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.
We Secure the **digital user experience** in the ever-changing application ecosystem
The World is Going Digital

Digital Transformation is everywhere

Apps become the center of business

Users expect flawless experience from their apps

Delivery environment is becoming complex

- www
- Cloud
- Data center
Securing User Experience in the Ever-changing Application Ecosystem

To secure the **digital user experience** in the ever-changing application ecosystem

**OUR MISSION**

**APPLICATIONS**

**RADWARE**

**DELIVERY INFRASTRUCTURE**
Ever-changing Delivery Infrastructure

IT Keeps Changing
Applications are migrating to the cloud

- Data Center Virtualization
- Private/Hybrid Cloud
- Software Defined Data Center (SDDC)

Datacenter architecture is rapidly changing
Ever-increasing Security Threats

Applications

Application Protection

RADWARE

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
Even-increasing Expectations for Availability and Performance

Users want their apps fast and available. A 1 second 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 solutions to address the core challenges

Cloud delivery disrupts vendor landscape to reward fast innovators

New competence in serving flexible business models
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
Comprehensive Suite of Transformed Solutions

Application Delivery
Application Protection

RADWARE

DELIVERY INFRASTRUCTURE

DDoS Protection
On-Premise
Cloud

Emergency Response Team

Web App Firewall
App Delivery

Virtualized Data Center
Software Defined Data Center (SDDC)

Hybrid
Radware is Positioned to Capture the Opportunity

Comprehensive suite of solutions to address the core challenges

Cloud delivery disrupts vendor landscape to reward fast innovators

New competence in serving flexible business models
Innovation - Key Differentiators

Integrated application delivery by adding analytics and security components

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

Multi-layer continuously adaptive security including behavioral DDoS, WAF and data protection thru big-data analytics and machine learning

Service insertion and automation for simple Life-Cycle-Management and event automation

Fully managed cloud catalog and deep threats analysis

Integration and white-labeling with leading vendors
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
Flexible Deployment Options

To Support Any Business Model

Web App Firewall

On-Premise Protection

Virtualized Data Center

Cloud

App Delivery

Emergency Response Team
Supporting Assets

- Market Recognition
- OEM agreements with industry leaders
- Global cloud and service infrastructure

Industry leaders technology partners

Over 10,000 Customers

Global sales, support and marketing organization
Our Business Strategy For Growth

Maintain focus on Application Security & Delivery across Data Center & Cloud

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)

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Revenues ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>81</td>
</tr>
<tr>
<td>2007</td>
<td>89</td>
</tr>
<tr>
<td>2008</td>
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<td>2012</td>
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<td>2013</td>
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<tr>
<td>2014</td>
<td>222</td>
</tr>
<tr>
<td>2015</td>
<td>217</td>
</tr>
<tr>
<td>2016</td>
<td>197</td>
</tr>
</tbody>
</table>

CAGR 13.3%
Business Model in Transition

Quarterly Revenues ($M)

Subscription % of Bookings is increasing, affecting revenues recognition
Shift to Subscriptions

Deferred Revenues ($M)

<table>
<thead>
<tr>
<th>Dec-12</th>
<th>Dec-13</th>
<th>Dec-14</th>
<th>Dec-15</th>
<th>Dec-16</th>
</tr>
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<tbody>
<tr>
<td>65</td>
<td>76</td>
<td>85</td>
<td>101</td>
<td>121</td>
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<td>12</td>
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<td>18</td>
<td>30</td>
<td>37</td>
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<tr>
<td>53</td>
<td>59</td>
<td>67</td>
<td>71</td>
<td>84</td>
</tr>
</tbody>
</table>

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

Nearly 2x in 5 years
Deferred Revenues ($M)

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

<table>
<thead>
<tr>
<th>Month</th>
<th>Balance Sheet</th>
<th>Uncollected billed amounts offset vs. Accounts Receivables (off balance sheet)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-12</td>
<td>65</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>53</td>
<td>17</td>
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<td>Dec-13</td>
<td>76</td>
<td>18</td>
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<td></td>
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<td>Dec-16</td>
<td>121</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>84</td>
<td>84</td>
</tr>
</tbody>
</table>

2016: 67
2017: 76
Continuous Strong Cash Generation

- **OCF**
- **Capex**
- **Buyback ($M)**

<table>
<thead>
<tr>
<th>Year</th>
<th>OCF</th>
<th>Capex</th>
<th>Buyback</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>42.0</td>
<td>(5.7)</td>
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<tr>
<td>2011</td>
<td>51.5</td>
<td>(9.3)</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>30.2</td>
<td>(8.7)</td>
<td>(7.9)</td>
</tr>
<tr>
<td>2013</td>
<td>52.2</td>
<td>(9.5)</td>
<td>(15.2)</td>
</tr>
<tr>
<td>2014</td>
<td>39.1</td>
<td>(13.8)</td>
<td>(52.9)</td>
</tr>
<tr>
<td>2015</td>
<td>(22.0)</td>
<td>(9.4)</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>(52.9)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Readiness to Put Cash Balance to Work

Cash Balance ($M)

<table>
<thead>
<tr>
<th>Date</th>
<th>Cash Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.12.12</td>
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</tr>
<tr>
<td>31.12.13</td>
<td>286</td>
</tr>
<tr>
<td>31.12.14</td>
<td>331</td>
</tr>
<tr>
<td>31.12.15</td>
<td>315</td>
</tr>
<tr>
<td>31.12.16</td>
<td>320</td>
</tr>
</tbody>
</table>

Expanding our business through Acquisitions

- Technology Driven
- Business Driven
Every second counts