RADCOM

RADCOM Ltd (RDCM)

Corporate Overview

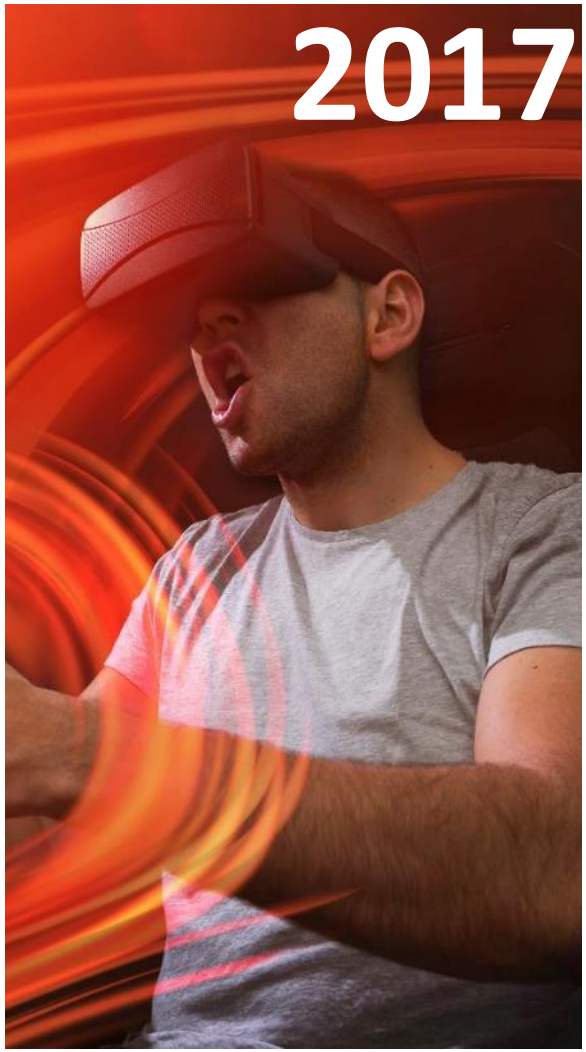
SAFE HARBOR PROVISION

Certain statements herein contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements include, but are not limited to, those statements regarding expected revenues, being well positioned to capitalize on industry tailwinds and our NFV win, the market potential for NFV, expanding our direct presence in North America, Europe and Asia, investing in direct sales, our capital position, growth objectives and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters. In some cases, forward-looking statements are identified by terminology such as "may," "will," "could," "should," "expects," "plans," "anticipates," "believes," "intends," "estimates," "predicts," "potential," "opportunity" 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 herein are subject to risks and uncertainties, including those described herein under "Risk Factors" and in our most recent Annual Report on Form 20-F, under Item 3.D. - "Risk Factors" and in our other filings with the SEC. You are cautioned not to place undue reliance on these forward looking statements, which speak only as of the date on which that statement is made. We cannot guarantee future results, levels of activity, performance, achievements or that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition. Except as otherwise required by law, we are under no obligation 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 hereof.

RADCOM does not undertake to update forward-looking statements

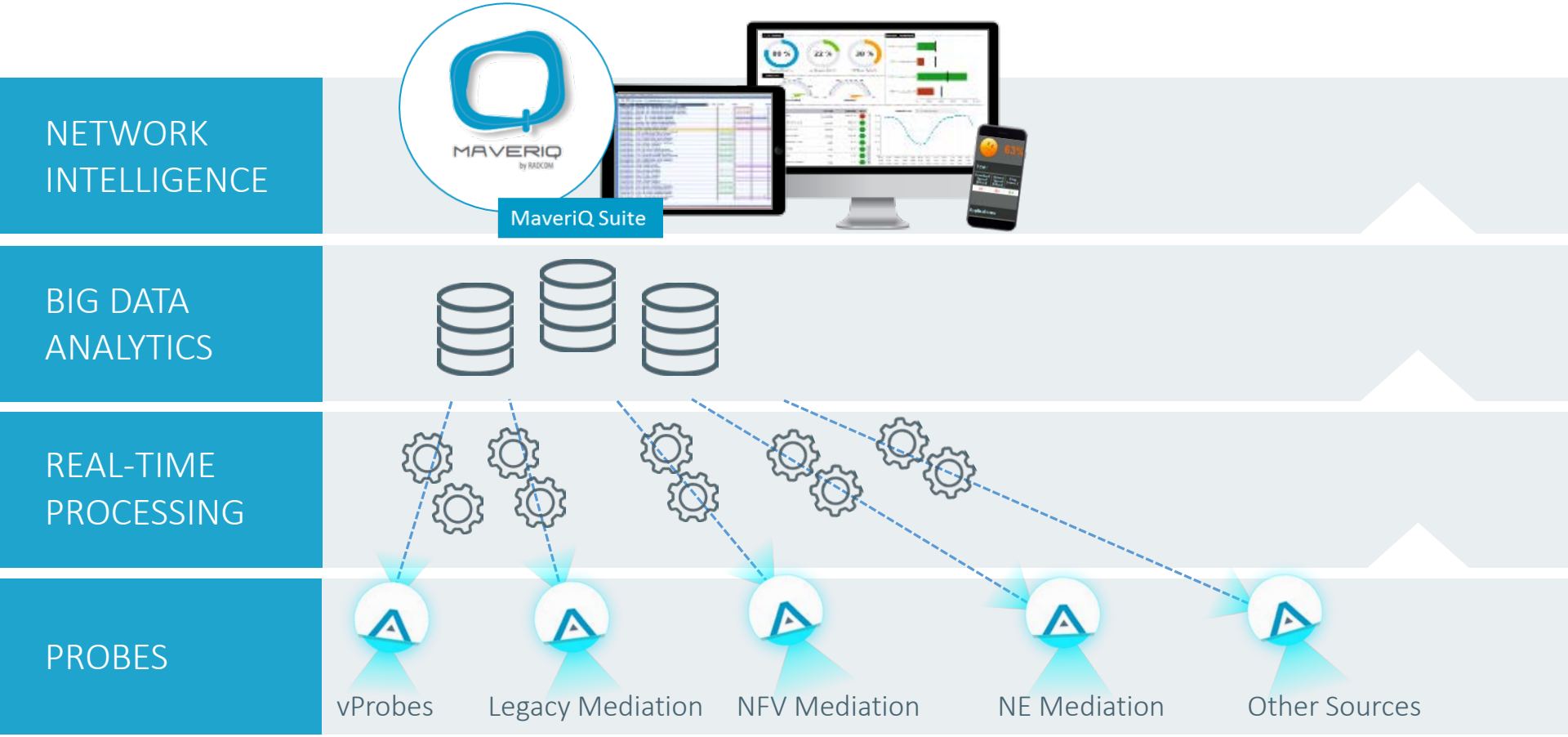
This presentation and any and all content or material contained herein, are either exclusively owned by RADCOM Ltd., its subsidiaries and/or affiliates ("RADCOM") or are subject to rights of use granted to RADCOM, are protected by national and/or international copyright laws and may be used by the recipient solely for its own internal review. Any other use, including the reproduction, incorporation, modification, distribution, transmission, republication, creation of a derivative work or display of this document and/or the content or material contained herein, is strictly prohibited without the express prior written authorization of RADCOM.

FIND THE DIFFERENCE…



RADCOM: A CSP's EYES INTO THE NETWORK

PROBE-BASED CUSTOMER EXPERIENCE MANAGEMENT



- Mission-critical network and service visibility
- Improve subscriber quality of experience
- Reduce customer churn
- Pro-actively identify and resolve network issues
- Accelerate deployment of new services and migration to NFV
- Increase operational efficiency and lower costs

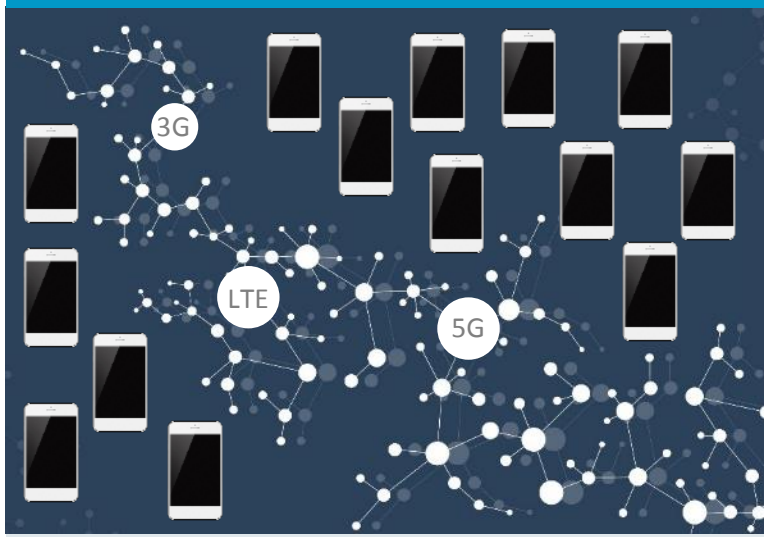
RADCOM

- Headquartered in Tel Aviv, Israel
- Founded in 1991
- Publicly traded since 1997
- Patented, first-to-market disruptive technology
- 100% SW built fully for NFV, with Physical, Hybrid & NFV support
- Experienced engineering and innovative R&D DNA

NFV market leading probe-based service assurance and customer experience company which is focused on assuring the complicated NFV transformation using cutting-edge virtual technology

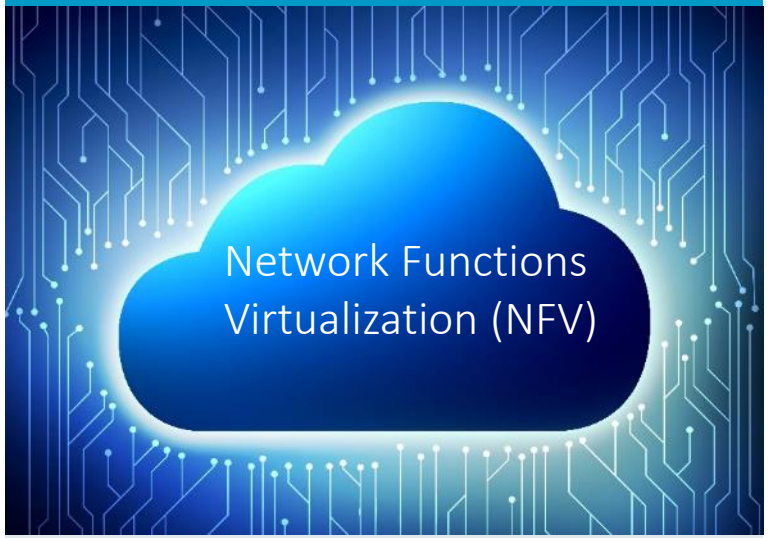
A TRANSFORMATION IS TAKING PLACE IN THE TELECOM INDUSTRY

Challenges



- Rapid increase in mobile data leading to constant capacity surges
- Growing operational costs
- Continual Technology Advancement
  LTE, VoLTE, 5G, IoT, M2M, and 5G
- Increasing competition within and outside the industry and ARPU decline
- Surging proprietary hardware costs
- Subscriber flexibility in moving between operators increasing churn

Solution



- Flexible capacity management to support increasing data traffic
- Increase scalability and lower operating costs through NFV automation
- Accelerate time to market for new services
- Agility to launch new high value revenue services
- Reduce CAPEX by replacing proprietary hardware with commodity hardware
- Automation for innovative and responsive services

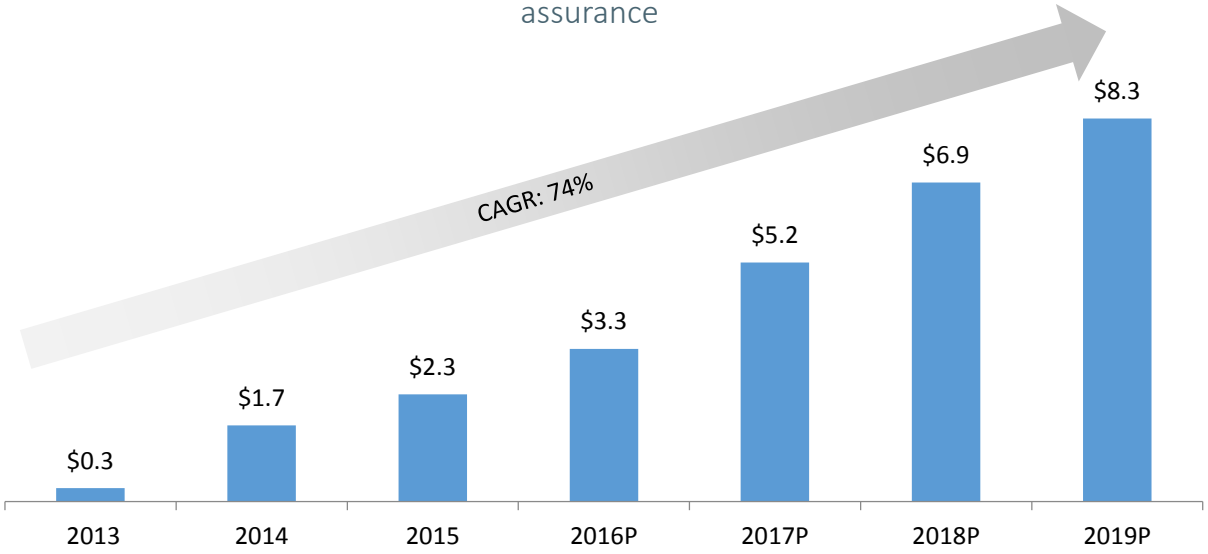
GLOBAL NFV AND SDN MARKET ($ in billions)

NFV enables CSPs to

- Lower ongoing OPEX and CAPEX
- Increase time to market for new services
- Employ flexible capacity management to support increasing traffic data

However NFV also brings challenges

- Large CSPs first to deploy NFV and many will operate hybrid networks
- Legacy probe solutions do not support NFV and hybrid networks
- Despite the clear benefits NFV creates new complexity for service assurance



Source: Software Defined Networking and Network Function Virtualization market, Gartner (March 2016).

Large CSPs Evaluating / Deploying NFV

>$1 BILLION MARKET OPPORTUNITY FOR PROBE SOLUTIONS

Delivering Network and Service Visibility

Figure 1: Service assurance overall revenue, worldwide, 2015–2020

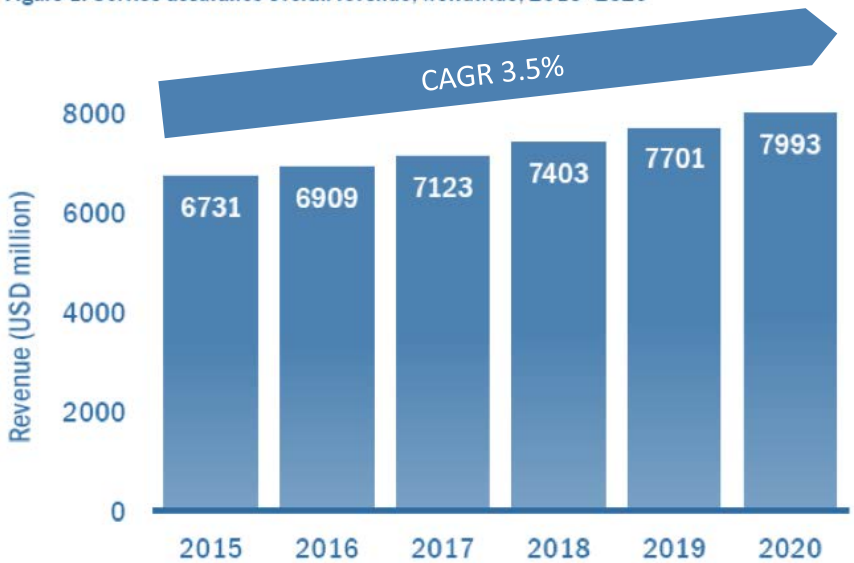
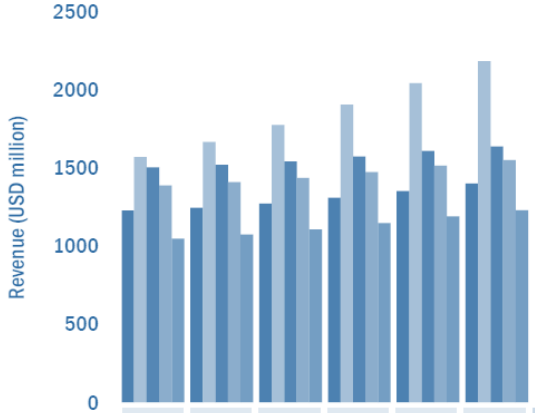


Figure 4: Service assurance revenue by sub-segment, worldwide, 2015–2020



	2015	2016	2017	2018	2019	2020	CAGR
Probe systems	1227	1244	1270	1308	1350	1399	2.7%
Service management	1568	1665	1774	1903	2041	2180	6.8%
Fault and event management	1502	1518	1539	1573	1608	1636	1.7%
Performance monitoring	1387	1408	1435	1473	1513	1549	2.2%
Workforce automation	1047	1074	1105	1146	1189	1229	3.3%

- CAGR for Global NFV & SDN market is 74%
- Network and customer analytics use cases will expand the use of probe systems beyond the network performance monitoring.
- New services such as VoLTE and video over LTE (ViLTE) will require increased monitoring and network data correlation to assure QoS.

Source: Service assurance systems: worldwide forecast 2015-2020, Analysys Mason, Sept 2016

AT&T IS LEADING THE TRANSFORMATION

"The issue is simple: the traffic can't be managed efficiently with technology that defined the telecom network until now…

- Mobile data traffic grew 100,000% over eight years
- Video and IoT are going to go through the same growth curve
- Focus on Customer Experience Management

"The solution for managing this growth without straining the network boils down to shifting network control from hardware to software."

John Donovan, Senior Executive Vice President, AT&T Technology & Operations

AT&T SELECTED RADCOM FOR ITS NFV SOLUTION

AT&T

"By 2020, we plan to virtualize and control over 75% of our network using this new software-defined architecture to meet the growing demands of data and video-hungry users."

RADCOM's transformational win with AT&T

- RADCOM announced the selection of its MaveriQ solution for deployment by a AT&T in January 2016
- Result of 9 months of intensive trials during which RADCOM's virtual probe solution was selected over competitors' offerings by receiving 100% test score
  - Attractive software-based pricing model
  - Significantly higher speed, scalable real-time processing engines
  - Integrated big data allowing analysis of 100% of network traffic
  - Integration with existing legacy probe solution
  - Fully automated system deployment within minutes

- Recognition by one of the industry's leading CSPs positions RADCOM as the leader for NFV probe-based monitoring solutions
- Strong confirmation of RADCOM's multi-year strategy for its transformation to software-based solutions
- Additional follow-on orders during 2016
- AT&T news announcement in August 2016 of our innovative solution

DISRUPTING TRADITIONAL SERVICE ASSURANCE MODELS

With an Automated Software Only Solution for Unlimited Network Capacity

"RADCOM is a disruptor in the service assurance area... We were seeking an innovative solution to virtualize the probing function from a software-centric company. We believe that virtualization of service assurance can provide distinct advantages..."

Susan A. Johnson, *Senior Vice President,* **Global Supply Chain**

at&t

"We selected RADCOM because of its functional strengths, especially in virtualization, scalability, performance and efficiency. We will use its MaveriQ software to deploy vProbes as virtual network functions running on the AT&T Integrated Cloud (AIC)."

Source: AT&T Newsroom, August 2016

at&t

OPEN NETWORK AUTOMATION PLATFORM

ECOMP and Open-O (two leading open source MANO efforts) merged into a single entity

- ECOMP merged with another leading MANO group - Open-O - to create the Open Network Automation Platform (ONAP) under the Linux Foundation (February, 23 2017)
- ONAP is the engine that powers AT&T's software-centric network
- RADCOM integrates with all key ONAP components
- Multiple large-scale, real-word deployments of our VNF done by AT&T using ONAP

ONAP members

OUR TRANSFORMATION SINCE TRANSITIONING TO SOFTWARE

Advancing from proprietary hardware to software-based solutions

<2014

Propriety Hardware

2014

Launched MaveriQ Our Software-Based Solution

2015

Launched NFV Solution

Dec 2015

Selection By AT&T of our NFV Solution

9 month trial – scored 100%

First NFV transformation

Won against Netscout (NTCT), the incumbent

2016

Engaged with 9 top tier carriers

Boosted top management for company growth

R&D & engineering ramp up

Public Offering

Strong balance sheet

2017

Target additional top-tier win

Capture NFV transformations

GO-TO-MARKET STRATEGY

RADCOM plans to expand its direct presence in North America and Europe

- **Expansion** to the **developed** markets and galaxies, while continue focusing in **developing** markets
- Specifically focus on **North America** and **Europe** NFV carriers
- Target **legacy** accounts
- **Invest in direct salesforce** and technical support to drive future large wins and scale deployments
- Ramp up **R&D resources** to leverage technology advantage

Offices: Asia, EMEA, LATAM, North America
Headquarters: Tel Aviv

Developing and Expanding Strategic Partnerships

amdocs Network Cloud Ecosystem

Hewlett Packard Enterprise

intel Network Builders Program

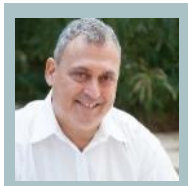
ONAP

Open Source MANO

RADCOM has partnered with solution integrators, such as Amdocs and HP, as well as technology partners, such as Intel, ONAP and OSM to unlock further opportunities in the sales channel

RADCOM

WITH AN EXPERIENCED LEADERSHIP TEAM



Yaron Ravkaie | CEO

- 25+ years industry experience
- Prior leadership roles at Amdocs and RRMedia
- MBA, University of Beersheba

Previously served as President of the AT&T division at Amdocs, with a $1B P&L

Ran Vered | CFO

- 10+ years industry experience
- Prior finance roles at Amdocs & KPMG
- MBA , Tel Aviv University
- BB , College of Management
- Certified in Israel as a CPA

Previously, Head of Finance for Amdocs' $500 million EMEA Division, from 2011-2016

Eyal Harari | COO
& Head of North America

- 15+ years experience at RADCOM
- MBA, Tel Aviv University
- LLM, Bar Ilan University

Led the transition to MaveriQ, RADCOM's software-based platform

Harel Givon | CBO

- 15+ years industry experience
- Prior sales and leadership roles at Amdocs
- MBA, Tel Aviv University

Previously at Amdocs led significant business expansion within EMEA and specifically within the Vodafone accounts

Rami Amit| CTO

- 10+ years industry experience
- Previously Director of Engineering at Cisco NFV BU
- Electrical Engineering Degree from Tel Aviv University

At Cisco NFV BU was instrumental in the company's transition to virtualization and application delivery in the Broadband market

FINANCIAL HIGHLIGHTS

Revenue

- 2015 - $18.7M
- 2016 -$29.5M

Strong Balance Sheet

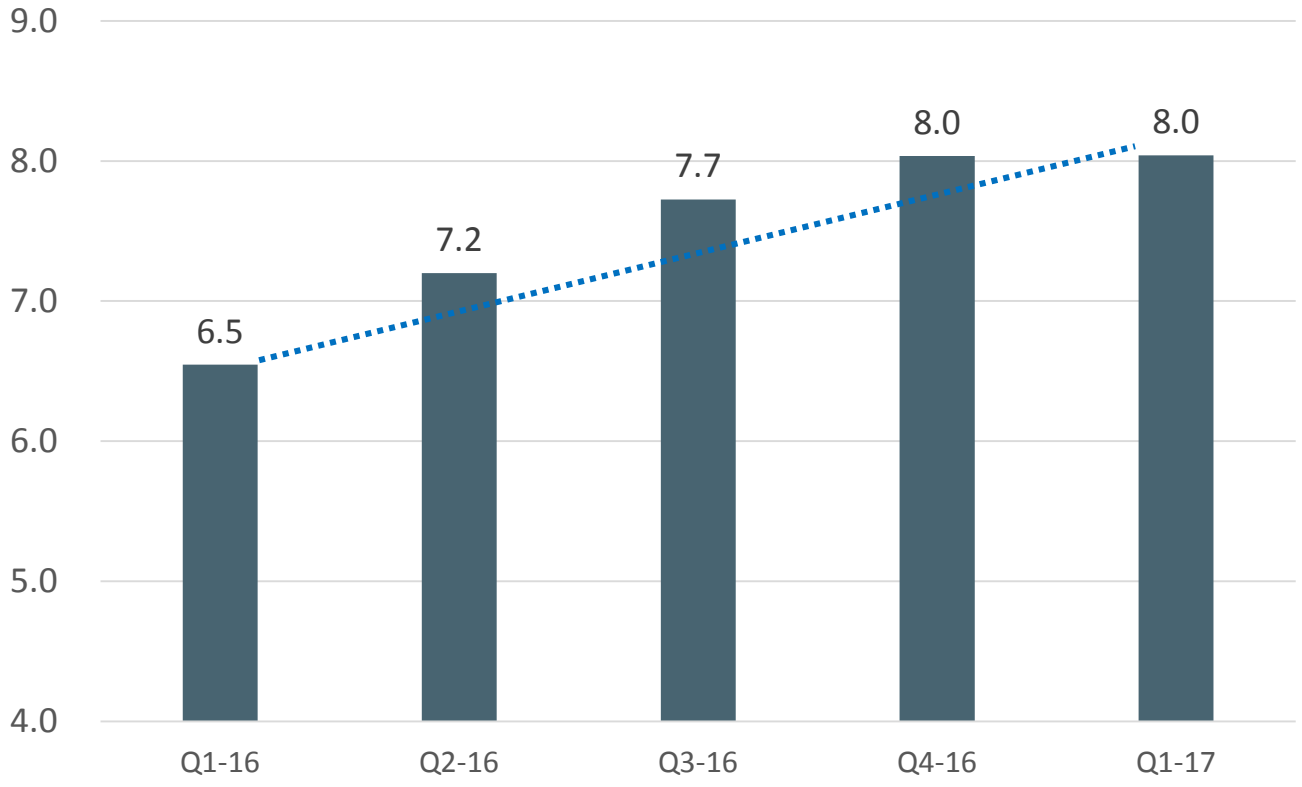
- 31/03/17

$40.7M in cash

Zero debt

REVENUE

IN MILLIONS OF US DOLLARS



SUMMARY

RADCOM has attractive growth opportunities

>$1 Billion Market Opportunity Driven by LTE, VoLTE, IoT and NFV

Highly Scalable and **Differentiated** Software-Based Solution

Groundbreaking NFV Win with AT&T

First Mover Advantage in Software-Based and NFV Probe Solutions

Product **Advantage to Increase** via Deployment Hardening

Compelling **Growth Engines**

Strong Revenue Growth and **Highly Scalable** Operating Model

Experienced Leadership Team with Extensive **Domain Knowledge**

RADCOM

THANK YOU