



Investor Kit Second Quarter 2019



Radware Ltd. Condensed and Consolidated - Balance Sheets
(U.S. Dollars in thousands - unaudited)

ASSETS

Current Assets

Cash and cash equivalents	\$ 79,639	\$ 47,129	\$ 50,086	\$ 53,530	\$ 65,237	\$ 61,987	\$ 61,676	\$ 59,565	\$ 45,203	\$ 52,361	\$ 34,191
Available-for-sale marketable securities	20,452	20,922	21,350	25,145	42,573	45,769	41,234	37,004	15,742	9,996	25,923
Short-term bank deposits	125,995	101,471	84,830	87,114	93,151	87,662	149,622	203,299	255,454	250,354	193,944
Trade receivables, net	19,407	20,990	17,638	12,314	16,150	16,034	18,598	18,491	17,166	14,346	14,987
Other receivables and prepaid expenses	4,159	3,250	3,447	3,905	12,252	6,401	7,687	6,308	7,071	8,632	10,182
Inventories	17,114	18,392	19,455	18,724	18,772	18,920	18,443	20,463	18,401	17,185	15,964
	266,766	212,154	196,806	200,732	248,135	236,773	297,260	345,130	359,037	352,874	295,191

Long-term Investments

Available-for-sale marketable securities	74,967	70,307	75,478	70,717	54,427	51,193	55,948	61,078	84,669	101,346	120,174
Long-term bank deposits	19,092	76,141	93,851	94,361	88,911	111,465	58,718	21,258	-	6,011	39,732
Severance pay funds	2,597	2,597	2,830	2,830	3,251	3,251	3,039	3,105	2,973	2,187	2,267
	96,656	149,045	172,159	167,908	146,589	165,909	117,705	85,441	87,642	109,544	162,173

Property and equipment, net	26,354	25,751	25,711	24,487	23,642	23,477	22,453	21,848	23,677	23,430	23,538
Other long-term assets	8,092	8,030	8,072	8,084	8,133	17,687	18,492	20,064	20,724	21,221	21,425
Operating lease right-of-use assets	-	-	-	-	-	-	-	-	-	20,539	19,868
Goodwill and intangible assets, net	32,468	43,262	43,096	42,699	42,589	42,338	42,106	41,873	41,641	54,913	54,838

Total assets

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities

Trade payables	\$ 5,971	\$ 4,393	\$ 5,967	\$ 4,552	\$ 5,367	\$ 4,320	\$ 4,744	\$ 5,424	\$ 4,483	\$ 3,830	\$ 3,802
Deferred revenues (*)	53,061	59,541	63,183	63,534	69,829	76,831	76,758	76,663	83,955	89,068	86,207
Operating lease liabilities	-	-	-	-	-	-	-	-	-	5,197	5,495
Other payables and accrued expenses	26,232	28,227	25,187	25,107	32,174	24,248	25,212	30,663	29,596	29,628	29,729
	85,264	92,161	94,337	93,193	107,370	105,399	106,714	112,750	118,034	127,723	125,233

Long-term Liabilities

Deferred revenues (*)	31,100	31,787	36,296	38,658	43,482	45,346	43,719	41,040	43,796	50,122	45,446
Operating lease liabilities	-	-	-	-	-	-	-	-	-	15,717	15,033
Other long-term liabilities	14,209	14,258	14,490	9,130	2,880	5,733	5,413	5,484	6,934	8,733	10,171
	45,309	46,045	50,786	47,788	46,362	51,079	49,132	46,524	50,730	74,572	70,650

Shareholders' Equity

Share capital	663	664	665	666	673	677	685	691	693	701	704
Additional paid-in capital	325,338	329,644	334,418	338,539	349,250	357,496	368,318	378,067	383,536	394,361	400,756
Accumulated other comprehensive income (loss), net of tax	(20)	24	(7)	(31)	(443)	(1,172)	(1,212)	(1,168)	(1,110)	6	791
Treasury stock, at cost	(116,029)	(116,029)	(116,029)	(116,442)	(116,442)	(116,442)	(116,442)	(116,442)	(120,717)	(120,765)	(130,770)
Retained earnings	89,811	85,733	81,674	80,197	82,318	89,147	90,821	93,934	101,555	105,923	109,669
	299,763	300,036	300,721	302,929	315,356	329,706	342,170	355,082	363,957	380,226	381,150

Total liabilities and shareholder's equity

*** Deferred Revenues**

Short Term	53,061	59,541	63,183	63,534	69,829	76,831	76,758	76,663	83,955	89,068	86,207
Long Term	31,100	31,787	36,296	38,658	43,482	45,346	43,719	41,040	43,796	50,122	45,446
Balance Sheet Deferred Revenues	84,161	91,328	99,479	102,192	113,311	122,177	120,477	117,703	127,751	139,190	131,653
Add: Uncollected billed amounts offset against trade receivables balance. (representing unpaid invoices not yet recognized as revenue)	37,000	37,014	33,997	37,056	34,374	25,968	32,114	32,972	39,499	20,272	39,884
Total Deferred Revenues	121,161	128,342	133,476	139,248	147,685	148,145	152,591	150,675	167,250	159,462	171,537

Note: This document should be read in conjunction with the Company's SEC Filings.



Radware Ltd. Condensed and Consolidated -
US GAAP Income Statements

(U.S. Dollars in thousands, except share and per share data - unaudited)

	FY'16	FY'17					FY'18					FY'19	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended	
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun
Revenues	\$ 196,585	\$ 48,912	\$ 50,956	\$ 53,047	\$ 58,454	\$ 211,369	\$ 54,536	\$ 57,287	\$ 58,764	\$ 63,817	\$ 234,404	\$ 61,397	\$ 60,454
Cost of revenues	35,695	8,994	9,634	9,928	11,060	39,616	9,940	10,340	10,278	11,117	41,675	11,009	10,644
Gross profit	160,890	39,918	41,322	43,119	47,394	171,753	44,596	46,947	48,486	52,700	192,729	50,388	49,810
Operating expenses:													
Research and development, net	51,732	14,240	15,013	14,678	15,072	59,003	14,662	14,633	14,434	13,945	57,674	15,230	15,400
Selling and marketing	103,774	25,979	26,410	27,189	29,166	108,744	28,183	27,803	27,263	28,137	111,386	26,661	26,680
General and administrative	18,133	4,780	4,380	4,152	4,265	17,577	4,055	3,811	3,985	4,294	16,145	4,764	5,042
Other income	-	-	-	-	(6,900)	(6,900)	-	-	-	-	-	-	-
Total operating expenses	173,639	44,999	45,803	46,019	41,603	178,424	46,900	46,247	45,682	46,376	185,205	46,655	47,122
Operating income (loss)	(12,749)	(5,081)	(4,481)	(2,900)	5,791	(6,671)	(2,304)	700	2,804	6,324	7,524	3,733	2,688
Financial Income, net	5,741	1,107	640	2,148	935	4,830	1,689	1,701	1,487	2,397	7,274	1,791	2,119
Income (loss) before taxes on income	(7,008)	(3,974)	(3,841)	(752)	6,726	(1,841)	(615)	2,401	4,291	8,721	14,798	5,524	4,807
Taxes on income	1,651	104	218	725	4,605	5,652	380	727	1,178	778	3,063	1,156	1,061
Net income (loss)	\$ (8,659)	\$ (4,078)	\$ (4,059)	\$ (1,477)	\$ 2,121	\$ (7,493)	\$ (995)	\$ 1,674	\$ 3,113	\$ 7,943	\$ 11,735	\$ 4,368	\$ 3,746
Diluted net earnings (loss) per share	\$ (0.20)	\$ (0.09)	\$ (0.09)	\$ (0.03)	\$ 0.05	\$ (0.17)	\$ (0.02)	\$ 0.04	\$ 0.06	\$ 0.16	\$ 0.25	\$ 0.09	\$ 0.08
Weighted average number of shares used to compute diluted net earnings (loss) per share	43,868,221	43,225,062	43,821,006	43,951,325	45,728,792	43,475,844	46,424,462	47,396,099	48,519,880	48,279,751	47,691,868	48,572,366	48,722,684
Gross margin	81.8%	81.6%	81.1%	81.3%	81.1%	81.3%	81.8%	82.0%	82.5%	82.6%	82.2%	82.1%	82.4%
R&D % of total revenue	26.3%	29.1%	29.5%	27.7%	25.8%	27.9%	26.9%	25.5%	24.6%	21.9%	24.6%	24.8%	25.5%
S&M % of total revenue	52.8%	53.1%	51.8%	51.3%	49.9%	51.4%	51.7%	48.5%	46.4%	44.1%	47.5%	43.4%	44.1%
G&A % of total revenue	9.2%	9.8%	8.6%	7.8%	7.3%	8.3%	7.4%	6.7%	6.8%	6.7%	6.9%	7.8%	8.3%
Total operating expenses % of total revenues	88.3%	92.0%	89.9%	86.8%	71.2%	84.4%	86.0%	80.7%	77.7%	72.7%	79.0%	76.0%	77.9%
Operating margin	-6.5%	-10.4%	-8.8%	-5.5%	9.9%	-3.2%	-4.2%	1.2%	4.8%	9.9%	3.2%	6.1%	4.4%
Net margin	-4.4%	-8.3%	-8.0%	-2.8%	3.6%	-3.5%	-1.8%	2.9%	5.3%	12.4%	5.0%	7.1%	6.2%

Note: This document should be read in conjunction with the Company's SEC Filings.



Radware Ltd. Condensed and Consolidated -

Non-GAAP Income Statements

(U.S. Dollars in thousands, except share and per share data - unaudited)

	FY'16	FY'17				FY'18	FY'18				FY'19	FY'19	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended	
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun
Revenues	\$ 196,585	\$ 48,912	\$ 50,956	\$ 53,047	\$ 58,454	\$ 211,369	\$ 54,536	\$ 57,287	\$ 58,764	\$ 63,817	\$ 234,404	\$ 61,397	\$ 60,454
Cost of revenues	34,501	8,686	9,154	9,484	10,364	37,688	9,652	10,069	10,012	10,855	40,588	10,543	10,175
Gross profit	162,084	40,226	41,802	43,563	48,090	173,681	44,884	47,218	48,752	52,962	193,816	50,854	50,279
Operating expenses:													
Research and development, net	48,393	13,342	13,985	13,721	13,884	54,932	13,731	13,954	13,615	13,231	54,531	14,520	14,686
Selling and marketing	98,008	24,332	24,511	25,488	27,425	101,756	26,259	26,008	25,577	26,389	104,233	25,075	24,927
General and administrative	11,523	3,001	3,197	3,225	3,733	13,156	3,378	3,290	3,244	3,539	13,451	3,651	3,483
Total operating expenses	157,924	40,675	41,693	42,434	45,042	169,844	43,368	43,252	42,436	43,159	172,215	43,246	43,096
Operating income (loss)	4,160	(449)	109	1,129	3,048	3,837	1,516	3,966	6,316	9,803	21,601	7,608	7,183
Financial income, net	6,415	1,254	1,299	1,419	1,493	5,465	1,486	1,727	1,919	2,338	7,470	2,422	2,718
Income before taxes on income	10,575	805	1,408	2,548	4,541	9,302	3,002	5,693	8,235	12,141	29,071	10,030	9,901
Taxes on income	1,651	104	218	725	632	1,679	380	727	1,178	778	3,063	1,156	990
Net income	\$ 8,924	\$ 701	\$ 1,190	\$ 1,823	\$ 3,909	\$ 7,623	\$ 2,622	\$ 4,966	\$ 7,057	\$ 11,363	\$ 26,008	\$ 8,874	\$ 8,911
Diluted net earnings per share	\$ 0.20	\$ 0.02	\$ 0.03	\$ 0.04	\$ 0.09	\$ 0.17	\$ 0.06	\$ 0.10	\$ 0.15	\$ 0.24	\$ 0.55	\$ 0.18	\$ 0.18
Weighted average number of shares used to compute diluted net earnings per share	44,125,436	43,985,249	45,054,172	45,210,495	45,728,792	44,756,732	46,424,462	47,396,099	48,519,880	48,279,751	47,691,868	48,572,366	48,722,684
Gross margin	82.4%	82.2%	82.0%	82.1%	82.3%	82.2%	82.3%	82.4%	83.0%	83.0%	82.7%	82.8%	83.2%
R&D % of total revenue	24.6%	27.3%	27.4%	25.9%	23.8%	26.0%	25.2%	24.4%	23.2%	20.7%	23.3%	23.6%	24.3%
S&M % of total revenue	49.9%	49.7%	48.1%	48.0%	46.9%	48.1%	48.1%	45.4%	43.5%	41.4%	44.5%	40.8%	41.2%
G&A % of total revenue	5.9%	6.1%	6.3%	6.1%	6.4%	6.2%	6.2%	5.7%	5.5%	5.5%	5.7%	5.9%	5.8%
Total operating expenses % of total revenues	80.3%	83.2%	81.8%	80.0%	77.1%	80.4%	79.5%	75.5%	72.2%	67.6%	73.5%	70.4%	71.3%
Operating margin	2.1%	-0.9%	0.2%	2.1%	5.2%	1.8%	2.8%	6.9%	10.7%	15.4%	9.2%	12.4%	11.9%
Tax rate	15.6%	12.9%	15.5%	28.5%	13.9%	18.0%	12.7%	12.8%	14.3%	6.4%	10.5%	11.5%	10.0%
Net margin	4.5%	1.4%	2.3%	3.4%	6.7%	3.6%	4.8%	8.7%	12.0%	17.8%	11.1%	14.5%	14.7%

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GAAP to Non-GAAP Reconciliations
(U.S. Dollars in thousands, except share and per share data - unaudited)

	FY'16	FY'17				Yr Ended 31-Dec	FY'18				Yr Ended 31-Dec	FY'19			
	Yr Ended 31-Dec	Quarter Ended					Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended		
		31-Mar	30-Jun	30-Sep	31-Dec			31-Mar	30-Jun	30-Sep			31-Dec	31-Mar	30-Jun
GAAP gross profit	\$ 160,890	\$ 39,918	\$ 41,322	\$ 43,119	\$ 47,394	\$ 171,753	\$ 44,596	\$ 46,947	\$ 48,486	\$ 52,700	\$ 192,729	\$ 50,388	\$ 49,810		
Stock-based compensation	180	55	61	65	60	241	58	59	54	50	221	55	59		
Amortization of intangible assets	1,014	253	419	379	86	1,137	230	212	212	212	866	411	410		
Acquisition related costs	-	-	-	-	550	550	-	-	-	-	-	-	-		
Non-GAAP gross profit	\$ 162,084	\$ 40,226	\$ 41,802	\$ 43,563	\$ 48,090	\$ 173,681	\$ 44,884	\$ 47,218	\$ 48,752	\$ 52,962	\$ 193,816	\$ 50,854	\$ 50,279		
GAAP research and development, net	\$ 51,732	\$ 14,240	\$ 15,013	\$ 14,678	\$ 15,072	\$ 59,003	\$ 14,662	\$ 14,633	\$ 14,434	\$ 13,945	\$ 57,674	\$ 15,230	\$ 15,400		
Stock-based compensation	3,339	898	1,028	957	984	3,867	931	679	819	694	3,123	710	714		
Acquisition related costs	-	-	-	-	204	204	-	-	-	20	20	-	-		
Non-GAAP Research and development, net	\$ 48,393	\$ 13,342	\$ 13,985	\$ 13,721	\$ 13,884	\$ 54,932	\$ 13,731	\$ 13,954	\$ 13,615	\$ 13,231	\$ 54,531	\$ 14,520	\$ 14,686		
GAAP selling and marketing	\$ 103,774	\$ 25,979	\$ 26,410	\$ 27,189	\$ 29,166	\$ 108,744	\$ 28,183	\$ 27,803	\$ 27,263	\$ 28,137	\$ 111,386	\$ 26,661	\$ 26,680		
Stock-based compensation	5,661	1,624	1,875	1,678	1,717	6,894	1,904	1,774	1,666	1,727	7,071	1,569	1,735		
Amortization of intangible assets	105	23	24	23	24	94	20	21	20	21	82	17	18		
Non-GAAP selling and marketing	\$ 98,008	\$ 24,332	\$ 24,511	\$ 25,488	\$ 27,425	\$ 101,756	\$ 26,259	\$ 26,008	\$ 25,577	\$ 26,389	\$ 104,233	\$ 25,075	\$ 24,927		
GAAP general and administrative	\$ 18,133	\$ 4,780	\$ 4,380	\$ 4,152	\$ 4,265	\$ 17,577	\$ 4,055	\$ 3,811	\$ 3,985	\$ 4,294	\$ 16,145	\$ 4,764	\$ 5,042		
Stock-based compensation	2,340	420	583	570	456	2,029	407	378	527	775	2,087	767	782		
Acquisition related costs	-	340	-	-	-	340	-	-	-	(222)	(222)	264	-		
Litigation related charges	4,270	1,019	600	357	76	2,052	270	143	214	202	829	82	777		
Non-GAAP general and administrative	\$ 11,523	\$ 3,001	\$ 3,197	\$ 3,225	\$ 3,733	\$ 13,156	\$ 3,378	\$ 3,290	\$ 3,244	\$ 3,539	\$ 13,451	\$ 3,651	\$ 3,483		
GAAP other income	\$ -	\$ -	\$ -	\$ -	\$ (6,900)	\$ (6,900)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Court verdict	-	-	-	-	6,900	6,900	-	-	-	-	-	-	-		
Non-GAAP other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
GAAP total operating expenses	\$ 173,639	\$ 44,999	\$ 45,803	\$ 46,019	\$ 41,603	\$ 178,424	\$ 46,900	\$ 46,247	\$ 45,682	\$ 46,376	\$ 185,205	\$ 46,655	\$ 47,122		
Stock-based compensation	11,340	2,942	3,486	3,205	3,157	12,790	3,242	2,831	3,012	3,196	12,281	3,046	3,231		
Acquisition related costs	-	340	-	-	204	544	-	-	-	(202)	(202)	264	-		
Amortization of intangible assets	105	23	24	23	24	94	20	21	20	21	82	17	18		
Litigation related charges	4,270	1,019	600	357	76	2,052	270	143	214	202	829	82	777		
Court verdict	-	-	-	-	(6,900)	(6,900)	-	-	-	-	-	-	-		
Non-GAAP total operating expenses	\$ 157,924	\$ 40,675	\$ 41,693	\$ 42,434	\$ 45,042	\$ 169,844	\$ 43,368	\$ 43,252	\$ 42,436	\$ 43,159	\$ 172,215	\$ 43,246	\$ 43,096		
GAAP operating income (loss)	\$ (12,749)	\$ (5,081)	\$ (4,481)	\$ (2,900)	\$ 5,791	\$ (6,671)	\$ (2,304)	\$ 700	\$ 2,804	\$ 6,324	\$ 7,524	\$ 3,733	\$ 2,688		
Stock-based compensation	11,520	2,997	3,547	3,270	3,217	13,031	3,300	2,890	3,066	3,246	12,502	3,101	3,290		
Acquisition related costs	-	340	-	-	754	1,094	-	-	-	(202)	(202)	264	-		
Amortization of intangible assets	1,119	276	443	402	110	1,231	250	233	232	233	948	428	428		
Litigation related charges	4,270	1,019	600	357	76	2,052	270	143	214	202	829	82	777		
Court verdict	-	-	-	-	(6,900)	(6,900)	-	-	-	-	-	-	-		
Non-GAAP operating income (loss)	\$ 4,160	\$ (449)	\$ 109	\$ 1,129	\$ 3,048	\$ 3,837	\$ 1,516	\$ 3,966	\$ 6,316	\$ 9,803	\$ 21,601	\$ 7,608	\$ 7,183		

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GAAP to Non-GAAP Reconciliations - continues from previous page
(U.S. Dollars in thousands, except share and per share data - unaudited)

	FY'16					FY'17					FY'18					FY'19	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended					
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun				
GAAP finance income	\$ 5,741	\$ 1,107	\$ 640	\$ 2,148	\$ 935	\$ 4,830	\$ 1,689	\$ 1,701	\$ 1,487	\$ 2,397	\$ 7,274	\$ 1,791	\$ 2,119				
Other gain adjustment	-	-	-	-	-	-	-	-	-	-	-	-	(310)				
Exchange rate differences, net on balance sheet items included in financial income	674	147	659	(729)	558	635	(203)	26	432	(59)	196	631	909				
Non-GAAP finance income	\$ 6,415	\$ 1,254	\$ 1,299	\$ 1,419	\$ 1,493	\$ 5,465	\$ 1,486	\$ 1,727	\$ 1,919	\$ 2,338	\$ 7,470	\$ 2,422	\$ 2,718				
GAAP income (loss) before taxes on income	\$ (7,008)	\$ (3,974)	\$ (3,841)	\$ (752)	\$ 6,726	\$ (1,841)	\$ (615)	\$ 2,401	\$ 4,291	\$ 8,721	\$ 14,798	\$ 5,524	\$ 4,807				
Stock-based compensation	11,520	2,997	3,547	3,270	3,217	13,031	3,300	2,890	3,066	3,246	12,502	3,101	3,290				
Acquisition related costs	-	340	-	-	754	1,094	-	-	-	(202)	(202)	264	-				
Amortization of intangible assets	1,119	276	443	402	110	1,231	250	233	232	233	948	428	428				
Litigation related charges	4,270	1,019	600	357	76	2,052	270	143	214	202	829	82	777				
Court verdict	-	-	-	-	(6,900)	(6,900)	-	-	-	-	-	-	-				
Other gain adjustment	-	-	-	-	-	-	-	-	-	-	-	-	(310)				
Exchange rate differences, net on balance sheet items included in financial income	674	147	659	(729)	558	635	(203)	26	432	(59)	196	631	909				
Non-GAAP income before taxes on income	\$ 10,575	\$ 805	\$ 1,408	\$ 2,548	\$ 4,541	\$ 9,302	\$ 3,002	\$ 5,693	\$ 8,235	\$ 12,141	\$ 29,071	\$ 10,030	\$ 9,901				
GAAP taxes on income	\$ 1,651	\$ 104	\$ 218	\$ 725	\$ 4,605	\$ 5,652	\$ 380	\$ 727	\$ 1,178	\$ 778	\$ 3,063	\$ 1,156	\$ 1,061				
Court verdict	-	-	-	-	(724)	(724)	-	-	-	-	-	-	-				
Change in the federal rate	-	-	-	-	(3,249)	(3,249)	-	-	-	-	-	-	-				
Tax Benefit on other gain adjustment	-	-	-	-	-	-	-	-	-	-	-	-	(71)				
Non-GAAP taxes on income	\$ 1,651	\$ 104	\$ 218	\$ 725	\$ 632	\$ 1,679	\$ 380	\$ 727	\$ 1,178	\$ 778	\$ 3,063	\$ 1,156	\$ 990				
GAAP net income (loss)	\$ (8,659)	\$ (4,078)	\$ (4,059)	\$ (1,477)	\$ 2,121	\$ (7,493)	\$ (995)	\$ 1,674	\$ 3,113	\$ 7,943	\$ 11,735	\$ 4,368	\$ 3,746				
Stock-based compensation	11,520	2,997	3,547	3,270	3,217	13,031	3,300	2,890	3,066	3,246	12,502	3,101	3,290				
Acquisition related costs	-	340	-	-	754	1,094	-	-	-	(202)	(202)	264	-				
Amortization of intangible assets	1,119	276	443	402	110	1,231	250	233	232	233	948	428	428				
Litigation related charges	4,270	1,019	600	357	76	2,052	270	143	214	202	829	82	777				
Court verdict	-	-	-	-	(6,176)	(6,176)	-	-	-	-	-	-	-				
Other gain adjustment	-	-	-	-	-	-	-	-	-	-	-	-	(310)				
Exchange rate differences, net on balance sheet items included in financial income	674	147	659	(729)	558	635	(203)	26	432	(59)	196	631	909				
Change in the federal rate	-	-	-	-	3,249	3,249	-	-	-	-	-	-	-				
Tax Benefit on other gain adjustment	-	-	-	-	-	-	-	-	-	-	-	-	71				
Non-GAAP net income	\$ 8,924	\$ 701	\$ 1,190	\$ 1,823	\$ 3,909	\$ 7,623	\$ 2,622	\$ 4,966	\$ 7,057	\$ 11,363	\$ 26,008	\$ 8,874	\$ 8,911				
GAAP diluted net earnings (loss) per share	\$ (0.20)	\$ (0.09)	\$ (0.09)	\$ (0.03)	\$ 0.05	\$ (0.17)	\$ (0.02)	\$ 0.04	\$ 0.06	\$ 0.16	\$ 0.25	\$ 0.09	\$ 0.08				
Stock-based compensation	0.26	0.07	0.08	0.07	0.07	0.30	0.07	0.06	0.06	0.07	0.26	0.06	0.07				
Acquisition related costs	-	0.01	-	-	0.02	0.02	-	-	-	(0.00)	(0.00)	0.01	-				
Amortization of intangible assets	0.03	0.01	0.01	0.01	-	0.03	0.01	0.00	0.01	0.00	0.03	0.01	0.01				
Litigation related charges	0.10	0.02	0.01	0.01	-	0.05	0.01	0.00	0.01	0.00	0.02	0.00	0.02				
Court verdict	-	-	-	-	(0.14)	(0.14)	-	-	-	-	-	-	-				
Other gain adjustment	-	-	-	-	-	-	-	-	-	-	-	-	(0.01)				
Exchange rate differences, net on balance sheet items included in financial income	0.01	-	0.01	(0.02)	0.01	0.01	(0.00)	0.00	0.01	(0.00)	0.00	0.01	0.02				
Change in the federal rate	-	-	-	-	0.08	0.07	-	-	-	-	-	-	-				
Tax Benefit on other gain adjustment	-	-	-	-	-	-	-	-	-	-	-	-	0.00				
Non-GAAP diluted net earnings per share	\$ 0.20	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.09	\$ 0.17	\$ 0.06	\$ 0.10	\$ 0.15	\$ 0.24	\$ 0.55	\$ 0.18	\$ 0.18				
GAAP weighted average number of shares used to compute Non-GAAP diluted net earnings per share	44,125,436	43,985,249	45,054,172	45,210,495	45,728,792	44,756,732	46,424,462	47,396,099	48,519,880	48,279,751	47,691,868	48,572,366	48,722,684				

Note: This document should be read in conjunction with the Company's SEC Filings.



Radware Ltd. Condensed and Consolidated -

US GAAP Cash Flows

(U.S. Dollars in thousands - unaudited)

Cash flows from operating activities:

	FY'16 Yr Ended 31-Dec	FY'17 Quarter Ended				FY'17 Yr Ended 31-Dec	FY'18 Quarter Ended				FY'18 Yr Ended 31-Dec	FY'19 Quarter Ended	
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun
Net income (loss)	\$ (8,659)	\$ (4,078)	\$ (4,059)	\$ (1,477)	\$ 2,121	\$ (7,493)	\$ (995)	\$ 1,674	\$ 3,113	\$ 7,943	\$ 11,735	\$ 4,368	\$ 3,746
Adjustments to reconcile net income (loss) to net cash provided by operating activities:													
Depreciation and amortization	10,372	2,819	2,987	2,861	2,567	11,234	2,504	2,443	2,433	2,402	9,782	2,687	2,701
Stock based compensation	11,520	2,997	3,547	3,270	3,217	13,031	3,300	2,890	3,066	3,246	12,502	3,101	3,290
Other gain	-	-	-	-	-	-	-	-	-	-	-	-	(310)
Gain from sale of available-for-sale marketable securities	(1,771)	-	-	-	(18)	(18)	-	-	-	-	-	-	-
Amortization of premiums, accretion of discounts and accrued interest on available-for-sale marketable securities, net	1,949	361	270	450	465	1,546	276	414	192	513	1,395	178	149
Accrued interest on bank deposits	1,179	1,382	150	(720)	(586)	226	(66)	(146)	(1,217)	(962)	(2,391)	(829)	3,160
Increase (decrease) in accrued severance pay, net	401	135	41	44	(430)	(210)	239	(97)	(8)	189	323	868	65
Decrease (increase) in trade receivables, net	7,003	(1,450)	3,352	5,324	(3,836)	3,390	(37)	(2,564)	107	1,325	(1,169)	3,170	(641)
Decrease (increase) in other receivables and prepaid expenses and other long term assets	(1,803)	1,034	(196)	(459)	(8,258)	(7,879)	7,199	(2,501)	(206)	(1,359)	3,133	(1,965)	(1,721)
Decrease (increase) in inventories	(792)	(1,278)	(1,063)	731	(48)	(1,658)	(148)	477	(2,020)	2,062	371	1,216	1,221
Increase (decrease) in trade payables	(3,284)	(1,710)	1,574	(1,415)	817	(734)	(1,047)	424	680	(941)	(884)	(710)	(28)
Increase (decrease) in other payables, deferred revenues and accrued expenses	21,818	6,092	4,761	(2,770)	11,945	20,028	939	(455)	2,691	11,279	14,454	11,029	(6,774)
Operating lease liabilities, net	-	-	-	-	-	-	-	-	-	-	-	375	285
Excess tax benefit from stock-based compensation	547	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	38,480	6,304	11,364	5,839	7,956	31,463	12,164	2,559	8,831	25,697	49,251	23,488	5,143
Cash flows from investing activities:													
Purchase of property and equipment	(9,404)	(1,882)	(2,475)	(1,240)	(1,613)	(7,210)	(2,089)	(1,187)	(1,595)	(3,998)	(8,869)	(1,961)	(2,382)
proceeds from (investment in) other long-term assets	(53)	47	(31)	(4)	(18)	(6)	(91)	131	-	-	40	(29)	(33)
Proceeds from (investment in) bank deposits, net	31,295	(33,907)	(1,219)	(2,074)	-	(37,200)	(17,000)	(9,067)	(15,000)	(29,935)	(71,002)	(82)	19,529
Proceeds from (investment in) available-for-sale marketable securities	6,521	3,887	(5,910)	485	(2,119)	(3,657)	(1,186)	(686)	(1,035)	(2,765)	(5,672)	(9,661)	(33,574)
Payment for the acquisition of subsidiary, net of cash acquired	-	(8,269)	-	-	-	(8,269)	-	-	-	-	-	(12,282)	43
Purchase of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) investing activities	28,359	(40,124)	(9,635)	(2,833)	(3,750)	(56,342)	(20,366)	(10,809)	(17,630)	(36,698)	(85,503)	(24,015)	(16,417)
Cash flows from financing activities:													
Proceeds from exercise of stock options	1,583	1,310	1,228	851	7,501	10,890	4,952	7,939	6,688	2,223	21,802	7,733	3,109
Excess tax benefit from stock-based compensation	(547)	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of contingent consideration	-	-	-	-	-	-	-	-	-	(1,310)	(1,310)	-	-
Repurchase of shares	(21,980)	-	-	(413)	-	(413)	-	-	-	(4,274)	(4,274)	(48)	(10,005)
Net cash provided by (used in) financing activities	(20,944)	1,310	1,228	438	7,501	10,477	4,952	7,939	6,688	(3,361)	16,218	7,685	(6,896)
Increase (decrease) in cash and cash equivalents	45,895	(32,510)	2,957	3,444	11,707	(14,402)	(3,250)	(311)	(2,111)	(14,362)	(20,034)	7,158	(18,170)
Cash and cash equivalents at the beginning of the period	33,744	79,639	47,129	50,086	53,530	79,639	65,237	61,987	61,676	59,565	65,237	45,203	52,361
Cash and cash equivalents at the end of the period	\$ 79,639	\$ 47,129	\$ 50,086	\$ 53,530	\$ 65,237	\$ 65,237	\$ 61,987	\$ 61,676	\$ 59,565	\$ 45,203	\$ 45,203	\$ 52,361	\$ 34,191

Note: This document should be read in conjunction with the Company's SEC Filings.



Radware Ltd. - Revenues mix
(U.S. Dollars in thousands - unaudited)

Revenue by geography:

	FY'16	FY'17				FY'17	FY'18				FY'18	FY'19	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended	
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun
Americas	\$ 84,733	\$ 18,300	\$ 24,263	\$ 26,601	\$ 28,737	\$ 97,901	\$ 24,177	\$ 23,888	\$ 26,699	\$ 27,727	\$ 102,491	\$ 24,653	\$ 27,626
EMEA	53,724	14,590	13,121	13,788	15,090	56,589	15,129	19,797	17,672	23,152	75,750	18,369	16,902
APAC	58,128	16,022	13,572	12,658	14,627	56,879	15,230	13,602	14,392	12,938	56,163	18,375	15,926
Total revenue	\$ 196,585	\$ 48,912	\$ 50,956	\$ 53,047	\$ 58,454	\$ 211,369	\$ 54,536	\$ 57,287	\$ 58,764	\$ 63,817	\$ 234,404	\$ 61,397	\$ 60,454

Revenue % of total:

	FY'16	FY'17				FY'17	FY'18				FY'18	FY'19	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended	
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun
Americas	43.1%	37.4%	47.6%	50.1%	49.2%	46.3%	44.3%	41.7%	45.4%	43.4%	43.7%	40.2%	45.7%
EMEA	27.3%	29.8%	25.7%	26.0%	25.8%	26.8%	27.7%	34.6%	30.1%	36.3%	32.3%	29.9%	28.0%
APAC	29.6%	32.8%	26.6%	23.9%	25.0%	26.9%	27.9%	23.7%	24.5%	20.3%	24.0%	29.9%	26.3%
Total revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by vertical:

	FY'16	FY'17				FY'17	FY'18				FY'18	FY'19	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended	
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun
Enterprise	\$ 136,251	\$ 33,750	\$ 33,321	\$ 31,876	\$ 39,692	\$ 138,639	\$ 39,802	\$ 39,924	\$ 40,098	\$ 42,122	\$ 161,945	\$ 40,226	\$ 39,422
Carrier	60,334	15,162	17,635	21,171	18,762	72,730	14,734	17,363	18,666	21,695	72,459	21,171	21,033
Total revenue	\$ 196,585	\$ 48,912	\$ 50,956	\$ 53,047	\$ 58,454	\$ 211,369	\$ 54,536	\$ 57,287	\$ 58,764	\$ 63,817	\$ 234,404	\$ 61,397	\$ 60,454

Revenue % of total:

	FY'16	FY'17				FY'17	FY'18				FY'18	FY'19	
	Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended				Yr Ended 31-Dec	Quarter Ended	
		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun
Enterprise	69.3%	69.0%	65.4%	60.1%	67.9%	65.6%	73.0%	69.7%	68.2%	66.0%	69.1%	65.5%	65.2%
Carrier	30.7%	31.0%	34.6%	39.9%	32.1%	34.4%	27.0%	30.3%	31.8%	34.0%	30.9%	34.5%	34.8%
Total revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: This document should be read in conjunction with the Company's SEC Filings.