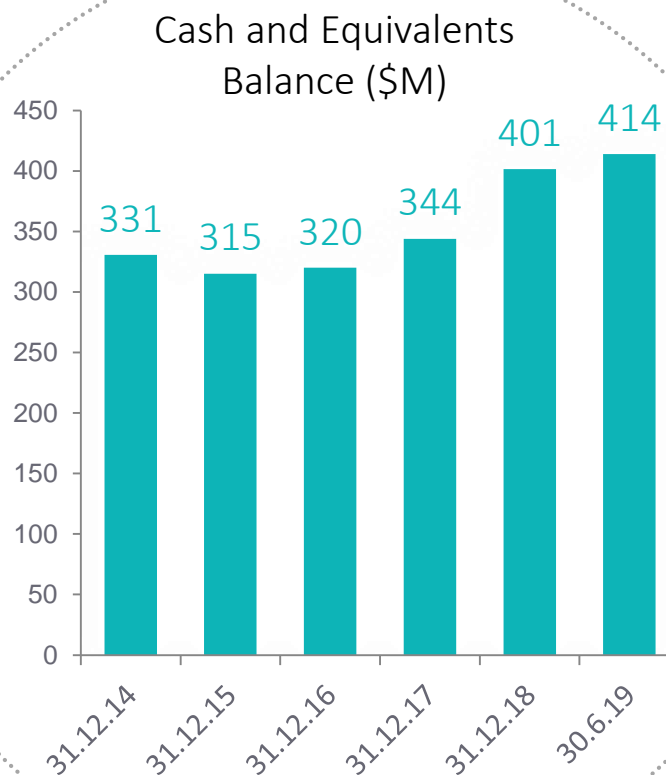


Shift to Subscriptions on Track to Secure Our Performance

PROVIDES US WITH VISIBILITY & CONFIDENCE



Continuous Strong Cash Generation



Technology
Driven
Acquisitions

Business
Driven
Acquisitions

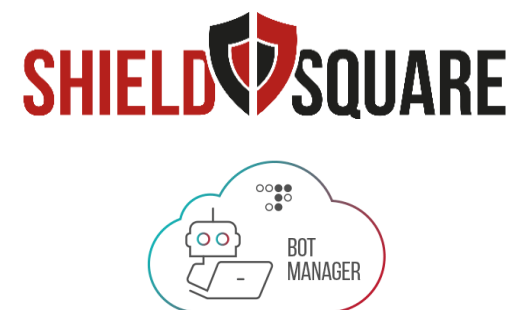
Acquisitions to Expand
Offering and Presence

Latest Examples

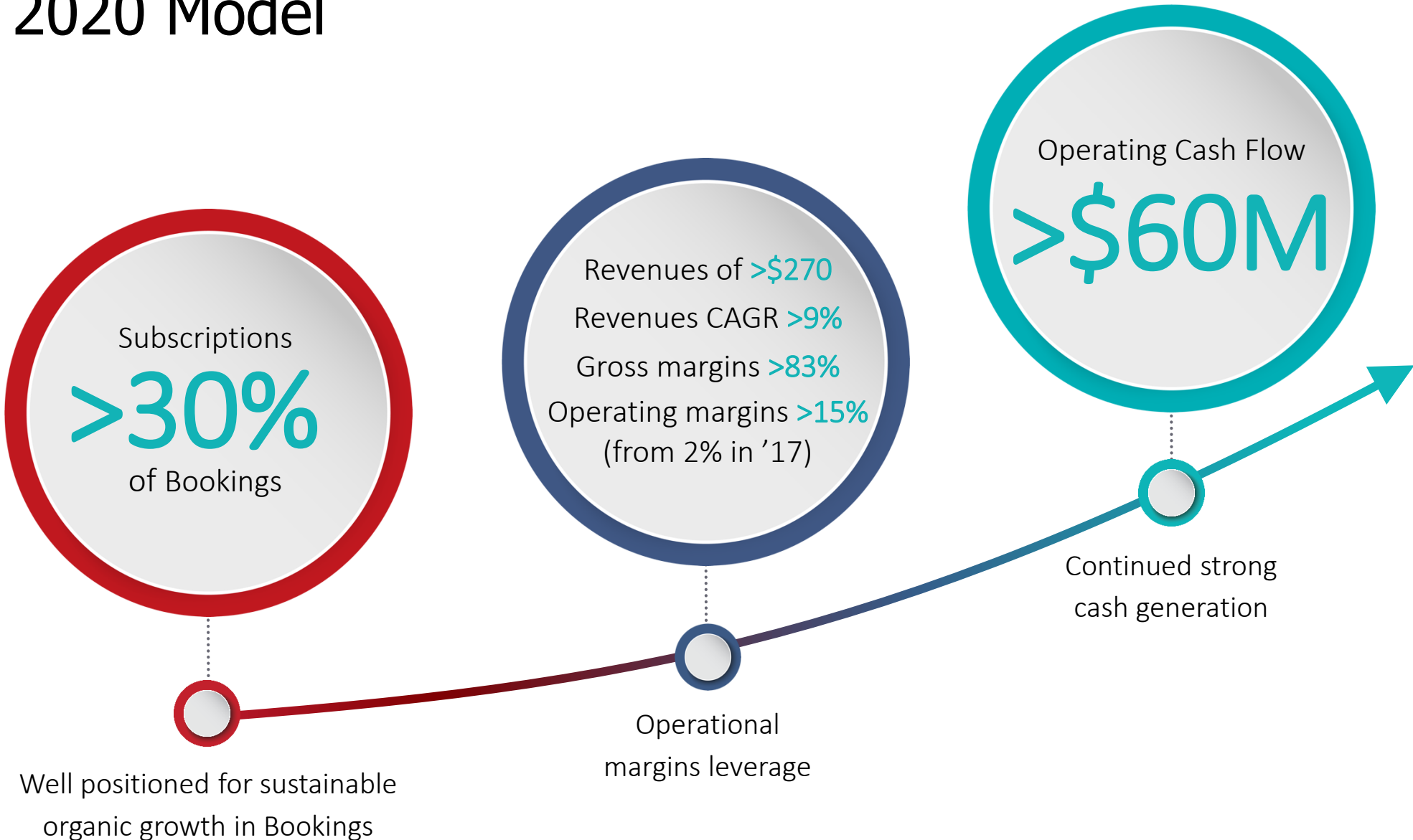
January 2017



Q1 2019



2020 Model





Thank You