



Investor Kit Second Quarter 2022



	FY'19			FY'20				FY'21				FY'22	
	Quarter Ended		Yr Ended	Quarter Ended			Yr Ended	Quarter Ended			Yr Ended	Quarter Ended	
	30-Jun	30-Sep	31-Dec	31-Mar	30-Jun	30-Sep	31-Dec	31-Mar	30-Jun	30-Sep	31-Dec	31-Mar	30-Jun
Radware Ltd. Condensed and Consolidated - Balance Sheets (U.S. Dollars in thousands - unaudited)													
ASSETS													
Current Assets													
Cash and cash equivalents	\$ 34,191	\$ 39,955	\$ 40,751	\$ 40,207	\$ 48,650	\$ 48,429	\$ 54,771	\$ 38,979	\$ 61,057	\$ 63,205	\$ 92,513	\$ 54,483	\$ 49,199
Available-for-sale marketable securities	25,923	28,177	36,924	52,259	63,568	62,930	64,684	70,215	56,509	51,234	39,497	25,219	25,055
Short-term bank deposits	193,944	153,812	100,276	76,823	114,137	179,675	191,038	205,554	195,010	159,208	155,879	138,337	206,556
Trade receivables, net	14,987	12,366	22,610	26,639	17,195	14,330	16,848	9,908	18,499	11,476	13,191	19,045	11,841
Other receivables and prepaid expenses	10,182	9,390	7,469	7,342	8,444	8,100	6,526	10,190	12,726	11,798	8,046	11,978	13,360
Inventories	15,964	15,083	13,940	14,854	14,106	13,290	13,935	13,411	13,200	12,403	11,580	11,255	11,403
	295,191	258,783	221,970	218,124	266,100	326,754	347,802	348,257	357,001	309,324	320,706	260,317	317,414
Long-term Investments													
Available-for-sale marketable securities	120,174	120,326	112,696	92,711	83,647	75,912	66,836	62,690	64,531	84,741	98,224	104,579	112,053
Long-term bank deposits	39,732	86,342	137,095	165,250	132,765	70,491	71,421	57,829	63,097	97,550	79,708	74,868	49,160
Severance pay funds	2,267	2,313	2,300	2,091	2,191	2,252	2,453	2,312	2,338	2,391	2,454	2,372	2,154
	162,173	208,981	252,091	260,052	218,603	148,655	140,710	122,831	129,966	184,682	180,386	181,819	163,367
Property and equipment, net	23,538	23,256	22,971	23,291	23,663	23,141	22,976	22,124	21,212	20,606	20,240	20,380	20,742
Other long-term assets	21,425	21,495	24,398	25,914	25,358	25,959	30,222	31,139	34,227	35,879	37,334	37,926	37,608
Operating lease right-of-use assets	19,868	18,849	18,144	25,169	24,117	28,185	27,823	26,892	26,143	25,131	24,829	23,724	23,376
Goodwill and intangible assets, net	54,838	56,127	55,625	55,127	54,663	54,198	53,732	53,269	52,803	52,340	51,875	93,911	89,678
	\$ 577,033	\$ 587,491	\$ 595,199	\$ 607,677	\$ 612,504	\$ 606,892	\$ 623,265	\$ 604,512	\$ 621,352	\$ 627,962	\$ 635,370	\$ 618,077	\$ 652,185
LIABILITIES AND SHAREHOLDERS' EQUITY													
Current Liabilities													
Trade payables	\$ 3,802	\$ 4,005	\$ 6,315	\$ 4,899	\$ 4,896	\$ 3,818	\$ 3,882	\$ 4,126	\$ 5,548	\$ 2,994	\$ 4,310	\$ 8,153	\$ 7,440
Deferred revenues (*)	86,207	81,987	79,239	90,415	97,703	90,813	92,127	99,595	102,266	93,542	99,922	99,609	112,190
Operating lease liabilities	5,495	5,183	5,193	4,854	4,573	4,903	5,224	5,165	4,649	4,503	5,090	4,695	4,454
Other payables and accrued expenses	29,729	28,089	34,794	34,173	33,672	36,128	42,514	36,520	43,144	44,424	56,565	39,206	38,120
	125,233	119,264	125,541	134,341	140,844	135,662	143,747	145,406	155,607	145,463	165,887	151,663	162,204
Long-term Liabilities													
Deferred revenues (*)	45,446	54,556	50,888	59,742	54,091	53,333	54,797	56,251	56,048	62,455	67,065	69,814	75,297
Operating lease liabilities	15,033	14,520	13,914	20,440	20,469	24,181	24,851	23,197	23,322	22,617	22,360	21,213	19,771
Other long-term liabilities	10,171	12,343	9,525	9,532	10,004	10,113	11,409	11,494	11,701	11,841	10,065	22,630	19,384
	70,650	81,419	74,327	89,714	84,564	87,627	91,057	90,942	91,071	96,913	99,490	113,657	114,452
Shareholders' Equity													
Share capital	704	707	710	712	713	718	721	723	726	728	730	731	731
Additional paid-in capital	400,756	407,897	414,581	419,804	425,466	434,815	443,018	449,542	456,469	462,976	471,173	476,150	482,037
Accumulated other comprehensive income (loss), net of tax	791	1,026	1,145	306	2,444	1,917	1,517	978	664	298	(455)	(2,640)	(6,384)
Treasury stock, at cost	(130,770)	(139,612)	(145,226)	(163,895)	(168,895)	(184,802)	(190,552)	(220,741)	(225,379)	(225,575)	(243,023)	(266,822)	(284,345)
Retained earnings	109,669	116,790	124,121	126,695	127,368	130,955	133,757	137,662	142,194	147,159	141,568	145,338	148,490
	381,150	386,808	395,331	383,622	387,096	383,603	388,461	368,164	374,674	385,586	369,993	352,757	340,529
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	35,000
	\$ 577,033	\$ 587,491	\$ 595,199	\$ 607,677	\$ 612,504	\$ 606,892	\$ 623,265	\$ 604,512	\$ 621,352	\$ 627,962	\$ 635,370	\$ 618,077	\$ 652,185
* Deferred Revenues													
Short Term	86,207	81,987	79,239	90,415	97,703	90,813	92,127	99,595	102,266	93,542	99,922	99,609	112,190
Long Term	45,446	54,556	50,888	59,742	54,091	53,333	54,797	56,251	56,048	62,455	67,065	69,814	75,297
Balance Sheet Deferred Revenues	131,653	136,543	130,127	150,157	151,794	144,146	146,924	155,846	158,314	155,997	166,987	169,423	187,487
Add: Uncollected billed amounts offset against trade receivables balance. (representing unpaid invoices not yet recognized as revenue)	39,884	28,205	54,512	30,975	21,403	27,503	41,961	32,434	30,830	30,662	46,783	47,507	28,166
Total Deferred Revenues	171,537	164,748	184,639	181,132	173,197	171,649	188,885	188,280	189,144	186,659	213,770	216,930	215,653

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'19				FY'20				FY'21				FY'22			
	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			
	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun		30-Sep	31-Dec	31-Mar	30-Jun
Revenues	\$ 60,454	\$ 62,859	\$ 67,362	\$ 252,072	\$ 60,012	\$ 58,445	\$ 62,524	\$ 69,046	\$ 250,027	\$ 66,769	\$ 69,667	\$ 73,418	\$ 76,642	\$ 286,496	\$ 73,708	\$ 75,114
Cost of revenues	10,644	11,527	11,994	45,174	10,689	10,558	11,646	12,191	45,084	12,266	12,838	13,294	14,048	52,446	12,941	13,888
Gross profit	49,810	51,332	55,368	206,898	49,323	47,887	50,878	56,855	204,943	54,503	56,829	60,124	62,594	234,050	60,767	61,226
Operating expenses:																
Research and development, net	15,400	15,108	16,103	61,841	15,832	16,509	16,747	17,748	66,836	17,735	18,127	18,639	19,597	74,098	20,370	21,623
Selling and marketing	26,680	27,094	29,121	109,556	28,202	26,755	27,659	30,399	113,015	28,991	29,248	29,588	32,015	119,842	30,283	32,290
General and administrative	5,042	4,403	4,375	18,584	4,712	4,889	4,513	4,810	18,924	5,196	4,551	6,024	6,114	21,885	6,527	5,737
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating expenses	47,122	46,605	49,599	189,981	48,746	48,153	48,919	52,957	198,775	51,922	51,926	54,251	57,726	215,825	57,180	59,650
Operating income (loss)	2,688	4,727	5,769	16,917	577	(266)	1,959	3,898	6,168	2,581	4,903	5,873	4,868	18,225	3,587	1,576
Financial income (expense), net	2,119	2,137	2,745	8,792	2,724	1,783	2,897	392	7,796	2,670	1,187	1,013	(463)	4,407	1,698	2,986
Income before taxes on income (tax benefit)	4,807	6,864	8,514	25,709	3,301	1,517	4,856	4,290	13,964	5,251	6,090	6,886	4,405	22,632	5,285	4,562
Taxes on income (tax benefit)	1,061	(257)	1,183	3,143	727	844	1,269	1,488	4,328	1,346	1,558	1,921	9,996	14,821	1,515	1,410
Net income (loss)	\$ 3,746	\$ 7,121	\$ 7,331	\$ 22,566	\$ 2,574	\$ 673	\$ 3,587	\$ 2,802	\$ 9,636	\$ 3,905	\$ 4,532	\$ 4,965	\$ (5,591)	\$ 7,811	\$ 3,770	\$ 3,152
Diluted net earnings (loss) per share	\$ 0.08	\$ 0.15	\$ 0.15	\$ 0.47	\$ 0.05	\$ 0.01	\$ 0.08	\$ 0.06	\$ 0.20	\$ 0.08	\$ 0.10	\$ 0.10	\$ (0.12)	\$ 0.16	\$ 0.08	\$ 0.07
Weighted average number of shares used to compute diluted net earnings (loss) per share	48,722,684	48,488,313	48,304,507	48,523,120	48,225,688	47,632,309	47,673,698	47,440,556	47,739,540	47,607,518	47,138,142	47,620,254	46,004,419	47,503,091	47,122,247	45,835,440
Gross margin	82.4%	81.7%	82.2%	82.1%	82.2%	81.9%	81.4%	82.3%	82.0%	81.6%	81.6%	81.9%	81.7%	81.7%	82.4%	81.5%
R&D % of total revenue	25.5%	24.0%	23.9%	24.5%	26.4%	28.2%	26.8%	25.7%	26.7%	26.6%	26.0%	25.4%	25.6%	25.9%	27.6%	28.8%
S&M % of total revenue	44.1%	43.1%	43.2%	43.5%	47.0%	45.8%	44.2%	44.0%	45.2%	43.4%	42.0%	40.3%	41.8%	41.8%	41.1%	43.0%
G&A % of total revenue	8.3%	7.0%	6.5%	7.4%	7.9%	8.4%	7.2%	7.0%	7.6%	7.8%	6.5%	8.2%	8.0%	7.6%	8.9%	7.6%
Total operating expenses % of total revenues	77.9%	74.1%	73.6%	75.4%	81.2%	82.4%	78.2%	76.7%	79.5%	77.8%	74.5%	73.9%	75.3%	75.3%	77.6%	79.4%
Operating margin	4.4%	7.5%	8.6%	6.7%	1.0%	-0.5%	3.1%	5.6%	2.5%	3.9%	7.0%	8.0%	6.4%	6.4%	4.9%	2.1%
Net margin	6.2%	11.3%	10.9%	9.0%	4.3%	1.2%	5.7%	4.1%	3.9%	5.8%	6.5%	6.8%	-7.3%	2.7%	5.1%	4.2%

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'19				FY'20				FY'21				FY'22			
	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			
	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun		30-Sep	31-Dec	31-Mar	30-Jun
Revenues	\$ 60,454	\$ 62,859	\$ 67,362	\$ 252,072	\$ 60,012	\$ 58,445	\$ 62,524	\$ 69,046	\$ 250,027	\$ 66,769	\$ 69,667	\$ 73,418	\$ 76,642	\$ 286,496	\$ 73,708	\$ 75,114
Cost of revenues	10,175	10,473	11,455	42,646	10,153	10,045	11,133	11,674	43,005	11,755	12,322	12,779	13,496	50,352	12,387	12,538
Gross profit	50,279	52,386	55,907	209,426	49,859	48,400	51,391	57,372	207,022	55,014	57,345	60,639	63,146	236,144	61,321	62,576
Operating expenses:																
Research and development, net	14,686	14,468	15,312	58,986	15,023	15,420	15,446	16,538	62,427	16,396	17,114	17,205	17,971	68,686	18,561	19,988
Selling and marketing	24,927	25,123	27,408	102,533	26,316	24,910	25,576	27,898	104,700	26,939	27,218	27,376	29,498	111,031	28,434	29,247
General and administrative	3,483	3,638	3,651	14,423	3,690	3,818	3,494	3,841	14,843	4,197	4,250	4,434	4,676	17,557	4,717	4,861
Total operating expenses	43,096	43,229	46,371	175,942	45,029	44,148	44,516	48,277	181,970	47,532	48,582	49,015	52,145	197,274	51,712	54,096
Operating income	7,183	9,157	9,536	33,484	4,830	4,252	6,875	9,095	25,052	7,482	8,763	11,624	11,001	38,870	9,609	8,480
Financial Income, net	2,718	2,762	2,597	10,499	2,664	2,642	2,825	2,218	10,349	1,946	1,742	1,401	1,129	6,218	804	1,066
Income before taxes on income	9,901	11,919	12,133	43,983	7,494	6,894	9,700	11,313	35,401	9,428	10,505	13,025	12,130	45,088	10,413	9,546
Taxes on income	990	9	1,222	3,377	849	905	1,331	1,549	4,634	1,408	1,619	1,983	1,810	6,820	1,577	1,471
Net income	\$ 8,911	\$ 11,910	\$ 10,911	\$ 40,606	\$ 6,645	\$ 5,989	\$ 8,369	\$ 9,764	\$ 30,767	\$ 8,020	\$ 8,886	\$ 11,042	\$ 10,320	\$ 38,268	\$ 8,836	\$ 8,075
Diluted net earnings per share	\$ 0.18	\$ 0.25	\$ 0.23	\$ 0.84	\$ 0.14	\$ 0.13	\$ 0.18	\$ 0.21	\$ 0.64	\$ 0.17	\$ 0.19	\$ 0.23	\$ 0.22	\$ 0.81	\$ 0.19	\$ 0.18
Weighted average number of shares used to compute diluted net earnings per share	48,722,684	48,488,313	48,304,507	48,523,120	48,225,688	47,632,309	47,673,698	47,440,556	47,739,540	47,607,518	47,138,142	47,620,254	47,655,351	47,503,091	47,122,247	45,835,440
Gross margin	83.2%	83.3%	83.0%	83.1%	83.1%	82.8%	82.2%	83.1%	82.8%	82.4%	82.3%	82.6%	82.4%	82.4%	83.2%	83.3%
R&D % of total revenue	24.3%	23.0%	22.7%	23.4%	25.0%	26.4%	24.7%	24.0%	25.0%	24.6%	24.6%	23.4%	23.4%	24.0%	25.2%	26.6%
S&M % of total revenue	41.2%	40.0%	40.7%	40.7%	43.9%	42.6%	40.9%	40.4%	41.9%	40.3%	39.1%	37.3%	38.5%	38.8%	38.6%	38.9%
G&A % of total revenue	5.8%	5.8%	5.4%	5.7%	6.1%	6.5%	5.6%	5.6%	5.9%	6.3%	6.1%	6.0%	6.1%	6.1%	6.4%	6.5%
Total operating expenses % of total revenues	71.3%	68.8%	68.8%	69.8%	75.0%	75.5%	71.2%	69.9%	72.8%	71.2%	69.7%	66.8%	68.0%	68.9%	70.2%	72.0%
Operating margin	11.9%	14.6%	14.2%	13.3%	8.0%	7.3%	11.0%	13.2%	10.0%	11.2%	12.6%	15.8%	14.4%	13.6%	13.0%	11.3%
Tax rate	10.0%	0.1%	10.1%	7.7%	11.3%	13.1%	13.7%	13.7%	13.1%	14.9%	15.4%	15.2%	14.9%	15.1%	15.1%	15.4%
Net margin	14.7%	18.9%	16.2%	16.1%	11.1%	10.2%	13.4%	14.1%	12.3%	12.0%	12.8%	15.0%	13.5%	13.4%	12.0%	10.8%

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GAAP to Non-GAAP Reconciliations

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

	FY'19				FY'20				FY'21				FY'22			
	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			
	30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun		30-Sep	31-Dec	31-Mar	30-Jun
GAAP gross profit	\$ 49,810	\$ 51,332	\$ 55,368	\$ 206,898	\$ 49,323	\$ 47,887	\$ 50,878	\$ 56,855	\$ 204,943	\$ 54,503	\$ 56,829	\$ 60,124	\$ 62,594	\$ 234,050	\$ 60,767	\$ 61,226
Stock-based compensation	59	57	53	224	38	49	48	53	188	47	51	51	87	236	90	94
Amortization of intangible assets	410	997	486	2,304	498	464	465	464	1,891	464	465	464	465	1,858	464	1,256
Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP gross profit	\$ 50,279	\$ 52,386	\$ 55,907	\$ 209,426	\$ 49,859	\$ 48,400	\$ 51,391	\$ 57,372	\$ 207,022	\$ 55,014	\$ 57,345	\$ 60,639	\$ 63,146	\$ 236,144	\$ 61,321	\$ 62,576
GAAP research and development, net	\$ 15,400	\$ 15,108	\$ 16,103	\$ 61,841	\$ 15,832	\$ 16,509	\$ 16,747	\$ 17,748	\$ 66,836	\$ 17,735	\$ 18,127	\$ 18,639	\$ 19,597	\$ 74,098	\$ 20,370	\$ 21,623
Stock-based compensation	714	640	791	2,855	809	1,089	1,301	1,210	4,409	1,339	1,013	1,434	1,626	5,412	1,809	1,635
Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP Research and development, net	\$ 14,686	\$ 14,468	\$ 15,312	\$ 58,986	\$ 15,023	\$ 15,420	\$ 15,446	\$ 16,538	\$ 62,427	\$ 16,396	\$ 17,114	\$ 17,205	\$ 17,971	\$ 68,686	\$ 18,561	\$ 19,988
GAAP selling and marketing	\$ 26,680	\$ 27,094	\$ 29,121	\$ 109,556	\$ 28,202	\$ 26,755	\$ 27,659	\$ 30,399	\$ 113,015	\$ 28,991	\$ 29,248	\$ 29,588	\$ 32,015	\$ 119,842	\$ 30,283	\$ 32,290
Stock-based compensation	1,735	1,954	1,696	6,954	1,886	1,845	2,083	2,501	8,315	2,052	2,030	2,212	2,517	8,811	1,849	3,043
Amortization of intangible assets	18	17	17	69	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP selling and marketing	\$ 24,927	\$ 25,123	\$ 27,408	\$ 102,533	\$ 26,316	\$ 24,910	\$ 25,576	\$ 27,898	\$ 104,700	\$ 26,939	\$ 27,218	\$ 27,376	\$ 29,498	\$ 111,031	\$ 28,434	\$ 29,247
GAAP general and administrative	\$ 5,042	\$ 4,403	\$ 4,375	\$ 18,584	\$ 4,712	\$ 4,889	\$ 4,513	\$ 4,810	\$ 18,924	\$ 5,196	\$ 4,551	\$ 6,024	\$ 6,114	\$ 21,885	\$ 6,527	\$ 5,737
Stock-based compensation	782	741	742	3,032	903	931	975	824	3,633	936	143	894	1,142	3,115	668	876
Acquisition related costs	-	-	(18)	246	-	-	-	-	-	-	-	629	-	629	1,142	-
Litigation related charges	777	24	-	883	119	140	44	145	448	63	158	67	296	584	-	-
Court verdict	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP general and administrative	\$ 3,483	\$ 3,638	\$ 3,651	\$ 14,423	\$ 3,690	\$ 3,818	\$ 3,494	\$ 3,841	\$ 14,843	\$ 4,197	\$ 4,250	\$ 4,434	\$ 4,676	\$ 17,557	\$ 4,717	\$ 4,861
GAAP other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Court verdict	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GAAP total operating expenses	\$ 47,122	\$ 46,605	\$ 49,599	\$ 189,981	\$ 48,746	\$ 48,153	\$ 48,919	\$ 52,957	\$ 198,775	\$ 51,922	\$ 51,926	\$ 54,251	\$ 57,726	\$ 215,825	\$ 57,180	\$ 59,650
Stock-based compensation	3,231	3,335	3,229	12,841	3,598	3,865	4,359	4,535	16,357	4,327	3,186	4,540	5,285	17,338	4,326	5,554
Acquisition related costs	-	-	(18)	246	-	-	-	-	-	-	-	629	296	925	1,142	-
Amortization of intangible assets	18	17	17	69	-	-	-	-	-	-	-	-	-	-	-	-
Litigation related charges	777	24	-	883	119	140	44	145	448	63	158	67	-	288	-	-
Court verdict	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP total operating expenses	\$ 43,096	\$ 43,229	\$ 46,371	\$ 175,942	\$ 45,029	\$ 44,148	\$ 44,516	\$ 48,277	\$ 181,970	\$ 47,532	\$ 48,582	\$ 49,015	\$ 52,145	\$ 197,274	\$ 51,712	\$ 54,096
GAAP operating income (loss)	\$ 2,688	\$ 4,727	\$ 5,769	\$ 16,917	\$ 577	\$ (266)	\$ 1,959	\$ 3,898	\$ 6,168	\$ 2,581	\$ 4,903	\$ 5,873	\$ 4,868	\$ 18,225	\$ 3,587	\$ 1,576
Stock-based compensation	3,290	3,392	3,282	13,065	3,636	3,914	4,407	4,588	16,545	4,374	3,237	4,591	5,372	17,574	4,416	5,648
Acquisition related costs	-	-	(18)	246	-	-	-	-	-	-	-	629	296	925	1,142	-
Amortization of intangible assets	428	1,014	503	2,373	498	464	465	464	1,891	464	465	464	465	1,858	464	1,256
Litigation related charges	777	24	-	883	119	140	44	145	448	63	158	67	-	288	-	-
Court verdict	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP operating income	\$ 7,183	\$ 9,157	\$ 9,536	\$ 33,484	\$ 4,830	\$ 4,252	\$ 6,875	\$ 9,095	\$ 25,052	\$ 7,482	\$ 8,763	\$ 11,624	\$ 11,001	\$ 38,870	\$ 9,609	\$ 8,480

Continues in the next page



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

	FY'19				FY'20				FY'21				FY'22			
	Quarter Ended			Yr Ended	Quarter Ended			Yr Ended	Quarter Ended			Yr Ended	Quarter Ended			
	30-Jun	30-Sep	31-Dec	31-Dec	31-Mar	30-Jun	30-Sep	31-Dec	31-Dec	31-Mar	30-Jun	30-Sep	31-Dec	31-Dec	31-Mar	30-Jun
GAAP finance income	\$ 2,119	\$ 2,137	\$ 2,745	\$ 8,792	\$ 2,724	\$ 1,783	\$ 2,897	\$ 392	\$ 7,796	\$ 2,670	\$ 1,187	\$ 1,013	\$ (463)	\$ 4,407	\$ 1,698	\$ 2,986
Other loss (gain) adjustment	(310)	(253)	-	(563)	247	-	-	-	247	-	-	-	-	-	-	-
Exchange rate differences, net on balance sheet items included in financial income	909	878	(148)	2,270	(307)	859	(72)	1,826	2,306	(724)	555	388	1,592	1,811	(894)	(1,920)
Non-GAAP finance income	\$ 2,718	\$ 2,762	\$ 2,597	\$ 10,499	\$ 2,664	\$ 2,642	\$ 2,825	\$ 2,218	\$ 10,349	\$ 1,946	\$ 1,742	\$ 1,401	\$ 1,129	\$ 6,218	\$ 804	\$ 1,066
GAAP income before taxes on income (tax benefit)	\$ 4,807	\$ 6,864	\$ 8,514	\$ 25,709	\$ 3,301	\$ 1,517	\$ 4,856	\$ 4,290	\$ 13,964	\$ 5,251	\$ 6,090	\$ 6,886	\$ 4,405	\$ 22,632	\$ 5,285	\$ 4,562
Stock-based compensation	3,290	3,392	3,282	13,065	3,636	3,914	4,407	4,588	16,545	4,374	3,237	4,591	5,372	17,574	4,416	5,648
Acquisition related costs	-	-	(18)	246	-	-	-	-	-	-	-	629	296	925	1,142	-
Amortization of intangible assets	428	1,014	503	2,373	498	464	465	464	1,891	464	465	464	465	1,858	464	1,256
Litigation related charges	777	24	-	883	119	140	44	145	448	63	158	67	-	288	-	-
Court verdict	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loss (gain) adjustment	(310)	(253)	-	(563)	247	-	-	-	247	-	-	-	-	-	-	-
Exchange rate differences, net on balance sheet items included in financial income	909	878	(148)	2,270	(307)	859	(72)	1,826	2,306	(724)	555	388	1,592	1,811	(894)	(1,920)
Non-GAAP income before taxes on income	\$ 9,901	\$ 11,919	\$ 12,133	\$ 43,983	\$ 7,494	\$ 6,894	\$ 9,700	\$ 11,313	\$ 35,401	\$ 9,428	\$ 10,505	\$ 13,025	\$ 12,130	\$ 45,088	\$ 10,413	\$ 9,546
GAAP taxes on income (tax benefit)	\$ 1,061	\$ (257)	\$ 1,183	\$ 3,143	\$ 727	\$ 844	\$ 1,269	\$ 1,488	\$ 4,328	\$ 1,346	\$ 1,558	\$ 1,921	\$ 9,996	\$ 14,821	\$ 1,515	\$ 1,410
Court verdict	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in the federal rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax settlements	-	-	-	-	-	-	-	-	-	-	-	-	(8,247)	(8,247)	-	-
Tax related adjustment	(71)	266	39	234	122	61	62	61	306	62	61	62	61	246	62	61
Non-GAAP taxes on income	\$ 990	\$ 9	\$ 1,222	\$ 3,377	\$ 849	\$ 905	\$ 1,331	\$ 1,549	\$ 4,634	\$ 1,408	\$ 1,619	\$ 1,983	\$ 1,810	\$ 6,820	\$ 1,577	\$ 1,471
GAAP net income (loss)	\$ 3,746	\$ 7,121	\$ 7,331	\$ 22,566	\$ 2,574	\$ 673	\$ 3,587	\$ 2,802	\$ 9,636	\$ 3,905	\$ 4,532	\$ 4,965	\$ (5,591)	\$ 7,811	\$ 3,770	\$ 3,152
Stock-based compensation	3,290	3,392	3,282	13,065	3,636	3,914	4,407	4,588	16,545	4,374	3,237	4,591	5,372	17,574	4,416	5,648
Acquisition related costs	-	-	(18)	246	-	-	-	-	-	-	-	629	296	925	1,142	-
Amortization of intangible assets	428	1,014	503	2,373	498	464	465	464	1,891	464	465	464	465	1,858	464	1,256
Litigation related charges	777	24	-	883	119	140	44	145	448	63	158	67	-	288	-	-
Court verdict	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loss (gain) adjustment	(310)	(253)	-	(563)	247	-	-	-	247	-	-	-	-	-	-	-
Exchange rate differences, net on balance sheet items included in financial income	909	878	(148)	2,270	(307)	859	(72)	1,826	2,306	(724)	555	388	1,592	1,811	(894)	(1,920)
Change in the federal rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax settlements	-	-	-	-	-	-	-	-	-	-	-	-	-	8,247	-	-
Tax related adjustment	71	(266)	(39)	(234)	(122)	(61)	(62)	(61)	(306)	(62)	(61)	(62)	(61)	(246)	(62)	(61)
Non-GAAP net income	\$ 8,911	\$ 11,910	\$ 10,911	\$ 40,606	\$ 6,645	\$ 5,989	\$ 8,369	\$ 9,764	\$ 30,767	\$ 8,020	\$ 8,886	\$ 11,042	\$ 10,320	\$ 38,268	\$ 8,836	\$ 8,075
GAAP diluted net earnings (loss) per share	\$ 0.08	\$ 0.15	\$ 0.15	0.47	\$ 0.05	\$ 0.01	\$ 0.08	\$ 0.06	0.20	\$ 0.08	\$ 0.10	\$ 0.10	\$ (0.12)	0.16	\$ 0.08	\$ 0.07
Stock-based compensation	0.07	0.07	0.07	0.27	0.08	0.08	0.09	0.10	0.35	0.09	0.07	0.10	0.11	0.37	0.09	0.12
Acquisition related costs	-	-	(0.00)	0.01	-	-	-	-	-	-	-	0.01	0.01	0.02	0.02	-
Amortization of intangible assets	0.01	0.02	0.01	0.05	0.01	0.01	0.01	0.01	0.04	0.01	0.01	0.01	0.01	0.04	0.01	0.03
Litigation related charges	0.02	0.00	-	0.02	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	-	0.01	-	-
Court verdict	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loss (gain) adjustment	(0.01)	(0.01)	-	(0.01)	0.01	-	-	-	0.01	-	-	-	-	-	-	-
Exchange rate differences, net on balance sheet items included in financial income	0.02	0.02	(0.00)	0.05	(0.01)	0.02	(0.00)	0.04	0.05	(0.02)	0.01	0.01	0.03	0.04	(0.02)	(0.04)
Change in the federal rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax settlements	-	-	-	-	-	-	-	-	-	-	-	-	-	0.17	-	-
Tax related adjustment	0.00	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Non-GAAP diluted net earnings per share	\$ 0.18	\$ 0.25	\$ 0.23	\$ 0.84	\$ 0.14	\$ 0.13	\$ 0.18	\$ 0.21	\$ 0.64	\$ 0.17	\$ 0.19	\$ 0.23	\$ 0.22	\$ 0.81	\$ 0.19	\$ 0.18
GAAP weighted average number of shares used to compute Non-GAAP diluted net earnings per share	48,722,684	48,488,313	48,304,507	48,523,120	48,225,688	47,632,309	47,673,698	47,440,556	47,739,540	47,607,518	47,138,142	47,620,254	47,655,351	47,503,091	47,122,247	45,835,440

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:

Net income (loss)

Adjustments to reconcile net income (loss) to net cash provided by operating activities:

Depreciation and amortization

Stock based compensation

Other loss (gain)

Gain from sale of available-for-sale marketable securities

Amortization of premiums, accretion of discounts and

accrued interest on available-for-sale marketable

securities, net

Accrued interest on bank deposits

Increase (decrease) in accrued severance pay, net

Decrease (increase) in trade receivables, net

Decrease (increase) in other receivables and prepaid

expenses and other long term assets

Decrease (increase) in inventories

Increase (decrease) in trade payables

Increase (decrease) in other payables, deferred revenues

and accrued expenses

Operating lease liabilities, net

Excess tax benefit from stock-based compensation

Net cash provided by (used in) operating activities

Cash flows from investing activities:

Purchase of property and equipment

Proceeds from (investment in) other long-term assets

Proceeds from (investment in) bank deposits, net

Proceeds from (investment in) available-for-sale

marketable securities

Payment for the acquisition of subsidiary, net of cash acquired

Purchase of intangible assets

Net cash provided by (used in) investing activities

Cash flows from financing activities:

Proceeds from exercise of stock options

Excess tax benefit from stock-based compensation

Payment of deferred consideration related to acquisition

Repayment of contingent consideration

Repurchase of shares

Proceeds from issuance of Preferred A shares in subsidiary

Net cash provided by (used in) financing activities

Increase (decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

Free cash flow

	FY'19				FY'20				FY'21				FY'22			
	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			Yr Ended 31-Dec	Quarter Ended			
30-Jun	30-Sep	31-Dec	31-Mar		30-Jun	30-Sep	31-Dec		31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun	
Net income (loss)	\$ 3,746	\$ 7,121	\$ 7,331	\$ 22,566	\$ 2,574	\$ 673	\$ 3,587	\$ 2,802	\$ 9,636	\$ 3,905	\$ 4,532	\$ 4,965	\$ (5,591)	\$ 7,811	\$ 3,770	\$ 3,152
Adjustments to reconcile net income (loss) to net cash provided by operating activities:																
Depreciation and amortization	2,701	3,106	2,789	11,283	2,630	2,637	2,616	2,676	10,559	2,648	2,537	2,527	2,484	10,196	2,488	3,229
Stock based compensation	3,290	3,392	3,282	13,065	3,636	3,914	4,407	4,588	16,545	4,374	3,237	4,591	5,372	17,574	4,416	5,648
Other loss (gain)	(310)	(253)	26	(537)	246	(224)	(140)	-	(118)	-	-	-	-	-	-	-
Gain from sale of available-for-sale marketable securities	-	-	-	-	(83)	(2)	(377)	(59)	(521)	(2)	(95)	(327)	(14)	(438)	(59)	(1)
Amortization of premiums, accretion of discounts and accrued interest on available-for-sale marketable securities, net	149	141	150	618	196	114	337	284	931	408	727	768	817	2,720	588	798
Accrued interest on bank deposits	3,160	(804)	596	2,123	(195)	(178)	(598)	(239)	(1,210)	(781)	698	1,504	1,003	2,424	33	39
Increase (decrease) in accrued severance pay, net	65	(109)	64	888	216	(29)	48	(33)	202	225	140	88	15	468	147	(53)
Decrease (increase) in trade receivables, net	(641)	2,621	(7,557)	(2,407)	(4,029)	9,444	2,865	(2,518)	5,762	6,940	(8,591)	7,023	4,524	9,896	(5,854)	7,203
Decrease (increase) in other receivables and prepaid expenses and other long term assets	(1,721)	(1,163)	(2,599)	(7,448)	(459)	(1,471)	(465)	(2,489)	(4,884)	(4,460)	(5,519)	(627)	2,515	(8,091)	(3,816)	(509)
Decrease (increase) in inventories	1,221	881	1,143	4,461	(914)	748	816	(645)	5	524	211	797	823	2,355	325	(148)
Increase (decrease) in trade payables	(28)	203	2,873	2,338	(1,416)	(3)	(1,078)	64	(2,433)	244	1,422	(2,554)	1,316	428	3,843	(713)
Increase (decrease) in other payables, deferred revenues and accrued expenses	(6,774)	4,932	(4,248)	4,939	19,409	1,537	(5,192)	12,348	28,102	2,929	9,132	(1,037)	15,038	26,062	(15,896)	14,214
Operating lease liabilities, net	285	194	109	963	(838)	800	(26)	1,353	1,289	(782)	358	161	632	369	(437)	(1,335)
Excess tax benefit from stock-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	5,143	20,262	3,959	52,852	20,973	17,960	6,800	18,132	63,865	16,172	8,789	17,879	28,934	71,774	(10,452)	31,524
Cash flows from investing activities:																
Purchase of property and equipment	(2,382)	(1,810)	(2,002)	(8,155)	(2,452)	(2,545)	(1,629)	(2,045)	(8,671)	(1,333)	(1,159)	(1,458)	(1,653)	(5,603)	(2,164)	(2,333)
Proceeds from (investment in) other long-term assets	(33)	73	(7)	4	(2)	(9)	(15)	(84)	(110)	42	(11)	11	7	49	(55)	92
Proceeds from (investment in) bank deposits, net	19,529	(5,674)	2,187	15,960	(4,506)	(4,652)	(2,666)	(12,054)	(23,878)	(143)	4,577	(154)	20,168	24,448	22,349	(42,550)
Proceeds from (investment in) available-for-sale marketable securities	(33,574)	(1,997)	(1,131)	(46,363)	2,523	940	8,249	6,579	18,291	(2,491)	10,825	(15,852)	(3,527)	(11,045)	4,556	(9,196)
Payment for the acquisition of subsidiary, net of cash acquired	43	-	-	(12,239)	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30,000)	(713)
Net cash provided by (used in) investing activities	(16,417)	(9,408)	(953)	(50,793)	(4,437)	(6,266)	3,939	(7,604)	(14,368)	(3,925)	14,232	(17,453)	14,995	7,849	(5,314)	(53,987)
Cash flows from financing activities:																
Proceeds from exercise of stock options	3,109	3,751	3,406	17,999	1,589	1,749	4,947	3,618	11,903	2,150	3,695	1,917	2,828	10,590	562	239
Excess tax benefit from stock-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment of deferred consideration related to acquisition	-	-	-	-	-	-	-	(2,054)	(2,054)	-	-	-	-	-	-	-
Repayment of contingent consideration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase of shares	(10,005)	(8,841)	(5,616)	(24,510)	(18,669)	(5,000)	(15,907)	(5,750)	(45,326)	(30,189)	(4,638)	(195)	(17,449)	(52,471)	(22,826)	(18,060)
Proceeds from issuance of Preferred A shares in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,000
Net cash provided by (used in) financing activities	(6,896)	(5,090)	(2,210)	(6,511)	(17,080)	(3,251)	(10,960)	(4,186)	(35,477)	(28,039)	(943)	1,722	(14,621)	(41,881)	(22,264)	17,179
Increase (decrease) in cash and cash equivalents	(18,170)	5,764	796	(4,452)	(544)	8,443	(221)	6,342	14,020	(15,792)	22,078	2,148	29,308	37,742	(38,030)	(5,284)
Cash and cash equivalents at the beginning of the period	52,361	34,191	39,955	45,203	40,751	40,207	48,650	48,429	40,751	54,771	38,979	61,057	63,205	54,771	92,513	54,483
Cash and cash equivalents at the end of the period	\$ 34,191	\$ 39,955	\$ 40,751	\$ 40,751	\$ 40,207	\$ 48,650	\$ 48,429	\$ 54,771	\$ 54,771	\$ 38,979	\$ 61,057	\$ 63,205	\$ 92,513	\$ 92,513	\$ 54,483	\$ 49,199
Free cash flow	2,761	18,452	1,957	44,697	18,521	15,415	5,171	16,087	55,194	14,839	7,630	16,421	27,281	66,171	(12,616)	29,191

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



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

	FY'19	FY'20				FY'20	FY'21				FY'21	FY'22	
	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
Revenue by geography:													
Americas	\$ 106,431	\$ 29,238	\$ 27,476	\$ 30,213	\$ 27,486	\$ 114,413	\$ 33,716	\$ 28,105	\$ 35,729	\$ 31,220	\$ 128,770	\$ 29,514	\$ 29,680
EMEA	75,274	18,176	17,680	18,348	24,158	78,362	21,060	24,011	23,608	29,709	98,388	28,071	29,703
APAC	70,367	12,598	13,289	13,963	17,402	57,252	11,993	17,551	14,081	15,713	59,338	16,123	15,731
Total revenue	\$ 252,072	\$ 60,012	\$ 58,445	\$ 62,524	\$ 69,046	\$ 250,027	\$ 66,769	\$ 69,667	\$ 73,418	\$ 76,642	\$ 286,496	\$ 73,708	\$ 75,114
Revenue % of total:													
Americas	42.2%	48.7%	47.0%	48.3%	39.8%	45.8%	50.5%	40.3%	48.7%	40.7%	44.9%	40.0%	39.5%
EMEA	29.9%	30.3%	30.3%	29.3%	35.0%	31.3%	31.5%	34.5%	32.2%	38.8%	34.3%	38.1%	39.5%
APAC	27.9%	21.0%	22.7%	22.3%	25.2%	22.9%	18.0%	25.2%	19.2%	20.5%	20.7%	21.9%	20.9%
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:													
Enterprise	\$ 172,578	\$ 42,618	\$ 41,171	\$ 41,329	\$ 51,773	\$ 176,891	\$ 51,037	\$ 47,759	\$ 54,049	\$ 55,393	\$ 208,238	\$ 55,187	\$ 57,815
Carrier	79,494	17,394	17,274	21,195	17,273	73,136	15,732	21,908	19,369	21,249	78,258	18,521	17,299
Total revenue	\$ 252,072	\$ 60,012	\$ 58,445	\$ 62,524	\$ 69,046	\$ 250,027	\$ 66,769	\$ 69,667	\$ 73,418	\$ 76,642	\$ 286,496	\$ 73,708	\$ 75,114
Revenue % of total:													
Enterprise	68.5%	71.0%	70.4%	66.1%	75.0%	70.7%	76.4%	68.6%	73.6%	72.3%	72.7%	74.9%	77.0%
Carrier	31.5%	29.0%	29.6%	33.9%	25.0%	29.3%	23.6%	31.4%	26.4%	27.7%	27.3%	25.1%	23.0%
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.