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
Impact of digital transformation

**CLOUD MIGRATION**
New delivery models require new capabilities

**DATACENTER 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
<table>
<thead>
<tr>
<th>INTENSIFYING THREATS</th>
<th>SKILL SHORTAGE</th>
<th>WIDENING THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>53% of organizations report being under cyber attacks daily or weekly</td>
<td>67% of organizations believe hackers can still penetrate their network</td>
<td>46% of organizations experienced a data breach over the past year</td>
</tr>
<tr>
<td>53% feel confident they can keep customers personal information safe from breach</td>
<td></td>
<td>50% experienced encrypted web attack</td>
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</tbody>
</table>

Source: Web Application Security Report
Our Mission: Securing The Digital User Experience

For every business model. Through continued innovation. With a comprehensive offering.
EVERYWHERE
To meet every business model
ARCHITECTURE
Solutions Architecture

Wherever it is located

- On premise
- Private cloud
- Hyper cloud
- Public cloud
- Hybrid

Will protect it

From Physical Appliances on Perpetual License

To Physical or Virtual Appliances, on premise, cloud and Hybrid
EFFECTIVE
Continued Innovation
TECHNOLOGY
Comprehensive Secured Delivery

**Behavioral-based detection**
Using big data analytics and machine learning

**Synchronized messaging**
to improve detection and mitigation response and accuracy.

**High performance**
Device mitigation capacity of up to 400Gbps; SSL throughput of up to 40G

Advanced automation for attack life-cycle management and mitigation of unknown attacks

Effective
Cloud migration

Multi-cloud migration, hybrid deployments across data-centers, public and hyper-scale clouds

Solution management

Fully managed cloud services catalog and cyber threat intelligence services

Comprehensive Secured Delivery
EASY
Comprehensive offering
SOLUTIONS
Deep and Integrated Solution Portfolio

Big Data
Machine Learning

Management & Visibility

Control Plane

Data Plane

RealTime Analytic Feed
Cloud Portal
Vision Reporting Module
vDirect Orchestration
DefenseFlow Automation

DefensePro
Alteon

3.5Tbps DDoS/WAFaaS
SUCCESS FACTORS
What makes it work
Supporting Assets **Leading Technology**

**Market RECOGNITION**

- SC Magazine 2016 Reader’s Choice Award
- NSS Labs
- Forrester
- Gartner

**Strategic BUSINESS PARTNERS**

- Cisco
- Check Point Software Technologies Ltd

**Industry leading TECHNOLOGY PARTNERS**

- Hewlett Packard Enterprise
- Nokia Siemens Networks
- SAP
- IBM
Supporting Assets Over 12,500 Customers

- **8 Of Top 12** World’s Stock Exchanges
- **10 Of Top 10** World Telecom Companies
- **11 Of Top 20** World’s Banks
- **3 Of Top 8** N. American Application Software Companies

- 25-30%
- 30-35%
- 35-40%

- Carriers & Service Providers
- Banking, Finance & Government
- Other
Supporting Assets **Global Presence**

**Over 3.5Tbps** Of Global Mitigation Capacity

**BALANCED Geographic Exposure**

- **LTM Sep-18 Revenue**
  - Americas: 45%
  - EMEA: 25%
  - APAC: 30%

- **~1,000 Employees**
- **35 Offices**

Radware Cloud Security PoP
Regional Cloud Scrubbing Center
Our Business Strategy **For Growth**

**ORGANIC GROWTH**

1. **Data center**
   - ADC and AMS Solutions

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

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

4. **Expand our business THROUGH ACQUISITIONS**
FINANCIALS
Updated for Q3 2018
SUMMARY Q3 2018

- Revenues of $58.8M up 11%
- Total Deferred Revenues of $151M up 8%
- Operating margin of 10.7%
- Strong Cash Position
- Cloud and Subscriptions a Material part of the Business Model
Back to Growth Post Business Model Transition

Annual Revenues ($M)

CAGR 13.3%


-2% -9% 8%

12%
Shift to Subscriptions (1)

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

Recurring Revenues as % of Total

Radware’s Recurring Revenues include support, cloud services and product Subscription.
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: 65
- Dec-13: 76
- Dec-14: 85
- Dec-15: 101
- Dec-16: 121
- Dec-17: 148
- Sep-17: 139
- Sep-18: 151

- Q4 17-Q3 18: 86
- Q4 18-Q3 19: 92

Balance Sheet
Uncollected billed amounts offset vs. Accounts Receivables (off balance sheet)
Continuous Strong **Cash Generation**

Cash Balance ($M)

<table>
<thead>
<tr>
<th>Date</th>
<th>Cash Balance ($M)</th>
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<tbody>
<tr>
<td>31.12.12</td>
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<tr>
<td>31.12.13</td>
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<td>30.09.18</td>
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Readiness to **Put Cash Balance to Work** and Expand our business **THROUGH ACQUISITIONS**
2020 Goals

- **Subscriptions >30% of Bookings**
- **Revenues of > $270**
- **Revenues CAGR > 9%**
- **Gross margins > 83%**
- **Operating margins > 15% (from 2% in '17)**

- **Total Deferred Revenues CAGR Higher than revenue**
- **Operating Cash Flow > $60M**

Well positioned for sustainable organic growth in Bookings

Operational margins leverage

Continued strong cash generation
Why Radware

• Fast growing, critical market
• Clear Vision and Strategy
• Leading attack mitigation technology, customers, partners
• Fast expanding subscription and cloud business
• Well positioned for continued long term growth
APPENDIX
Radware’s innovations track record

- 1997: Patented Global ADC
- 1998: Patented Link Load Balancing
- 1999: Integrated Security & QoS
- 2000: ADC Virtualization
- 2001: SSL Inspection Patent
- 2002: Patented Security Behavioral signature
- 2003: Integrated Security & QoS
- 2004: Patented Business Smart Network
- 2005: Patented Global ADC
- 2006: Patented Link Load Balancing
- 2007: ADC, DDoS, SDN Applications
- 2008: Iot Protection
- 2009: Operator Automation
- 2010: Iot Protection
- 2011: Zero day Malware detection
- 2012: Operator Automation
- 2013: Site-Wide ADC Management
- 2014: ADC, DDoS, SDN Applications
- 2015: Patented Site-Wide ADC Management
- 2016: Patented Business Smart Network
- 2017: Iot Protection
Integrated secured delivery solution: **incoming traffic**

**DDOS & WAF**
Behavioral big-data analytics and machine learning

**SSL Defense**
Mitigate encrypted threats

**Delivery Control**
Load balancing and performance optimization
Integrated secured delivery solution: **outgoing traffic**

**SSL Inspect**
*removes* blind spots by enabling protection systems visibility into encrypted traffic

**Cloud Malware Protection**
detect and block malware channels by using AI and Machine Learning

**Blocked Traffic**
Outgoing traffic is blocked if it is found to be suspicious.
THANK YOU