

Reference Slides

Earnings Call for Q1-15 Results

Safe Harbor Provision

Forward-looking statements in the conference call involve a number of risks and uncertainties, including but not limited to product demand, pricing, market acceptance, changing economic conditions, product technology development, the effect of the company's accounting policies, and other risk factors detailed in the company's SEC filings.

The Company does not undertake to update forward-looking statements.

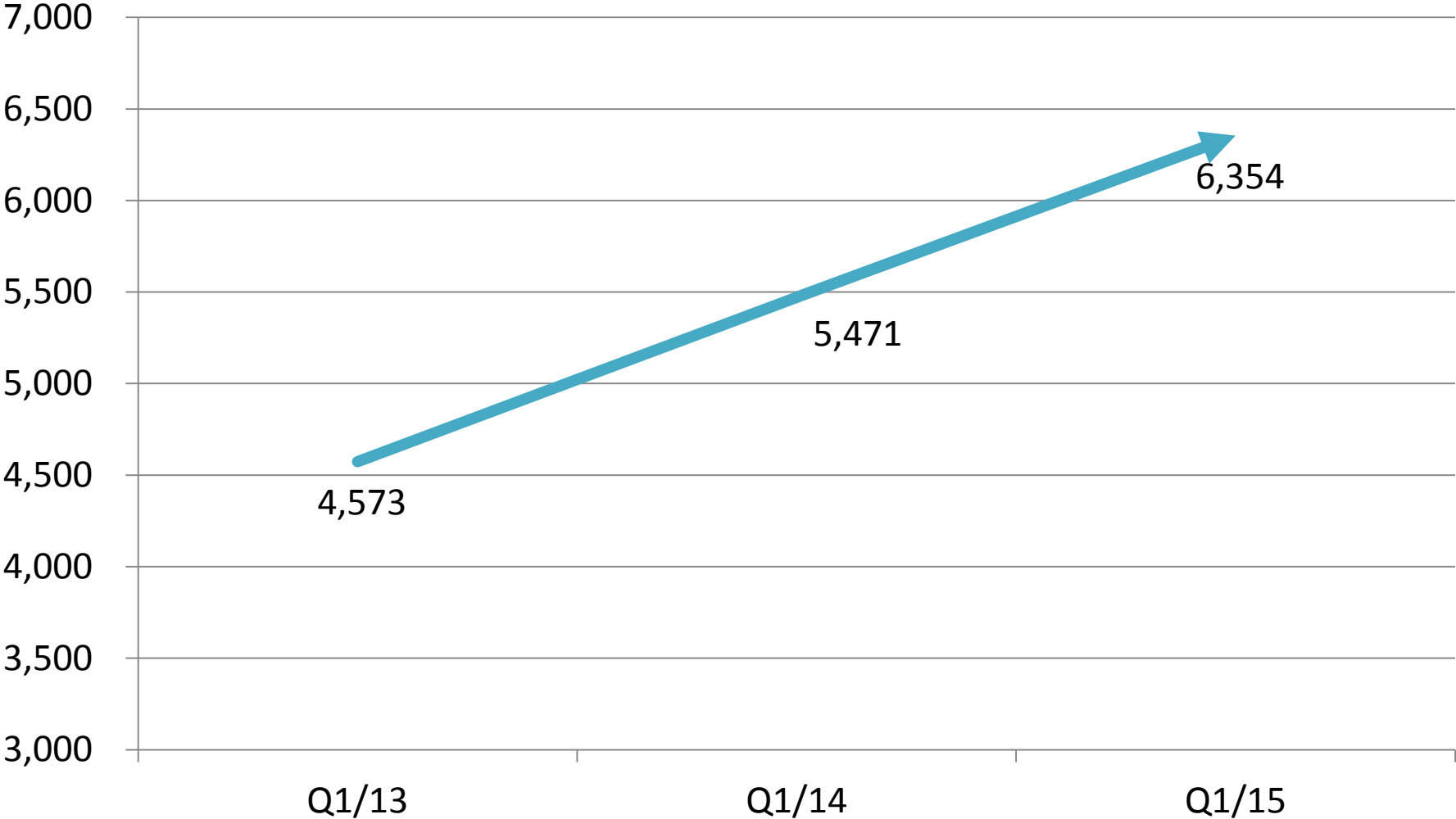
In this conference call, management will be referring to certain non-GAAP financial measures, which are provided to enhance the user's overall understanding of the company's financial performance. By excluding certain non-cash charges, non-GAAP results provide information that is useful in assessing RADCOM's core operating performance, and in evaluating and comparing our results of operations on a consistent basis from period to period. The presentation of this additional information is not meant to be considered a substitute for the corresponding financial measures prepared in accordance with generally accepted accounting principles. Investors are encouraged to review the reconciliations of GAAP to non-GAAP financial measures which are included in the quarter's earnings release.

Q1-15 Highlights (*non-GAAP*)

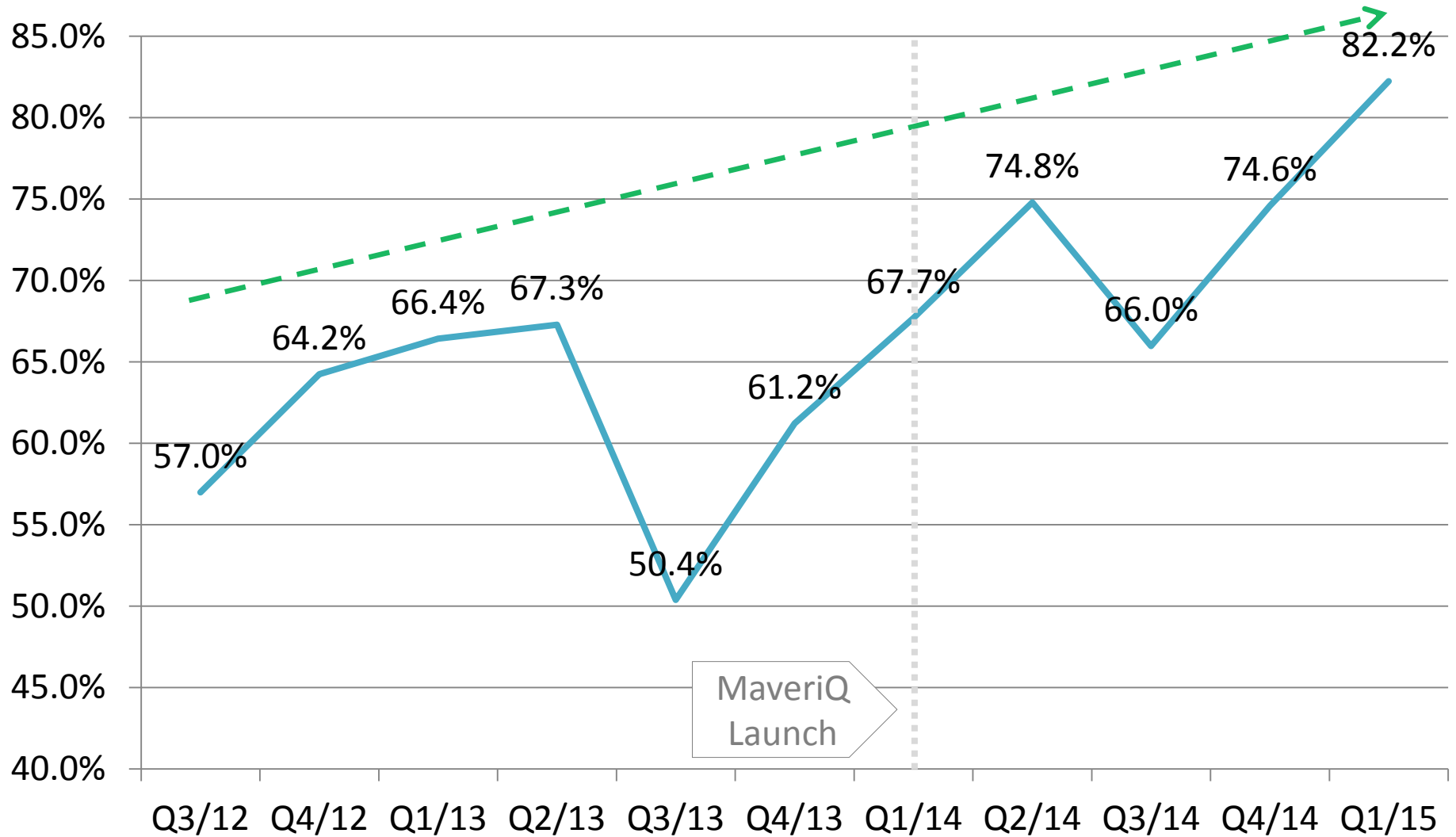
- \$6.4M revenue
- 82% gross margin
- \$1.3M operating profit
- 20.1% operating margin
- \$0.8M net profit
- 12.8% net margin
- \$0.10 EPS

Revenues

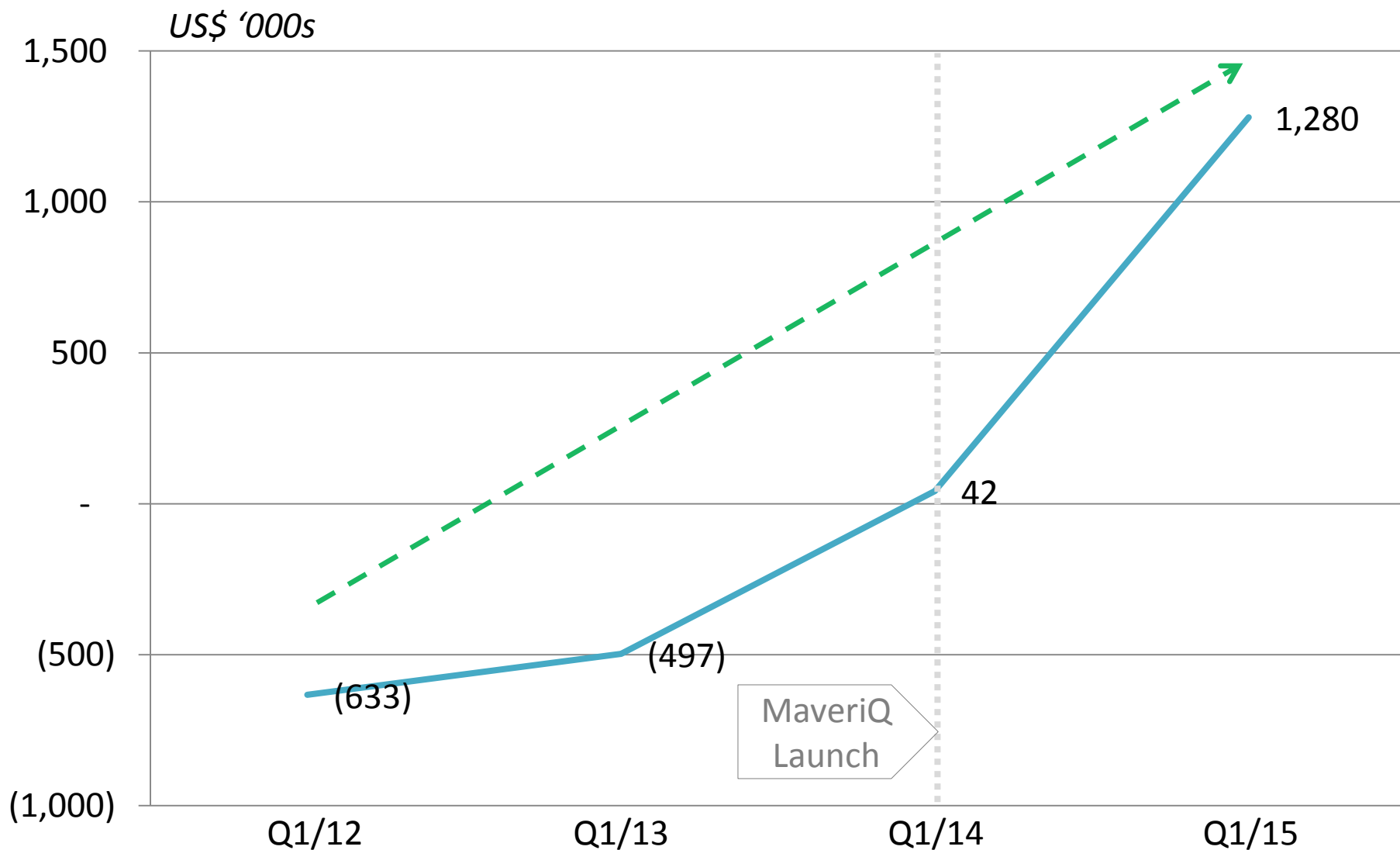
US\$ '000s



Gross margin



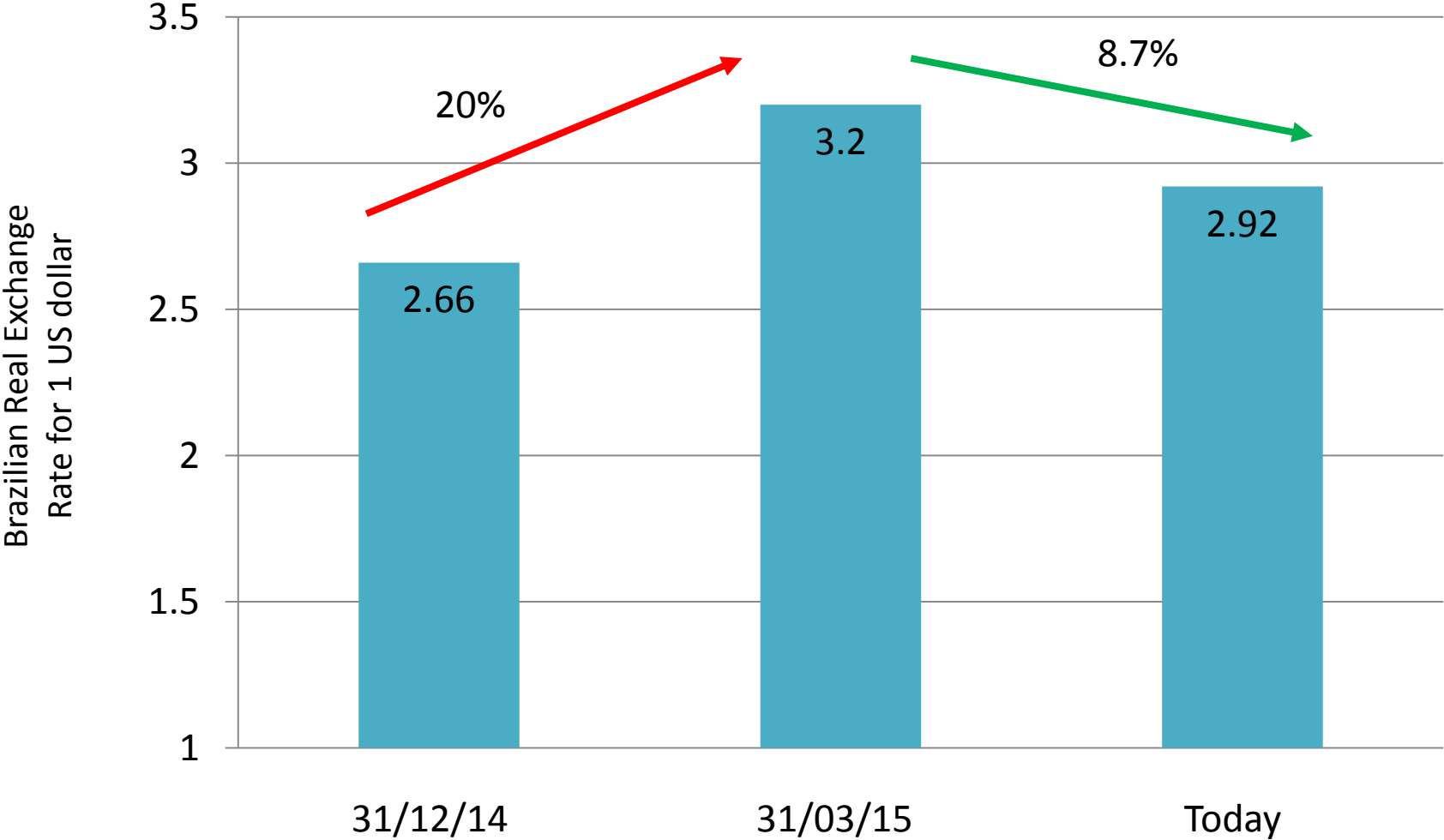
Q1 Operating income



Income Statement (Non-GAAP)

<i>US\$ '000s</i>	Q1-15	Q1-14
Sales	6,354	5,471
Cost of sales	<u>1,129</u>	<u>1,768</u>
Gross profit	5,225	3,703
<i>Gross margin</i>	82.2%	67.7%
R&D gross	1,473	1,522
Less participation	=	<u>298</u>
R&D net	1,473	1,224
S&M	1,950	1,897
G&A	<u>522</u>	<u>540</u>
Operating expenses	3,945	3,661
Operating profit (loss)	1,280	42
Financial income (expenses)	(452)	206
Net profit (loss) before taxes	828	248
Net taxes	(7)	0
Net profit (loss)	821	248
EPS (basic)	\$0.10	\$0.03
EPS (diluted)	\$0.09	\$0.03

Exchange Rate: Brazilian Real vs US Dollar





Thank You