UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of September 2018

Commission File Number: 0-29452

RADCOM LTD.
(Translation of registrant's name into English)

24 Raoul Wallenberg Street, Tel Aviv 69719, Israel
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☒ Form:40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): N/A

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): N/A

THIS FORM 6-K OF THE REGISTRANT IS HEREBY INCORPORATED BY REFERENCE INTO THE REGISTRANT'S REGISTRATION STATEMENTS ON FORM S-8 (REGISTRATION STATEMENT NOS. 333-111931, 333-123981, 333-190207, 333-195465, 333-203087, 333-211628 AND 333-215591) AND FORM F-3 (REGISTRATION STATEMENT NOS. 333-170512 AND 333-189111), AND SHALL BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FILED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

CONTENTS

This report on Form 6-K of the registrant consists of the following documents, which are attached hereto and incorporated by reference herein:

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RADCOM LTD.

Date: September 13, 2018

By: /s/ Ran Vered

Name: Ran Vered
Title: Chief Financial Officer

Exhibit 99.1

RADCOM LTD. AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2018

UNAUDITED

INDEX

RADCOM LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands

	June 30, 2018	December 31, 2017
	Unaudited	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 31,438	$ 22,575
Restricted bank deposit	-	36
Short-term bank deposit	40,000	40,000
Trade receivables (net of allowances for doubtful accounts amounted to $24 and $9 as of June 30, 2018 and December 31, 2017, respectively)	14,393	20,266
Inventories	119	1,199
Other accounts receivable and prepaid expenses	2,635	2,685
Total current assets	88,585	86,761
SEVERANCE PAY FUND	3,009	3,052
OTHER LONG - TERM RECEIVABLES	312	172
PROPERTY AND EQUIPMENT, NET	1,917	1,924
Total assets	$ 93,823	$ 91,909

The accompanying notes are an integral part of the consolidated financial statements.

RADCOM LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
U.S. dollars in thousands, except share and per share data

	June 30, 2018 Unaudited	December 31 2017
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	$ 1,879	$ 1,828
Employees and payroll accruals	4,052	4,062
Deferred revenues and advances from customers	1,021	2,601
Other accounts payable and accrued expenses	2,275	3,428
Total current liabilities	9,227	11,919
NON- CURRENT LIABILITIES:		
Deferred revenues	100	21
Accrued severance pay	3,513	3,573
Total non-current liabilities	3,613	3,594
Total liabilities	$ 12,840	$ 15,513
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Share capital:		
Ordinary Shares of NIS 0.20 par value: Authorized: 20,000,000 shares at June 30, 2018 and December 31, 2017; 13,677,357 and 13,446,007 shares issued and 13,641,325 and 13,409,975 shares outstanding at June 30, 2018 and December 31, 2017, respectively	$ 640	$ 628
Additional paid-in capital	134,734	131,491
Accumulated other comprehensive loss	(2,604)	(2,520)
Accumulated deficit	(51,787)	(53,203)
Total shareholders' equity	80,983	76,396
Total liabilities and shareholders' equity	$ 93,823	$ 91,909

The accompanying notes are an integral part of the consolidated financial statements.

RADCOM LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

U.S. dollars in thousands, except share and per share data

	Six months ended June 30, 2018	Six months ended June 30, 2017
	Unaudited	
Revenues:		
Products and related services	$ 11,842	$ 4,978
Projects	5,903	10,633
Warranty and support	3,797	1,346
	21,542	16,957
Cost of revenues:		
Products and related services	3,362	2,294
Projects	1,911	2,207
Warranty and support	494	164
	5,767	4,665
Gross profit	15,775	12,292
Operating expenses:		
Research and development	7,496	5,227
Less - royalty-bearing participation	754	312
Research and development, net	6,742	4,915
Sales and marketing, net	6,324	5,886
General and administrative	1,990	2,158
Total operating expenses	15,056	12,959
Operating income (loss)	719	(667)
Financial income, net	373	150
Income (loss) before taxes on income	1,092	(517)
Taxes on income	(13)	(23)
Net income (loss)	$ 1,079	$ (540)
Basic net income (loss) per Ordinary Share	$ 0.08	$ (0.05)
Diluted net income (loss) per Ordinary Share	$ 0.08	$ (0.05)
Weighted average number of Ordinary Share used in computing basic net income (loss) per Ordinary Share	13,549,494	11,673,240
Weighted average number of Ordinary Share used in computing diluted net income (loss) per Ordinary Share	13,817,995	11,673,240

The accompanying notes are an integral part of the consolidated financial statements.

RADCOM LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

U.S. dollars in thousands

	Six months ended June 30, 2018	Six months ended June 30, 2017
	Unaudited	
Net income (loss)	$ 1,079	$ (540)
Other comprehensive loss:		
Foreign currency translation adjustments	(84)	(4)
Total other comprehensive loss	(84)	(4)
Comprehensive income (loss)	$ 995	$ (544)

The accompanying notes are an integral part of the consolidated financial statements.

RADCOM LTD. AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
U.S. dollars in thousands, except share and per share data

	Ordinary Shares		Additional paid-in capital	Receivable on account of shares	Accumulated other comprehensive loss	Accumulated deficit	Total shareholders' equity
	Number	Amount					
Balance as of December 31, 2017	13,409,975	$ 628	$ 131,491	$ -	$ (2,520)	$ (53,203)	$ 76,396
Exercise of options into Ordinary Shares	194,392	10	1,932	(29)	-	-	1,913
RSUs vested	36,958	2	(2)	-	-	-	-
Share-based compensation and RSUs	-	-	1,342	-	-	-	1,342
Cumulative effect of changes in accounting principles (ASC 606)	-	-	-	-	-	337	337
Net income	-	-	-	-	-	1,079	1,079
Other comprehensive loss	-	-	-	-	(84)	-	(84)
Balance as of June 30, 2018 (unaudited)	13,641,325	$ 640	$ 134,763	$ (29)	$ (2,604)	$ (51,787)	$ 80,983

The accompanying notes are an integral part of the consolidated financial statements.

RADCOM LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	Six months ended June 30,	
	2018	2017
	Unaudited	
Cash flows from operating activities:		
Net income (loss)	$ 1,079	$ (540)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	322	243
Share-based compensation and RSUs	1,342	1,240
Change in:		
Severance pay, net	(17)	52
Trade receivables, net	6,050	(6,255)
Other account receivables and prepaid expenses	(118)	558
Inventories	1,063	168
Trade payables	184	(924)
Employees and payroll accruals	8	(24)
Other accounts payable and accrued expenses	(817)	262
Deferred revenues and advances from customers	(1,395)	(1,797)
Net cash provided by (used in) operating activities	7,701	(7,017)
Cash flows from investing activities:		
Purchase of property and equipment	(457)	(298)
Net cash used in investing activities	(457)	(298)
Cash flows from financing activities:		
Exercise of options into Ordinary Shares	1,913	647
Net cash provided by financing activities	1,913	647
Foreign currency translation adjustments on cash and cash equivalents	(330)	(50)
Increase (decrease) in cash and cash equivalents and restricted bank deposit	8,827	(6,718)
Cash and cash equivalents and restricted bank deposit at beginning of the period	22,611	42,918
Cash and cash equivalents and restricted bank deposit at end of the period	$ 31,438	$ 36,200
(a) Non-cash investing activities:		
Purchase of property and equipment	$ 107	$ 130
(b) Cash paid during the period for:		
Taxes on income	$ 13	$ 23

The accompanying notes are an integral part of the consolidated financial statements.

NOTE 1: - GENERAL

a. RADCOM Ltd. (the “Company”) is an Israeli corporation which provides NFV-ready service assurance, cloud-native network intelligence solutions for Communication Service Providers (“CSPs”). The Company’s solutions include RADCOM Service Assurance (MaveriQ), an NFV service assurance solution which continuously monitors network performance and quality of services to optimize user experience for CSPs’ subscribers and RADCOM Network Visibility, a cloud-native network visibility solution launched in February 2018 that offers advanced network intelligence and packet broker functionality. The Company specializes in solutions for next-generation mobile and fixed networks, including LTE, LTE-A, VoLTE, IMS, VoIP, WiFi, VoWiFi, UMTS/GSM and mobile broadband. The Company’s shares (the “Ordinary Shares”) are listed on the Nasdaq Capital Market under the symbol “RDCM”.

The Company has wholly-owned subsidiaries in the United States and Brazil, that are primarily engaged in the sales, marketing, deployment and customer support of the Company’s products in United States and Brazil, respectively. The Company also has a wholly-owned subsidiary in India, that primarily provides marketing, customer support and development services worldwide. Additionally, the Company has a wholly-owned subsidiary in Israel solely established for the purpose of making various investments, including securities purchases.

b. In December 2015, the Company entered to a multi-year sales agreement with Amdocs Software Systems Limited (“Amdocs”) for the resale of the Company’s solutions to AT&T, a leading North American Tier-1 telecom operator (the “AT&T Engagement”). Since then, the Company signed additional agreements with Amdocs in connection with the AT&T Engagement. During the six month periods ended June 30, 2018 and 2017, the Company recognized revenues in the amount of $7,903 and $8,614 pursuant to the AT&T Engagement and the additional agreements, which represent approximately 37% and 51% of the total consolidated revenues of the Company, respectively. (See also Note 10c).

The Company depends on a limited number of contract customers for selling its solution. If these customers become unable or unwilling to continue to buy the Company’s solution, it could adversely affect the Company’s results of operations and financial position.

The loss of any significant customer, a significant decrease in business from any such customer or a reduction in customer revenue due to adverse changes in the market, economic or competitive conditions or other factors could have a material adverse effect on the company’s business, results of operations and financial condition.

NOTE 2: - UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP") and the standards of the Public Company Accounting Oversight Board for interim financial information. Accordingly, they do not include all the information and footnotes required by US GAAP for complete financial statements. In the opinion of management, the Company has made all adjustments (consisting only of normal, recurring adjustments, except as otherwise indicated) considered necessary for a fair presentation of the Company's consolidated financial position as of June 30, 2018. Consolidated results of operations and consolidated cash flows for the six month periods ended June 30, 2018 and 2017, have been included. The results for the six month period ended June 30, 2018, are not necessarily indicative of the results that may be expected for the year ending on December 31, 2018.

NOTE 3: - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the annual consolidated financial statements of the Company as disclosed in the Company's Annual Report on Form 20-F for the period ended December 31, 2017 filed with the SEC on March 28, 2018, are applied consistently in these unaudited interim consolidated financial statements, except for:

a. Recently issued and adopted accounting standards:

1. In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The standard replaced the revenue recognition guidance in US GAAP under Accounting Standards Codification ("ASC") Topic 605 and was required to be applied retrospectively to each prior period presented or applied using a modified retrospective method with the cumulative effect recognized in the beginning retained earnings during the period of initial application. Subsequently, the FASB issued several additional ASUs related to ASU No. 2014-09, collectively referred to as the "new revenue standards", which became effective for the Company beginning January 1, 2018.

   On January 1, 2018, the Company adopted ASC Topic 606-10 using the modified retrospective method and applied the standard to those contracts which were not substantially completed as of January 1, 2018 and recognized the cumulative effect of initially adopting as an adjustment to the opening balance of accumulated deficit as of that date. As a result of this adoption, the Company revised its accounting policy for revenue recognition as detailed below.

NOTE 3: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Revenue recognition:

The Company recognizes revenue when (or as) it satisfies performance obligations by transferring promised goods or services to its customers in an amount that reflects the consideration the Company expects to receive.

The Company applies the following five-step approach:

a) Identify the contract with a customer:

The Company generally considers either agreements or purchase orders, which in some cases are governed by master agreements, to be contracts with customers. In evaluating the contract with a customer, the Company analyzes the customer’s intent and ability to pay the amount of promised consideration (credit risk) and considers the probability of collecting substantially all of the consideration.

b) Identify the performance obligations in the contract:

At a contract’s inception, the Company assesses the goods or services promised in a contract with a customer and identifies the performance obligations.

The main performance obligations usually are the provisions of the following:

License for its software solutions (which may include significant customization), professional services, service type warranty and post-contract customer support, each of which are distinct, to be the identified performance obligations.

c) Determine the transaction price:

The transaction price is the amount of consideration to which the Company is entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

The Company doesn’t usually grant its customers with a right to return the products sold. However, in some cases, the arrangements may include refunds, liquidated damages, penalties or other damages if the Company fails to deliver future goods or services or if the goods or services fail to meet certain specifications to acceptance criteria. All of the above are accounted for as variable considerations, which may be considered as adjustments to the transaction price.

As the Company’s standard payment terms are less than one year, the contracts have no significant financing component.

NOTE 3: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

d) Allocate the transaction price to the performance obligations in the contract:

The Company's selling price is highly variable. Each contract is different by its scope and price. The transaction price is allocated to the separate performance obligations on a relative standalone selling price basis. The standalone selling prices of software licenses are typically estimated using the residual approach. Standalone selling prices of services are typically estimated based on observable transactions when these services are sold on a standalone basis.

e) Recognize revenue when a performance obligation is satisfied:

Revenue is recognized when or as performance obligations are satisfied by transferring control of a promised good or service to a customer. Control is either transferred over time or at a point in time, which affects the revenue recognition schedule.

Revenues from the software solutions which includes software license with significant customization are usually recognized over time during the customization period based on Man Months ("MM") incurred to date in ratio to total estimated MM which represent an input method that best depicts the transfer of control over the performance obligation to the customer. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Revenues from software solutions which include customer acceptance or software license only contracts which do not include significant customization, are recognized at a point in time of the acceptance of the solution or the point in time the software license is delivered. Revenues related to service type warranty and post-contract customer support are recognized over time on a straight-line basis.

Deferred revenues represent unrecognized fees collected as well as other advances and payments received from customers, for which revenue has not yet been recognized. Deferred revenues are classified as short-term and long-term deferred revenues based on the period in which revenues are expected to be recognized.

See also Note 4 for details about the impact from adopting the new revenue standard and other required disclosures.

2. In November 2016, the FASB issued ASU No. 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash, which requires companies to include amounts generally described as restricted cash and restricted cash equivalents in cash and cash equivalents when reconciling beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The Company adopted the new standard effective January 1, 2018. The adoption of this new guidance had an immaterial impact on the Company's consolidated financial statements.

NOTE 3: - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

3. In May 2017, the FASB issued ASU No. 2017-09, Compensation – Stock Compensation (Topic 718): Scope of Modification Accounting. ASU No. 2017-09 was issued to provide clarity and reduce both 1) diversity in practice and 2) cost and complexity when applying the guidance in ASC Topic 718 to a change in the terms or conditions of a share-based payment award. ASU No. 2017-09 provides guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting under ASC Topic 718. The Company adopted ASU No. 2017-09 during the first quarter of 2018. The adoption of this new guidance had no impact on the Company's consolidated financial statements.

b. New accounting standards not yet effective:

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). This update introduces a number of changes and simplifies previous guidance, primarily the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases. The update retains the distinction between finance leases and operating leases and the classification criteria between the two types remains substantially similar. Also, lessor accounting remains largely unchanged from previous guidance. However, key aspects of the update were aligned with the revenue recognition guidance in ASC Topic 606. Additionally, the update defines a lease as a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control over the use of the identified asset means that the customer has both (a) the right to obtain substantially all of the economic benefits from the use of the asset and (b) the right to direct the use of the asset. This update requires the modified retrospective transition approach, which requires lessees and lessors to recognize and measure leases at the beginning of the earliest period presented. The modified retrospective approach includes a number of optional practical expedients related to identification and classification of leases that commenced before the effective date, initial direct costs for leases that commenced before the effective date and the ability to use hindsight in evaluating lessee options to extend or terminate a lease or to purchase the underlying asset. An entity that elects to apply the practical expedients will, in effect, continue to account for leases that commenced before the effective date in accordance with the previous US GAAP unless the lease is modified, except that lessees are required to recognize a right-of-use asset and a lease liability for all operating leases at each reporting date based on the present value of the remaining minimum rental payments that were tracked and disclosed under previous US GAAP. The amendments in this update are effective for annual reporting periods beginning after December 15, 2018, including interim periods within those reporting periods. Early adoption is permitted. The Company is currently evaluating the potential impact, of the adoption of these amendments on its consolidated financial statements.

U.S. dollars in thousands, except share and per share data

NOTE 4: - REVENUES

The most significant impact of the standard on the Company’s financial statements relates to differences in timing of revenue recognition under the new standard as disclosed in the tables below.

The cumulative effect of the changes made to the consolidated balance sheet as of January 1, 2018 for the adoption of ASC Topic 606-10 were as follows:

	Balance as of December 31, 2017	Adjustments following the adoption of ASC 606	Balance as of January 1, 2018
		Unaudited	Unaudited
Deferred revenue and advances from customers	$ (2,601)	$ 80	$ (2,521)
Trade receivables, net	20,266	233	20,499
Other accounts receivable and prepaid expenses	2,685	24	2,709
Accumulated deficit	$ 53,203	$ (337)	$ 52,866

In accordance with the new revenue standard requirements, the disclosure of the impact of adoption on the Company’s consolidated statements of operations, cash flows, and balance sheets were as follows:

	Six months ended June 30, 2018 (Unaudited)		
	As reported	Balances before adoption of ASC 606	Effect of change
Statements of operations			
Revenues - Products and related services	$ 11,842	$ 10,911	$ 931
Revenues - Warranty and support	3,797	3,802	(5)
Cost of revenues - Products and related services	3,362	3,328	34
Sales and marketing, net	6,324	6,221	103
General and administrative	1,990	1,972	18
Net income	1,079	308	771
Earnings per share			
Basic	0.08	0.02	0.06
Diluted	0.08	0.02	0.06
Cash flows			
Net income	1,079	308	771
Changes in assets and liabilities:			
Trade receivables, net	6,050	6,617	(567)
Other account receivables and prepaid expenses	(118)	(155)	37
Employees and payroll accruals	8	(46)	54
Other accounts payables and accrued expenses	(817)	(881)	64
Deferred revenue and advances from customers	(1,395)	(1,036)	(359)

U.S. dollars in thousands, except share and per share data

NOTE 4: - REVENUES (Cont.)

	June 30, 2018 (Unaudited)		
	As reported	Balances before adoption of ASC 606	Effect of change
Balance sheets			
Trade receivables, net	$ 14,393	$ 13,593	$ 800
Other accounts receivable and prepaid expenses	2,635	2,648	(13)
Employees and payroll accruals	(4,052)	(3,998)	(54)
Deferred revenues and advances from customers	(1,021)	(1,560)	539
Other accounts payable and accrued expenses	(2,275)	(2,211)	(64)
Deferred revenues – long term	(100)	-	(100)
Accumulated deficit	51,787	52,895	(1,108)

The following table presents the significant changes in the deferred revenue balance during the six months ended June 30, 2018:

	Six months ended June 30, 2018 (Unaudited)
Balance, beginning of the period	$ 2,622
Cumulative effect of changes in accounting principles (ASC 606)	(80)
New performance obligations	1,051
Reclassification to revenue as a result of satisfying performance obligation	(2,472)
Balance, end of the period	1,121
Less: long-term portion of deferred revenue	(100)
Current portion, end of the period	$ 1,021

On June 30, 2018, we had $16,221 of remaining performance obligations not yet satisfied or partly satisfied related to our revenues. We expect to recognize approximately 58% of this amount as revenues during the next 12 months and the rest thereafter.

NOTE 5: - SHORT-TERM BANK DEPOSIT

Currency	Interest rate %	Deposit amount	Maturity date
	As of June 30, 2018		
U.S. dollars	2.28	$ 40,000	December 27, 2018

U.S. dollars in thousands, except share and per share data

NOTE 6: - INVENTORIES

	June 30, 2018	December 31, 2017
	Unaudited	
Finished products (*)	$ 119	$ 1,199
	$ 119	$ 1,199

(*) Includes $612 on December 31, 2017, with respect to inventory delivered to customers but for which revenue recognition criteria have not been met as of that date.

NOTE 7: - COMMITMENTS AND CONTINGENCIES

a. Royalty commitments:

The Company receives research and development grants from the Israel Innovation Authority (the “IIA”). In consideration for the research and development grants received from the IIA, the Company has undertaken to pay royalties as a percentage of revenues from products developed from research and development projects financed. If the Company does not generate sales of products developed with funds provided by the IIA, the Company is not obligated to pay royalties or repay the grants.

Royalties are payable at the rate of 3% from the time of commencement of sales of all of the Company’s products until the cumulative amount of the royalties paid equals 100% of the dollar-linked amounts of the grants received, plus interest at LIBOR.

As of June 30, 2018, the Company’s total commitment with respect to royalty-bearing participation received or accrued, net of royalties paid or accrued, amounted to $46,737.

Royalty expenses relating to the IIA grants included in cost of revenues during the six month periods ended June 30, 2018 and 2017 were $646 and $594, respectively.

In May 2010, the Company received a notice from the IIA regarding alleged miscalculations of the amount of royalties paid by the Company to the IIA for the years 1992-2009 and the revenues basis on which the Company had to pay royalties. The Company believes that all royalties due to the IIA from the sale of products developed with funding provided by the IIA during such years were properly paid or were otherwise accrued. The Company reviewed with the IIA the alleged miscalculations. The Company assessed the merits of the aforesaid arguments raised by the IIA and recorded a liability for an estimated loss.

b. From time to time, the Company may be involved in various claims and legal proceedings. The Company reviews the status of each matter and assesses its potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable and the amount can be reasonably estimated, the Company accrues a liability for the estimated loss. The Company’s estimations and related accruals, if any, are reviewed at least quarterly and adjusted to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other information and events relating to a particular matter.

U.S. dollars in thousands, except share and per share data

NOTE 8: - SHAREHOLDERS' EQUITY

Share-based compensation:

a. On April 3, 2013, the Company approved a new Share Option Plan (the "2013 Share Option Plan"). The 2013 Share Option Plan provides for the grant of options to purchase Ordinary Shares to provide incentives to employees, directors, consultants and contractors of the Company. In accordance with Section 102 of the Income Tax Ordinance (New Version) - 1961, the Company's Board of Directors (the "Board") elected the "Capital Gains Route".

On February 19, 2015, the Board adopted an amendment to the 2013 Share Option Plan pursuant to which the Company may grant options to purchase its Ordinary Shares, restricted shares and Restricted Share Units ("RSUs") to its employees, directors, consultants and contractors. The 2013 Share Option Plan expires on April 2, 2023.

On October 30, 2016, the Board resolved to increase the number of Ordinary Shares reserved under the 2013 Share Option Plan, from 1,250,000 to 2,450,000.

The total number of Ordinary Shares available for future grants under the 2013 Share Option Plan as of June 30, 2018, was 883,470.

b. The following is a summary of the Company's stock options activity for the six month period ended June 30, 2018:

	Number of options	Weighted-average exercise price	Weighted-average remaining contractual term (in years)	Aggregate intrinsic value
Outstanding at December 31, 2017	679,552	$ 13.20	3.35	$ 4,517
Granted	-	-		
Exercised	(194,392)	10.00		
Expired and forfeited	(7,450)	18.47		
Outstanding at June 30, 2018	477,710	$ 14.43	3.20	$ 2,554
Vested and expected to vest at June 30, 2018	477,710	$ 14.43	3.20	$ 2,554
Exercisable at June 30, 2018	164,208	$ 11.42	2.40	$ 1,368

The aggregate intrinsic value in the table above represents the total intrinsic value (the difference between the deemed fair value of the Company's Ordinary Shares on the last day of the six month period ended June 30, 2018 and the exercise price, multiplied by the number of in-the-money options) that would have been received by the option holders had all option holders exercised their options on June 30, 2018. This amount is impacted by the changes in the fair market value of the Company's Ordinary Shares.

U.S. dollars in thousands, except share and per share data

NOTE 8: - SHAREHOLDERS' EQUITY (Cont.)

c. As of June 30, 2018, stock options under the 2013 Share Option Plan, as amended are as follows:

	Options outstanding at June 30, 2018			Options exercisable at June 30, 2018		
Exercise price	**Number outstanding**	**Weighted average exercise price**	**Weighted average remaining contractual life**	**Number exercisable**	**Weighted average exercise price**	**Weighted average remaining contractual life**
$		**$**	**In years**		**$**	**In years**
5.35-6.00	10,400	5.49	0.70	10,400	5.49	0.70
11.12-14.52	294,558	11.79	2.75	153,808	11.82	2.52
18.90-19.85	172,752	19.47	4.11	-	-	-
	477,710			164,208		

d. The following is a summary of the Company's RSUs activity for the six month period ended June 30, 2018:

	Number of RSUs	**Weighted average remaining contractual term (in years)**	**Aggregate intrinsic value**
Outstanding at December 31, 2017	240,054	1.74	$ 4,765
Granted	30,200		
Vested	(36,958)		
Cancelled and forfeited	(4,450)		
Outstanding at June 30, 2018	228,846	1.55	$ 4,520
Vested and expected to vest at June 30, 2018	228,846	1.55	$ 4,520

e. The weighted average fair value of options granted during the six month period ended June 30, 2017 were $7.96. No options were granted during the six month period ended June 30, 2018.

f. The weighted average fair values of RSUs granted during the six month periods ended June 30, 2018 and 2017 were $19.62 and $18.44 per share, respectively.

U.S. dollars in thousands, except share and per share data

NOTE 8: - SHAREHOLDERS' EQUITY (Cont.)

g. The following table summarizes the departmental allocation of the Company's share-based compensation charges:

	Six months ended June 30,	
	2018*	2017*
	Unaudited	
Cost of revenues	$ 77	$ 67
Research and development, net	411	242
Sales and marketing, net	462	272
General and administrative	392	659
	$ 1,342	$ 1,240

(*) Including $827 and $778 of compensation cost related to RSUs for the six month periods ended June 30, 2018 and 2017, respectively.

h. Share-based compensation:

As of June 30, 2018, there are $3,374 of total unrecognized costs related to non-vested share-based compensation and RSUs that are expected to be recognized over a weighted average period of 1.12 years.

NOTE 9: - SELECTED STATEMENTS OF OPERATIONS DATA

a. Financial income, net:

	Six months ended June 30,	
	2018	2017
	Unaudited	
Financial income:		
Foreign currency translation adjustments	$ 298	$ 193
Interest from banks	696	257
	994	450
Financial expenses:		
Interest and bank charges	(8)	(36)
Foreign currency translation adjustments	(613)	(264)
	(621)	(300)
Financial income, net	$ 373	$ 150

U.S. dollars in thousands, except share and per share data

NOTE 9: - SELECTED STATEMENTS OF OPERATIONS DATA (Cont.)

b. Net income (loss) per share:

The following table sets forth the computation of basic and diluted net income (loss) per share:

	Six months ended June 30, 2018	Six months ended June 30, 2017
	Unaudited	
Numerator:		
Numerator for basic and diluted net income (loss) per share	$ 1,079	$ (540)
Denominator:		
Denominator for basic net income (loss) per share - weighted average number of Ordinary Shares	13,549,494	11,673,240
Effect of dilutive securities:		
Outstanding options and RSUs	268,501	-
Denominator for diluted net income (loss) per share - adjusted weighted average number of Ordinary Shares	13,817,995	11,673,240

c. Revenues by geographic region are as follows (prior period amounts have not been adjusted under the modified retrospective method):

	Six months ended June 30, 2018	Six months ended June 30, 2017
	Unaudited	
North America	$ 12,691	$ 8,933
Europe	164	431
Asia (excluding Philippines)	845	140
Philippines	5,566	3,839
South America (excluding Brazil)	198	607
Brazil	1,757	719
Other (including Israel)	321	2,288
	$ 21,542	$ 16,957

NOTE 10: - RELATED PARTY BALANCES AND TRANSACTIONS

a. The Company carries out transactions with related parties as detailed below. Certain principal shareholders of the Company are also principal shareholders of affiliates known as the RAD-BYNET Group.

1. The Company is a party to a reseller agreement with Allot Communications Inc., ("Allot"), a company to which the Company's controlling shareholder is an interested party, giving Allot the right to distribute the Company's products.

   Revenues related to this reseller agreement are included in Note 10e below as "revenues". For the six month periods ended June 30, 2018 and 2017, revenues aggregated to $55 and $16, respectively.

2. Certain premises occupied by the Company and its U.S. subsidiary are rented from related parties. The U.S. subsidiary sub-leased certain premises to a related party until April 30, 2017. The aggregate net amounts of lease and maintenance expenses for the six month periods ended June 30, 2018 and 2017 were $475 and $397, respectively. Such amounts expensed by the Company are disclosed in Note 10e below as part of "Expenses".

3. Certain entities within the RAD-BYNET Group provide the Company and its U.S. subsidiary with administrative and IT services. Such amounts expensed by the Company are disclosed in Note 10e below as part of "Expenses" and "Capital expenses".

b. The executive chairman of the Board (the "Executive Chairman") since September 10, 2015 is, among other things, also the life partner of the Company's former chairman of the Board, a currently serving director and a controlling shareholder of the Company. The Executive Chairman is entitled to a fixed monthly salary. During the six month periods ended June 30, 2018 and 2017, the Company recorded salary expenses with respect to the Executive Chairman in the amount of $55 and $54, respectively.

c. Since 2015, the Company entered several agreements with Amdocs, to sell its solution, pursuant to which the Company recorded revenues in the amount of $7,903 and $8,614, related to the AT&T Engagement during the six month periods ended June 30, 2018 and 2017, respectively (See also Note 1b). The Company's controlling shareholder and director serves as a director in Amdocs.

U.S. dollars in thousands, except share and per share data

NOTE 10: - RELATED PARTY BALANCES AND TRANSACTIONS (Cont.)

d. Balances with related parties:

	June 30, 2018	December 31, 2017
	Unaudited	
Assets:		
Trade receivables	$ 7,335	$ 14,329
Other account receivables and prepaid expenses	$ -	$ 2
Liabilities:		
Trade payables	$ 106	$ 63
Other account payables and accrued expenses	$ 187	$ 140

e. Transactions with related parties:

	Six months ended June 30, 2018	Six months ended June 30, 2017
	Unaudited	
Revenues	$ 7,958	$ 8,630
Expenses:		
Cost of revenues	$ 58	$ 93
Operating expenses:		
Research and development, net	$ 241	$ 183
Sales and marketing, net	$ 131	$ 95
General and administrative	$ 127	$ 109
Capital expenses	$ 40	$ 9

Exhibit 99.2

Management's Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Statement Regarding Forward-Looking Statements

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains express or implied "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other U.S. Federal securities laws. In some cases, forward-looking statements are identified by terminology such as "may," "will," "could," "should," "expects," "plans," "anticipates," "believes," "intends," "estimates," "predicts," "potential," or "continue" or the negative of these terms or other comparable terminology. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or performance to differ materially from those projected. These statements are only current predictions and are subject to known and unknown risks, uncertainties, and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from those anticipated by the forward-looking statements. The forward-looking statements contained below are subject to risks and uncertainties, including those discussed under Item 3.D "Risk Factors" in our Annual Report on From 20-F for the year ended December 31, 2017, filed with the Securities and Exchange Commission ("SEC") on March 28, 2018 (the "2017 Form 20-F") and in our other filings with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Except as required by law, we are under no duty to (and expressly disclaim any such obligation to) update or revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this Management's Discussion and Analysis of Financial Condition and Results of Operations.

General

You should read the following discussion and analysis in conjunction with our interim unaudited consolidated financial statements for the six months ended June 30, 2018 and notes thereto being filed on Form 6-K with the SEC together with this Management's Discussion and Analysis of Financial Condition and Results of Operations, and together with our audited consolidated financial statements for the year ended December 31, 2017 as part of the 2017 Form 20-F.

Unless indicated otherwise by the context, all references below to:

- "we", "us" or "our" are to RADCOM Ltd. and its subsidiaries;
- "NIS" is to New Israeli Shekels;
- "NFV" is to Network Function Virtualization. NFV is a software-centric design approach for building complex information technology (IT) networks and applications, particularly for use by CSPs; and
- "CSP" is to Communication Service Provider.

We are a leading provider of NFV-ready service assurance, cloud-native network intelligence solutions for CSPs. We have a strong track-record of innovation. Our portfolio of solutions includes RADCOM Service Assurance (MaveriQ), a "first to market" NFV service assurance solution which continuously monitors network performance and quality of services to optimize user experience for CSPs' subscribers and Network Visibility, a cloud-native network visibility solution launched in February 2018 that offers advanced network intelligence and packet broker functionality.

Over the course of 2016, 2017 and 2018, we adapted our solutions to meet the highest-level requirements of AT&T, the first CSP launching a full NFV eco-system. We built on that success in 2017 with our selection as NFV Customer Experience Management (CEM) solution provider to another tier 1 CSP. As new and existing customers seek to manage their existing networks while evaluating and deploying NFV-based architectures, we believe we are well positioned with both our advanced software-based solutions for service assurance and our growing industry track record.

Our portfolio enables CSPs to smoothly transition their networks to NFV by monitoring and assuring both physical network and NFV-based network and consequentially, ‘hybrid’ networks from tapping point to network insights. CSPs across the globe use our solutions to deliver high quality services, reduce churn, manage network performance, analyze traffic and enhance customer care. Our solutions incorporate cutting-edge technologies and a wealth of knowledge acquired by partnering with many of the industry’s leading CSPs for over two decades. Our carrier-grade software solutions support both mobile and fixed networks and scale to terabit data bandwidths to enable big data analytics and enable CSPs to manage both existing physical networks and next-generation, NFV-based architectures. We recognized that CSPs would require a new approach for service assurance and CEM solutions in order to monitor huge volumes of data and support NFV-based network deployments. In February 2014, we launched our MaveriQ solution, which incorporates software-based probes, and which subsequently replaced our OmniQ hardware-based solution. During 2015 and 2016, we launched and substantially enhanced our NFV solution for service assurance and our CEM solution.

During 2017 and 2018, we enhanced our NFV capabilities to meet the stringent requirements of top tier CSPs having a large subscriber base and a high level of expertise.

In December 2015, our MaveriQ solution was selected by AT&T for its next-generation virtualized network environment. AT&T’s deployment represents the first NFV networks of scale in the industry. During 2017 and 2018 we continued the deployment of our software-based NFV solution with AT&T and commenced deployment with an additional tier 1 CSP following its selection of our solution. We are leveraging this experience and success in discussions with other CSPs that are looking to manage existing networks while evaluating their transformation to the next-generation NFV architectures.

Financial Highlights

Total revenues in the first six months of 2018 increased by 27% to approximately $21.5 million from approximately $17.0 million in the first six months of 2017. The increase reflects our delivery of orders in backlog in North America and continued momentum in the emerging markets, mainly sales of products and related services in the Philippines and Brazil offset by a decrease in sales to other countries.

Operating income for the first six months of 2018 was approximately $0.7 million, compared to operating loss of approximately $0.7 million in the first six months of 2017. The increase in operating income is attributed to increase in the revenues, partially offset by an increase in labor costs and related expenses derived from an increase in the number of employees.

Net income for the first six months of 2018 was approximately $1.1 million, or $0.08 per diluted share, compared to net loss of approximately $0.5 million, or $0.05 per diluted share, in the first six months of 2017.

The changes in revenues, operating income and net income also reflect the effects of the adoption of the new revenue recognition standard as discussed in Notes 3 and 4 of the interim unaudited consolidated financial statements.

Cash and cash equivalents and short-term bank deposit were approximately $71.4 million as of June 30, 2018, compared to approximately $62.6 million as of December 31, 2017. The increase is due to net cash provided from operating activities derived mainly from strong collection in the period as well as exercise of options granted to employees and directors of the company into ordinary shares.

Shareholders’ equity increased to approximately $81 million as of June 30, 2018, compared to approximately $76.4 million as of December 31, 2017. The increase is due to net income of approximately $1.1 million, share-based compensation of approximately $1.3 million, exercise of options into ordinary shares in the amount of approximately $1.9 million and cumulative effect of changes in accounting principles of approximately $0.3 million.

	Six months ended June 30, (U.S. dollars in thousands) Unaudited		% Change 2018 vs. 2017
	2018	2017	
Revenues:			
Products and related services	$ 11,842	$ 4,978	137.9
Projects	5,903	10,633	(44.5)
Warranty and Support	3,797	1,346	182.1
Total Revenues	21,542	16,957	27.0
Cost of Revenues:			
Products and related services	3,362	2,294	46.6
Projects	1,911	2,207	(13.4)
Warranty and Support	494	164	201.2
Total Cost of Revenues	5,767	4,665	23.6
Gross Profit	15,775	12,292	28.3
Research and Development	7,496	5,227	43.4
Less royalty-bearing participation	754	312	141.7
Research and Development, net	6,742	4,915	37.2
Sales and Marketing, net	6,324	5,886	7.4
General and Administrative	1,990	2,158	(7.8)
Total Operating Expenses	15,056	12,959	16.2
Operating Income (loss)	719	(667)	207.8
Financial Income, net	373	150	148.7
Income (loss) before taxes on income	1,092	(517)	311.2
Taxes on income	13	23	(43.5)
Net income (loss)	$ 1,079	$ (540)	299.8

Revenues per geographic region, based on the location of the end-customer

	Six months ended June 30, (millions of U.S. dollars)		Six months ended June 30, (as percentages)	
	2018	**2017**	**2018**	**2017**
North America	12.7	9.0	59.1	53.0
Europe	0.2	0.4	0.9	2.4
Asia (excluding Philippines)	0.8	0.1	3.7	0.6
Philippines	5.6	3.9	26.1	22.9
South America (excluding Brazil)	0.2	0.6	0.9	3.5
Brazil	1.7	0.7	7.9	4.1
Other (including Israel)	0.3	2.3	1.4	13.5
Total revenues	21.5	17.0	100	100

For the first six months 2018, we had two customers in the United States and one in the Philippines that amounted to $7.9 million, $4.3 and $5.6 million, respectively, of the total consolidated revenues. For the first six months 2017, we had two customers in the United States and the Philippines that amounted to $8.6 million and $3.9 million, respectively, of the total consolidated revenues.

Cost of Revenues. Our cost of revenues increased by 23.6% to approximately $5.8 million in the first six months of 2018 from approximately $4.7 million in the first six months of 2017, mostly attributed to the total revenue increase of 27.0%.

Gross profit increased to 73.2% in the first six months of 2018 from 72.5% in the first six months of 2017.

Research and Development, net. Research and development expenses, net increased by 37.2% to approximately $6.7 million in the first six months of 2018 from approximately $4.9 million in the first six months of 2017. This was attributed mainly to the increase in the number of employees, exchange rate fluctuations between the Israeli Shekel and the U.S. dollar and an increase in share-based compensation related to options and restricted share units granted to employees at the end of 2017, partially offset by an increase in grants received from the Israel Innovation Authority (formerly known as the Office of the Chief Scientist of Israel's Ministry of Economy).

Sales and Marketing, net. Sales and marketing expenses, net, increased by 7.4% to approximately $6.3 million in the first six months of 2018 from approximately $5.9 million in the first six months of 2017. This was attributed mainly to an increase in the number of employees, exchange rate fluctuations between the Israeli Shekel and the U.S. dollar and an increase in share-based compensation related to options and restricted share units granted to employees at the end of 2017.

General and Administrative. General and administrative expenses decreased by 7.8% to approximately $2.0 million in the first six months of 2018 from approximately $2.2 million in the first six months of 2017. This was attributed mainly to a decrease in share-based compensation related to options and restricted share units granted to employees and directors.

Financial Income, Net. In the first six months of 2018 we recorded financial income of approximately $0.4 million, compared to financial income of approximately $0.2 million in the first six months of 2017. This increase is mainly due to interest income on short-term bank deposit offset by exchange rate difference loss.

Taxes on income. Taxes on income are comprised of withholding taxes that were deducted by several of our customers.

LIQUIDITY AND CAPITAL RESOURCES

In the past few years, we have financed our operations through cash generated from operations, governmental grants, and follow-on public offerings of our ordinary shares.

Working Capital and Cash Flows

Liquidity refers to liquid financial assets available to fund our business operations and pay for near-term obligations. These liquid financial assets mostly consist of cash and cash equivalents and short-term bank deposit. As of June 30, 2018, we had approximately $71.4 million in cash and cash equivalents and short-term bank deposit, compared to approximately $62.6 million as of December 31, 2017.

Net cash provided by operating activities was approximately $7.7 million in the first six months of 2018 compared to approximately $7.0 million net cash used in operating activities in the first six months of 2017. The positive cash flow in the first six months of 2018 was primarily due to net income of approximately $1.1 million, a decrease of approximately $6.1 million in trade receivables, share-based compensation and restricted share units of approximately $1.3 million, a decrease of approximately $1.1 million in inventories and depreciation of approximately $0.3 million, partially offset by a decrease of approximately $1.4 million in deferred revenues and advances from customers, and a decrease of approximately $0.8 million in other accounts payable and accrued expenses. The negative cash flow in the first six months of 2017 was primarily due to net loss of approximately $0.5 million, an increase of approximately $6.3 million in trade receivables, a decrease of approximately $1.8 million in deferred revenues and advances from customers, a decrease of approximately $0.9 million in trade payables, partially offset by share-based compensation and restricted share units of approximately $1.2 million, a decrease of approximately $0.6 million in other account receivables and prepaid expenses, a decrease of approximately $0.2 million in inventories, and an increase of approximately $0.3 million in other accounts payable and accrued expenses and depreciation of approximately $0.2 million.

The trade receivables and days of sales outstanding are primarily impacted by payment terms, the variations in the levels of shipment in the quarter, and collections performance. Trade receivables for June 30, 2018 decreased to $14.4 million from $20.3 million in December 31, 2017, reflecting mainly collection from customers. We believe that continued expansion of our business may require continued investments in working capital.

Net cash used in investing activities was approximately $0.5 million in the first six months of 2018 compared to $0.3 million net cash used in investing activities in the first six months of 2017. All the amounts used related to the purchase of property and equipment.

Net cash provided by financing activities was approximately $1.9 million in the first six months of 2018 compared to approximately $0.6 million net cash provided by financing activities in the first six months of 2017. Cash provided in the first six months of 2018 and 2017 was due to exercise of options into ordinary shares.

We believe that our existing capital resources and expected cash flows from operations will be adequate to satisfy our expected liquidity requirements at least for the next 12 months.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. A comprehensive discussion of our critical accounting policies is included in the “Liquidity and Capital Resources” section in the 2017 Form 20-F. Other than the adoption of the new accounting standards as discussed in Notes 3 and 4 of the interim unaudited consolidated financial statements, there have been no changes in our critical accounting policies as compared to what was disclosed in the 2017 Form 20-F.

MARKET RISK

Reference is made to Item 11 “Quantitative and Qualitative Disclosures About Market Risk” in on the 2017 Form 20-F.