



THE #1 WIRELESS BACKHAUL SPECIALIST

Investor Presentation // May 2019

Safe Harbor

This presentation contains statements concerning Ceragon's future prospects that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on the current beliefs, expectations and assumptions of Ceragon's management. Examples of forward-looking statements include: projections of demand, revenues, net income, gross margin, capital expenditures and liquidity, competitive pressures, order timing, growth prospects, product development, financial resources, cost savings and other financial matters. You may identify these and other forward-looking statements by the use of words such as "may", "plans", "anticipates", "believes", "estimates", "targets", "expects", "intends", "potential" or the negative of such terms, or other comparable terminology. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including risks relating to the concentration of a significant portion of Ceragon's business in certain geographic regions and particularly in India, where two customers currently represent a significant portion of its revenues; risks associated with a decline in demand from the single market segment on which we focus; risks associated with any failure to effectively compete with other wireless equipment providers; risk relating to certain guarantees granted by Ceragon on behalf of Orocom to FITEL, in the framework of the FITEL project; and other risks and uncertainties detailed from time to time in Ceragon's Annual Report on Form 20-F and Ceragon's other filings with the Securities and Exchange Commission, that represent our views only as of the date they are made and should not be relied upon as representing our views as of any subsequent date. We do not assume any obligation to update any forward-looking statements.

Ceragon Snapshot

- Ceragon is the leading provider of wireless backhaul solutions to mobile operators and private networks globally
- 20+ years of technology R&D driving significant barriers to entry; founded in 1996 and headquartered in Tel Aviv, Israel
- Leading market position is driven by its strong technology advantage:
 - Vertically integrated solution from chipset to system drives unmatched performance
 - Ceragon's solutions have been adopted by Tier 1 mobile operators and leading private networks globally



- Strong execution has driven strong net income growth and significant margin expansion:
 - 2018 was 4th consecutive year of increasing net income
 - Gross margins have increased from 25.2% to 33.9% (b)

(a) Source: Nasdaq as of 5/3/19

(b) Represents non-GAAP gross margin in FY2014 and FY2018

GLOBAL SCALE

+2,000 total customers

+1,000,000 systems deployed

+140 countries with systems deployed

~900 employees globally

\$2.58-\$5.04 52 week low/high^(a)



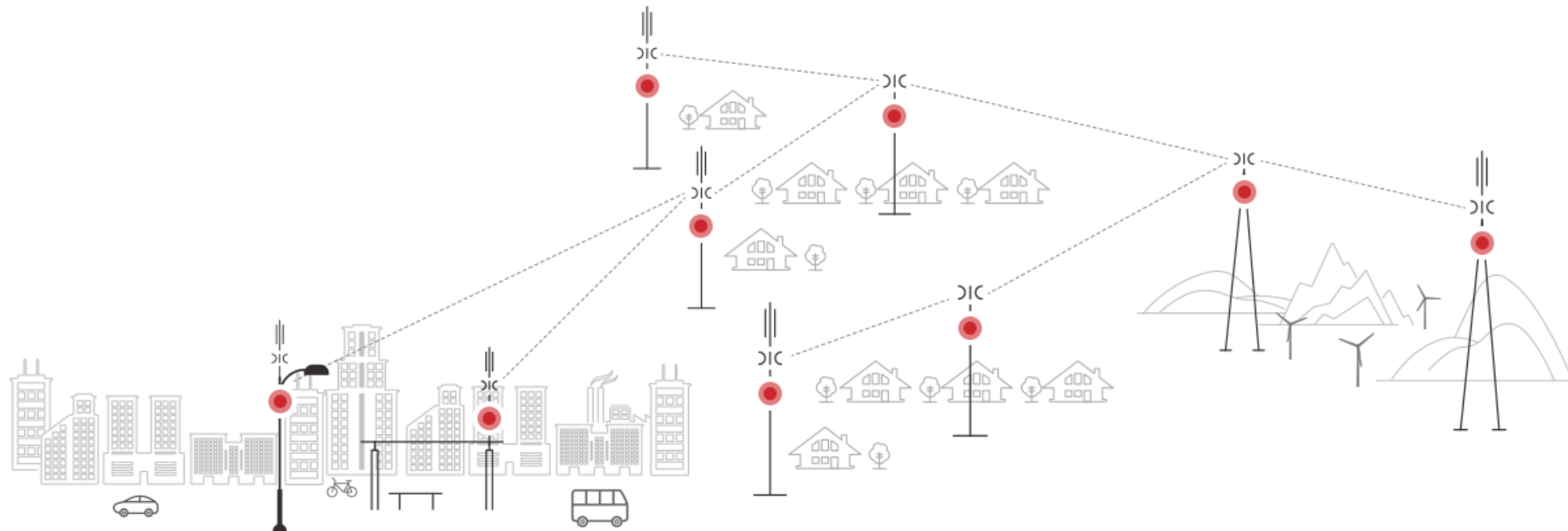
An aerial, high-angle photograph of a dense urban skyline, likely New York City, featuring numerous skyscrapers and a river in the background. A semi-transparent dark blue banner is overlaid horizontally across the center of the image, containing white text. The overall image has a blue-tinted, slightly desaturated appearance.

CERAGON'S BUSINESS AND LEADERSHIP POSITION

Wireless Backhaul

Critical Technology to Gigabit-LTE and 5G Networks

- Wireless backhaul serves as an alternative to fiber-optic networks and a primary solution for network densification
- Critical since it is a faster and more cost effective deployment vs. fiber based deployment
- Connects approximately 50% of all backhaul networks
- Proportion of fiber vs. wireless backhaul is expected to remain fairly constant through the evolution to 5G networks



Best-of-Breed Strategy: Sell Customer Value

Seek Best-of-Breed Focused Deals

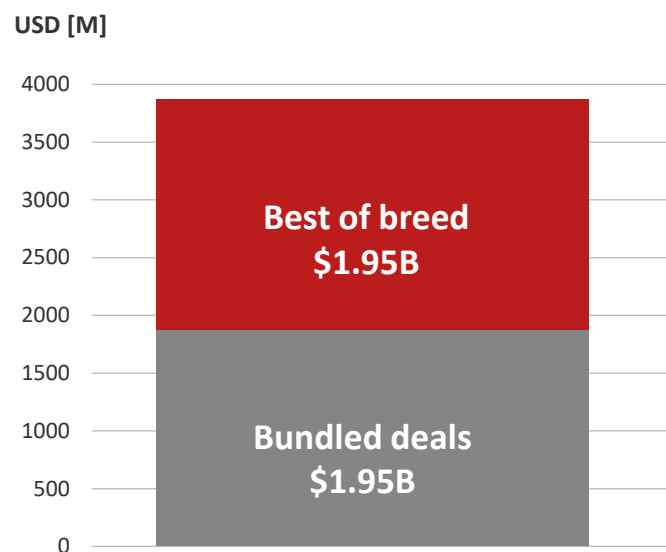
- Focus on service providers seeking the best wireless backhaul solution as main factor for vendor selection
- Focus on those customers that invest resources to assess vendors' ability to address their network-specific challenges
- Most private network customers are part of this category

Avoid Bundled/Price Focused Deals

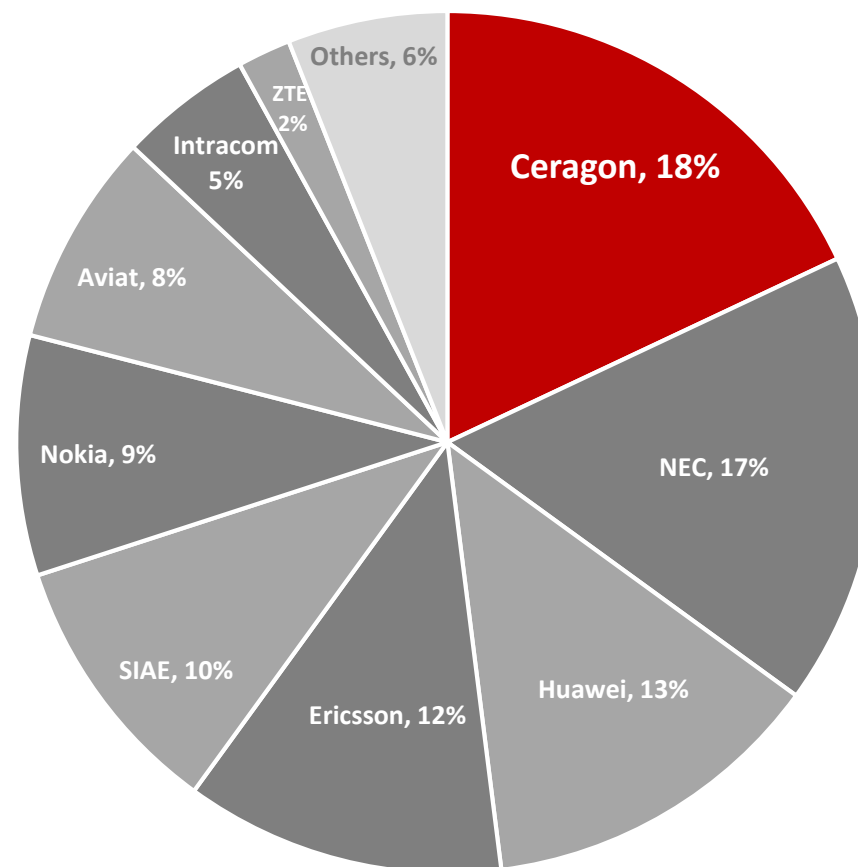
- Avoid end-to-end network bundling, with no specific vendor selection process for wireless backhaul
- De-emphasize customers that lack the skills/ resources for thorough evaluation of wireless backhaul vendors
- Avoid situations where price is the primary or only factor to determine vendor selection

Largest Specialist Serving the Best of Breed

Global Wireless Backhaul Market (2018)



Best-of-Breed Market Segment (2018)



Sources: SkyLight Research, March-2019.
Ceragon estimates, March-2019.

Technological Industry Leadership

Ceragon's Multicore technology resolves
the key challenges associated with wireless backhaul as networks transition to 5G
Capacity | Spectrum | Energy | Real-estate

4G evolution to 5G

Industry's only



Dual-core solutions

X4 Capacity, x2 Spectrum reuse gain, ½ Energy

CERAGON

2013

2014

2015

2016

2017

2018

2019

2020

NEC

SMC

siae microelettronica

ERICSSON

HUAWEI

NOKIA

Aviat

NETWORKS

Two separate Cores solutions

X2 Capacity, NO Spectrum reuse gain, NO Energy savings

Industry's only



Octa-core solutions

X16 Capacity, x4 Spectrum reuse gain, ⅛ Energy

CERAGON

Key to Innovation is Vertical Integration

Enables us to introduce features that keep pace with the evolution to 5G

- Chip design
- Software design
- Hardware design
- Systems

Full
Vertical
Integration

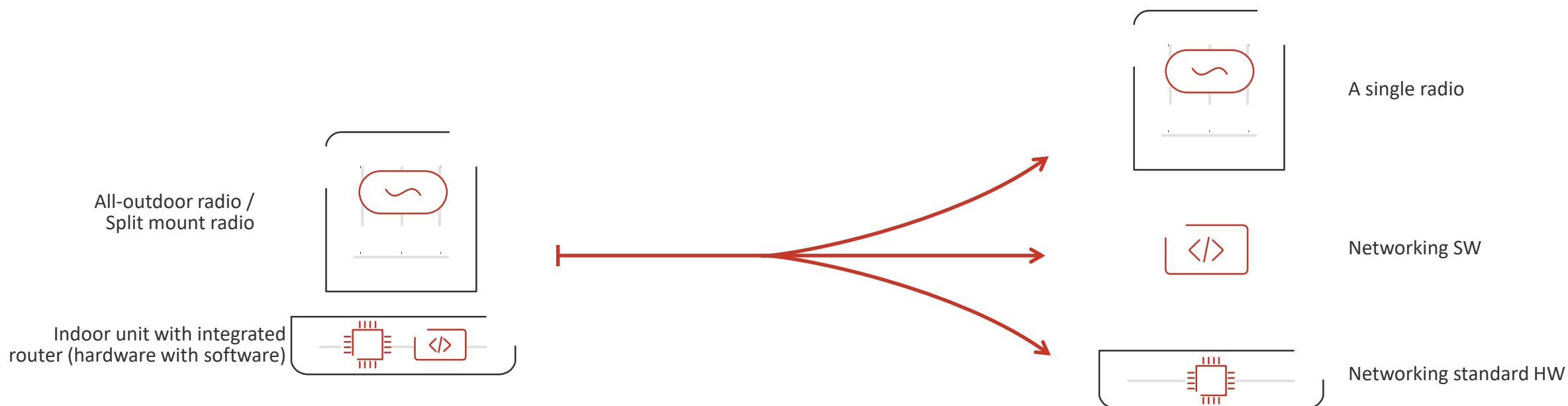


FIBEAIR IP-20 PLATFORM

MULTICORE EVERYWHERE - IN ALL DEPLOYMENT SCENARIOS



Disaggregated IP50 wireless backhaul resolves growing 5G challenges



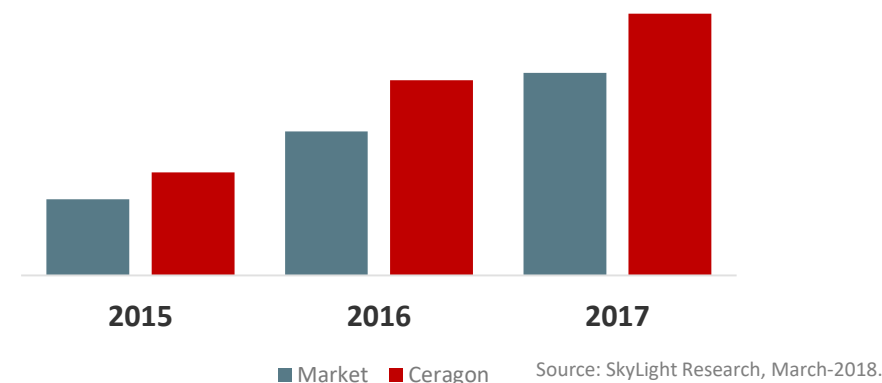
**Breaking
proprietary hardware-software combinations
from generalist vendors**

**Separating software from hardware in order
to innovate both more rapidly**

IP-20 All-outdoor solutions lead the market since 2013

Increasing demand for all-outdoor wireless backhaul

- Simplified site acquisition
- Fast installation and commissioning
- Efficient use of limited spectrum
- Super-fast capacity upgrade path



Proportion of Ceragon's equipment shipments represented by all-outdoor units has increased significantly to >60%, compared to <50% all-outdoor units in the overall best of breed market



Global Reach and Strong Customer Base

- Over 1 million radios installed in over 140 countries
- Supplier for major global Tier 1 operators



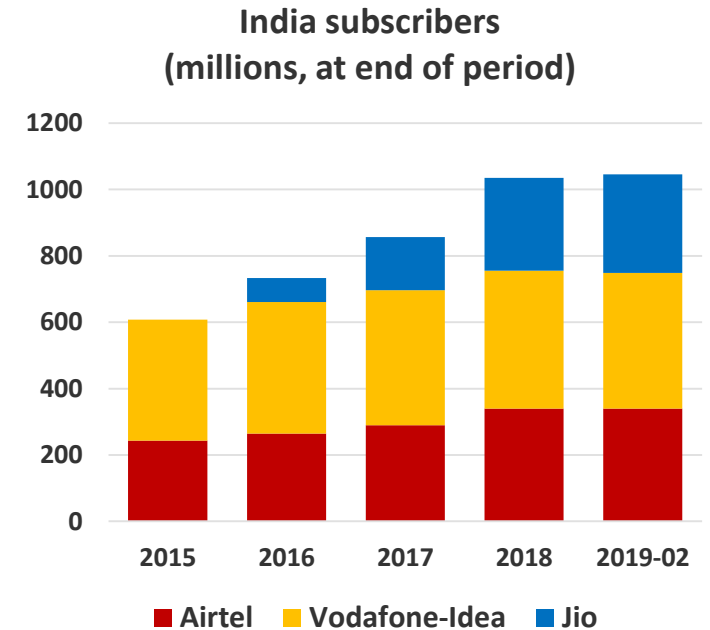
Revenue by Geography — Last 12 months

- Presence in all regions
- Purchasing decisions made both centrally and regionally



50% share of best of breed in India

- BIG-3 operators' net subscriber growth in 2018: 178M
- Aggressive network expansion & densification initiatives due to hyper-competitive market
- All-outdoor addresses key challenges at scale: network complexity, site acquisition, spectrum availability, energy, speed of installation and upgrades
- Similar pattern of all-outdoor adoption in other hyper-competitive markets
- Key relationships, IP-20 technology enabled



* Source: Telecom Regulatory Authority of India (TRAI)

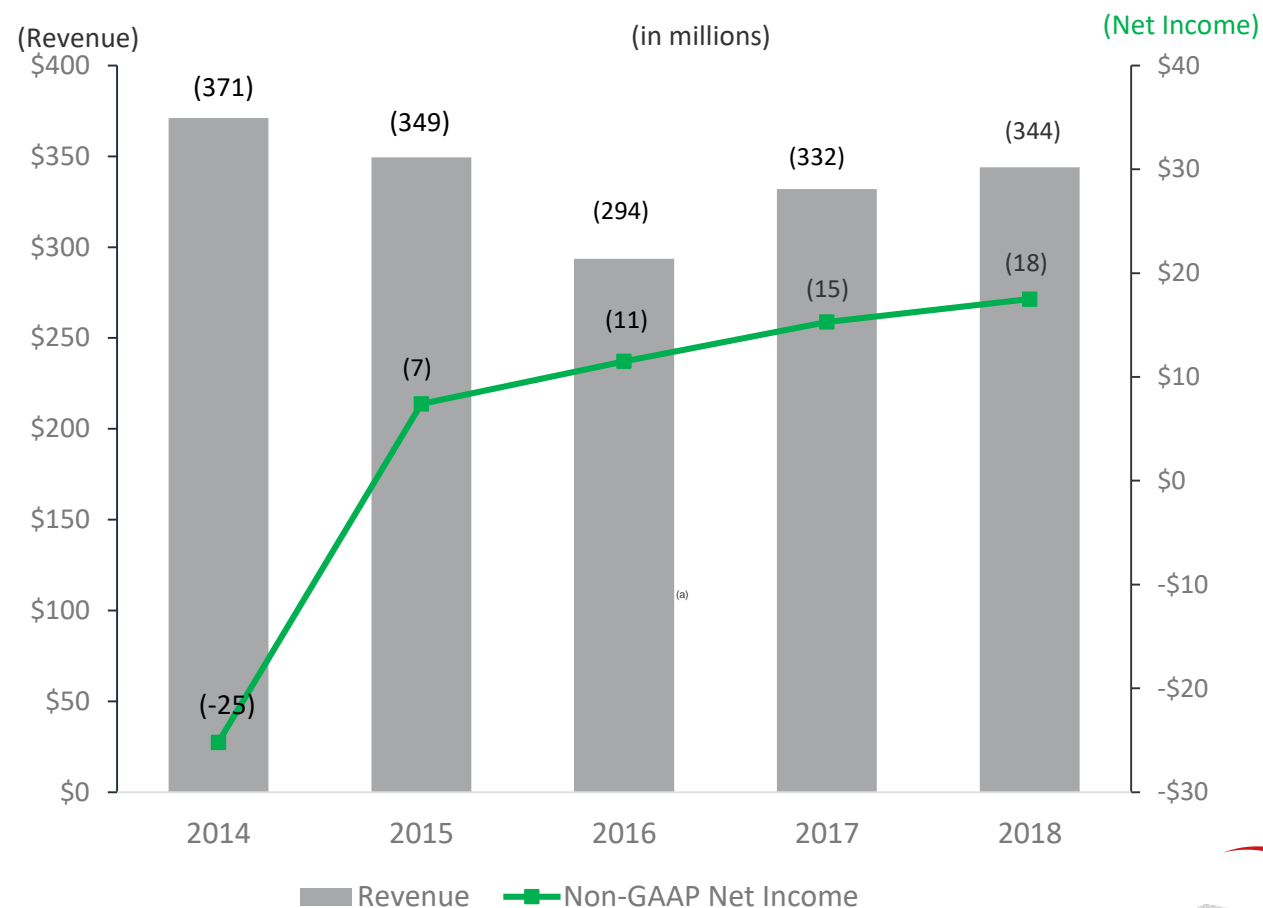


An aerial photograph of a dense urban skyline, likely New York City, featuring numerous skyscrapers and a river in the background. A semi-transparent dark blue banner is overlaid across the center of the image, containing white text. The text is centered and reads "CERAGON'S OPERATING MODEL AND FINANCIAL POSITION".

CERAGON'S OPERATING MODEL AND FINANCIAL POSITION

Track Record of Execution & Improving Net Income

- Focus on maximizing gross profit dollars
- Stable, profitable business model
- Goal is to increase net income again in 2019, for the fifth consecutive year



Note: Financial metrics are presented on a non-GAAP basis.

Strong Balance Sheet

- Cash decreased sequentially due to reduced factoring and higher working capital requirements to meet anticipated delivery commitments
- No bank debt; \$40 million unused borrowing capacity
- Credit facility to be used as business tool to accommodate short-term increase in working capital needs

(U.S. dollars in millions) (Unaudited)	
	a/o Mar. 31, 2019
Cash & cash equivalents	29.8
Bank debt	-0-
Inventory	67.4
AR	119.5
DSOs	132

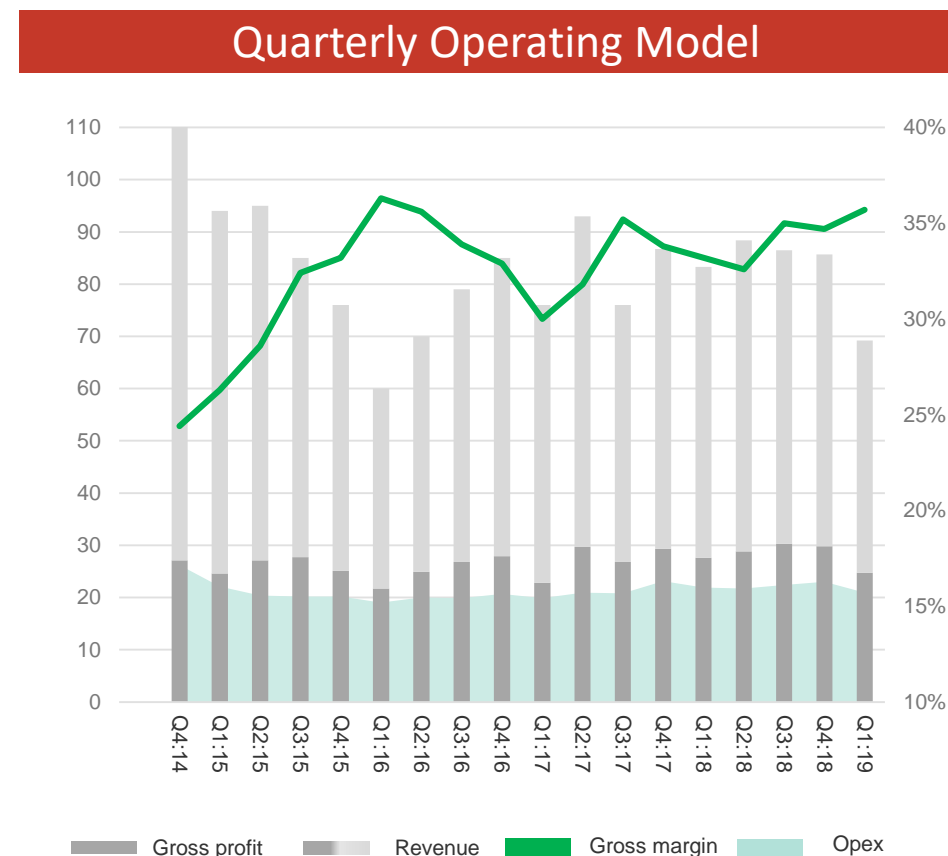
Characteristics of Operating Model

Controllable elements are well-controlled

- Deals accepted based on contribution to gross profit dollars
- Tendency toward trade-off between revenue and gross margin
- Stringent operating expense control sustained for 2+ years

Quarter-to-quarter fluctuations caused by factors difficult to control

- Changes in geographic mix of revenue – based on significant variations in GM by region
- Timing of recognizing revenue for various elements of project – based on large customers dictating delivery timing of each element
- Currency fluctuations, interest rates, seasonality, orders lumpiness, changes in raw materials and components market



Note: Financial metrics are presented on a non-GAAP basis.

An aerial, high-angle photograph of a dense urban skyline, likely New York City, featuring numerous skyscrapers and a river in the background. A semi-transparent dark banner is overlaid across the center of the image, containing white text. The entire image has a light blue/teal color cast and a subtle grid pattern.

THE FUTURE IS 5G
THE FUTURE IS CLOSER THAN WE THINK

5G evolution, not a single event

Today: Gigabit LTE momentum

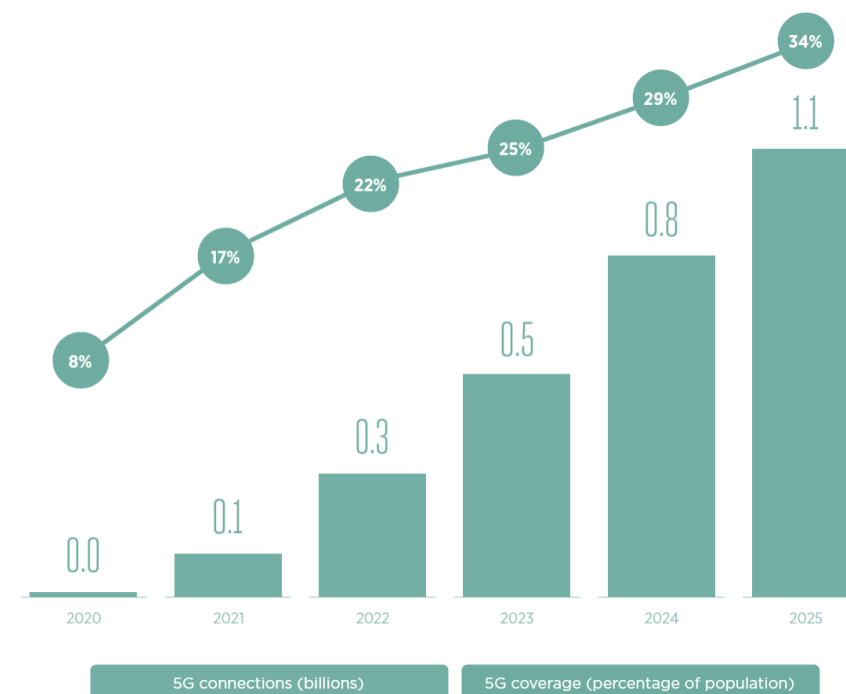
>40 countries, >20 operators



Gigabit LTE – enhanced mobile service, based on LTE-Advanced-pro standards, enabling “5G broadband” services

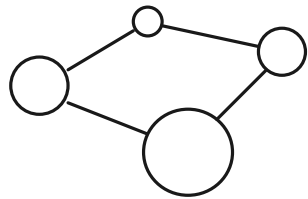
Source: Qualcomm, 2018

Tomorrow: 5G adoption subscribers



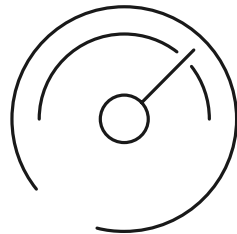
Source: GSMA, 2017

5G amplifies & diversifies wireless backhaul challenges



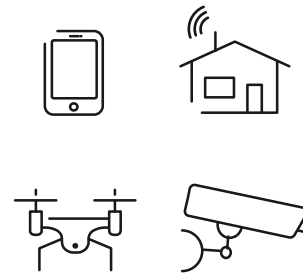
X5

DEPLOY MORE SITES

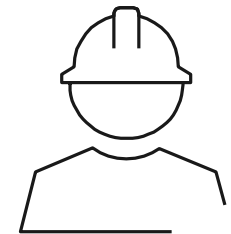


X100

PROVIDE MORE
CAPACITY

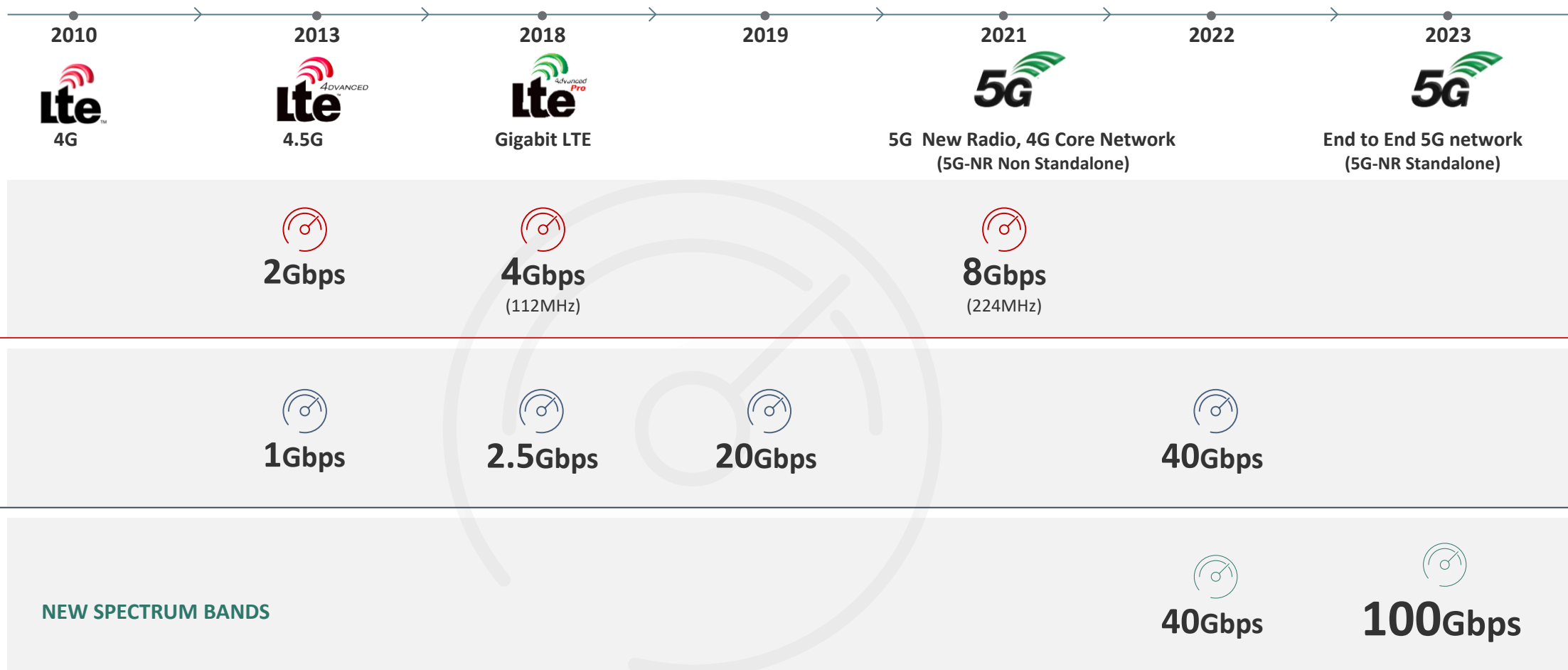


ENABLE 5G USE-CASES



DEAL WITH
MASS DEPLOYMENT

Ceragon strategic roadmap – single channel capacity



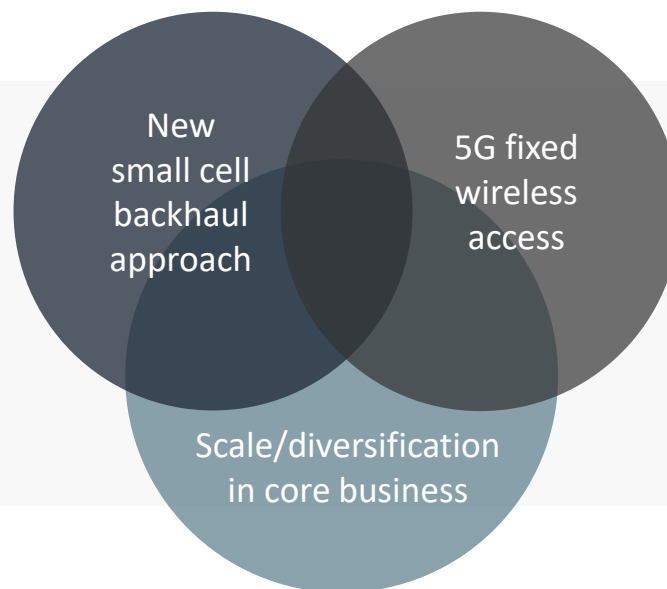
- Multiples of each capacity listed above are achievable using Carrier-Aggregation technology to combine several channels into a single link
- Multi-band technology also allows operator to combine MW and mmW to achieve higher capacity with greater reliability

Formulating a Broader 5G Strategy

Continuously refining both offensive and defensive strategies

Technology Fit/Business Risk Analysis

- Relevance to core competencies
- Potential competitive advantage
- Market size and maturity
- Market growth potential



Value Creation/Financial Risk Analysis

- Time to revenue
- Magnitude of investment required
- Inherent profitability (gross margin)
- Impact on cash flow

Seeking best risk-adjusted opportunity to generate profitable growth

An aerial, high-angle photograph of a dense urban skyline, likely New York City. The image shows a multitude of skyscrapers and buildings of varying heights and architectural styles. A prominent white, lattice-like structure, possibly a construction crane or part of a building's facade, is visible on the left side. The sky is hazy, and the overall tone is somewhat desaturated. A dark, semi-transparent horizontal band runs across the middle of the image, serving as a background for the text.

SUMMARY

- ✓ **Leader in premium segment of the market**
- ✓ **Time-to-market advantage with technologically-advanced IP-20 and IP-50 platforms**
- ✓ **Competitive strengths provide ability to be selective, obtain major share of highest-value opportunities**
- ✓ **Financial stability enables continuous innovation and design-to-cost investment**
- ✓ **Reported 4th consecutive year of profit improvement in 2018; targeting 5th in 2019**
- ✓ **Positioned to capitalize on network evolution from 4G to 5G to generate long-term profitable growth**



*Challenge us
to take you further*

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