

A large, stylized red swoosh graphic is positioned in the upper right quadrant of the slide. It starts as a thin line that curves into a thick, bold shape, resembling a stylized 'C' or a dynamic arrow pointing towards the right.

*Challenge us
to take you further*

Q4 2018 Financial Review

February 2019



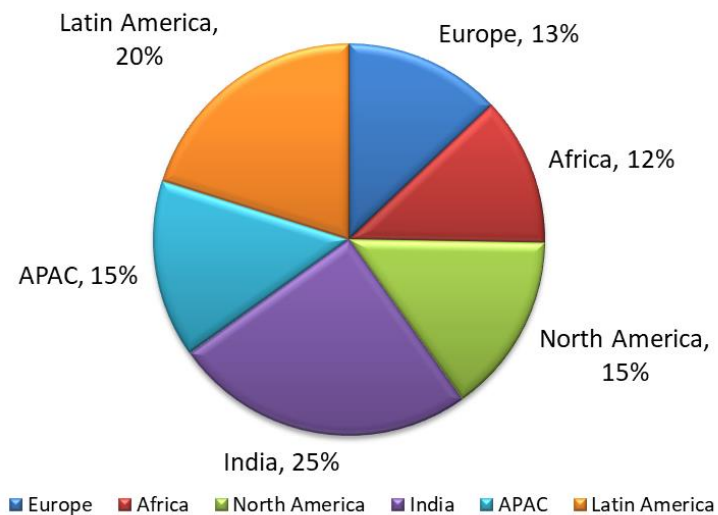
Safe Harbor Statement

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 revenues, net income, gross margin, capital expenditures and liquidity, competitive pressures, 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 Ceragon's business in certain geographic regions and particularly in India, risks associated with a decline in demand from the single market segment on which we focus; risk relating to certain guarantees granted by Ceragon on behalf of Orocom to FITEL, in the framework of the FITEL project; risks associated with any failure to effectively compete with other wireless equipment providers; risks associated with a change in our gross margin as a result of changes in the geographic mix of revenue; risks related to the fact that our operating results may vary significantly from quarter to quarter and from our expectations for any specific period; risks related to our ability to meet the supply demands of our customers in a timely manner due to the high volatility in their supply needs; risks associated with difficulties in obtaining market acceptance of newly introduced product; risks associated with technical difficulties that may be discovered in newly developed products; 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.

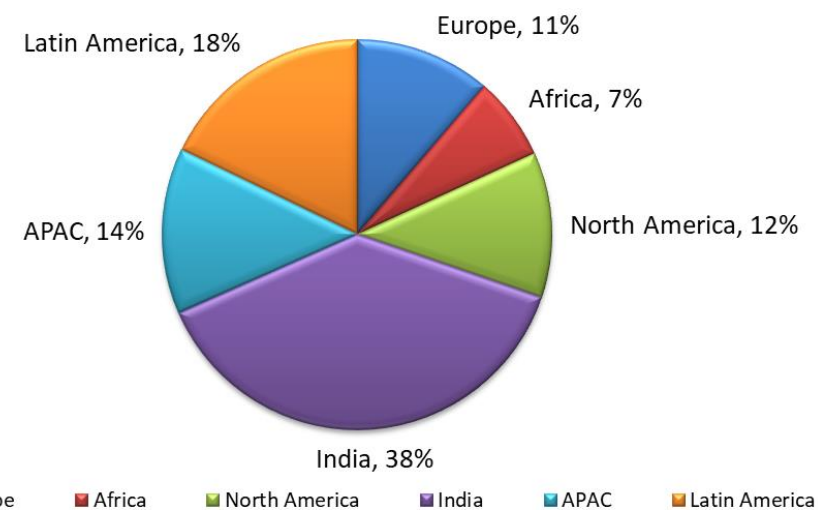
Revenues- Geographic Split

	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q2/18	Q3/18	Q4/18
Europe	15%	18%	15%	13%	14%	10%	12%	17%	17%	12%	11%	9%	13%
Africa	12%	9%	6%	8%	4%	6%	3%	3%	3%	2%	4%	10%	12%
North America	10%	15%	16%	10%	14%	15%	7%	12%	14%	11%	10%	13%	15%
India	30%	19%	26%	31%	32%	36%	53%	31%	34%	46%	47%	34%	25%
APAC	9%	14%	10%	8%	9%	19%	11%	12%	12%	16%	11%	13%	15%
Latin America	24%	25%	27%	30%	27%	14%	14%	25%	20%	13%	17%	21%	20%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Q4/18



Q1-Q4/18



NON-GAAP Profit & Loss

Actual (Unaudited)													
	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q2/18	Q3/18	Q4/18
Revenues	75,643	59,834	70,010	79,132	84,665	76,021	93,334	75,999	86,679	83,275	88,328	86,529	85,742
Cost of Revenues	50,501	38,085	45,141	52,377	56,808	53,232	63,648	49,215	57,382	55,639	59,566	56,219	55,961
Gross profit	25,142	21,749	24,869	26,755	27,857	22,789	29,686	26,784	29,297	27,636	28,762	30,310	29,781
Gross margin	33.2%	36.3%	35.5%	33.8%	32.9%	30.0%	31.8%	35.2%	33.8%	33.2%	32.6%	35.0%	34.7%
Research & Development	5,089	5,155	5,357	5,331	5,701	6,029	6,083	6,943	6,420	7,154	6,754	7,353	6,606
% R&D	6.7%	8.6%	7.7%	6.7%	6.7%	7.9%	6.5%	9.1%	7.4%	8.6%	7.6%	8.5%	7.7%
Sales & Marketing	9,725	9,626	9,522	9,407	10,174	9,586	9,892	9,375	12,252	10,418	10,227	10,349	11,327
%S&M	12.9%	16.1%	13.6%	11.9%	12.0%	12.6%	10.6%	12.3%	14.1%	12.5%	11.6%	12.0%	13.2%
General & Administration	5,338	4,785	5,100	5,154	4,820	4,323	4,936	4,249	4,440	4,327	4,721	4,247	5,074
%G&A	7.1%	8.0%	7.3%	6.5%	5.7%	5.7%	5.3%	5.6%	5.1%	5.2%	5.3%	4.9%	5.9%
Total operating expenses	20,152	19,566	19,979	19,892	20,695	19,938	20,911	20,567	23,112	21,899	21,703	21,949	23,007
Operating profit	4,990	2,183	4,890	6,863	7,162	2,851	8,775	6,217	6,185	5,737	7,059	8,361	6,774
Operating margin	6.6%	3.6%	7.0%	8.7%	8.5%	3.8%	9.4%	8.2%	7.1%	6.9%	8.0%	9.7%	7.9%
Non-GAAP EBITDA	7,669	4,085	7,146	8,975	9,280	4,821	10,625	8,024	8,218	7,248	9,050	10,455	8,937
Finance expenses	(2,265)	(1,825)	(2,372)	(1,519)	(1,494)	(1,598)	(1,481)	(1,655)	(1,155)	(2,034)	(2,646)	(1,766)	(872)
Income Tax	(670)	(505)	(911)	(572)	(429)	(389)	(1,319)	(202)	(964)	(701)	(593)	(894)	(904)
Non GAAP Net income (loss)	2,055	(147)	1,608	4,772	5,239	864	5,975	4,360	4,066	3,002	3,821	5,701	4,998
Non GAAP EPS	0.03	(0.00)	0.02	0.06	0.07	0.01	0.07	0.05	0.05	0.04	0.05	0.07	0.06
# of Shares for diluted EPS ('000)	78,264	77,655	78,526	79,780	79,889	80,752	80,405	79,880	79,785	80,378	81,157	81,546	82,369

Selected Cash Flow Data

(U.S. dollars in thousands)													
	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q2/18	Q3/18	Q4/18
Total cash & cash investments	36,318	41,845	34,377	32,374	36,338	36,460	34,087	36,470	25,877	25,956	29,398	41,322	35,581
Cash flow from operations	8,143	12,708	2,297	764	10,002	7,781	2,268	(9,516)	16,617	4,373	4,179	15,521	(3,207)
Capital expenditures	(2,441)	(2,201)	(1,407)	(1,825)	(2,757)	(2,309)	(1,196)	(3,980)	(3,451)	(4,385)	(908)	(3,764)	(4,610)
Option Exercise	26	-	7	60	8	74	115	40	65	100	274	189	2,048
Loans received (repaid), net	(9,008)	(5,072)	(8,400)	(1,150)	(3,300)	(5,500)	(3,500)	15,800	(23,800)	-	-	-	-
Other	394	92	35	148	11	76	(60)	39	(24)	(9)	(103)	(22)	28
Net Change in Cash	(2,886)	5,527	(7,468)	(2,003)	3,964	122	(2,373)	2,383	(10,593)	79	3,442	11,924	(5,741)

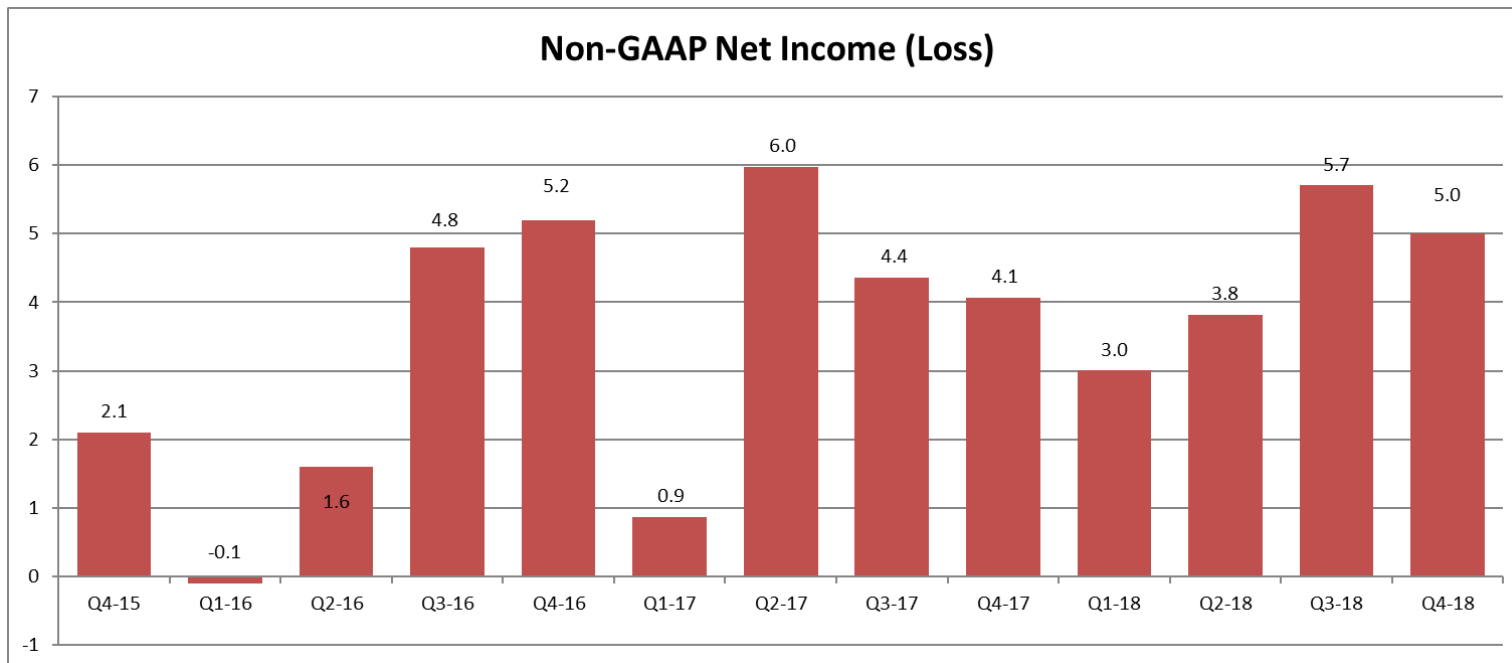
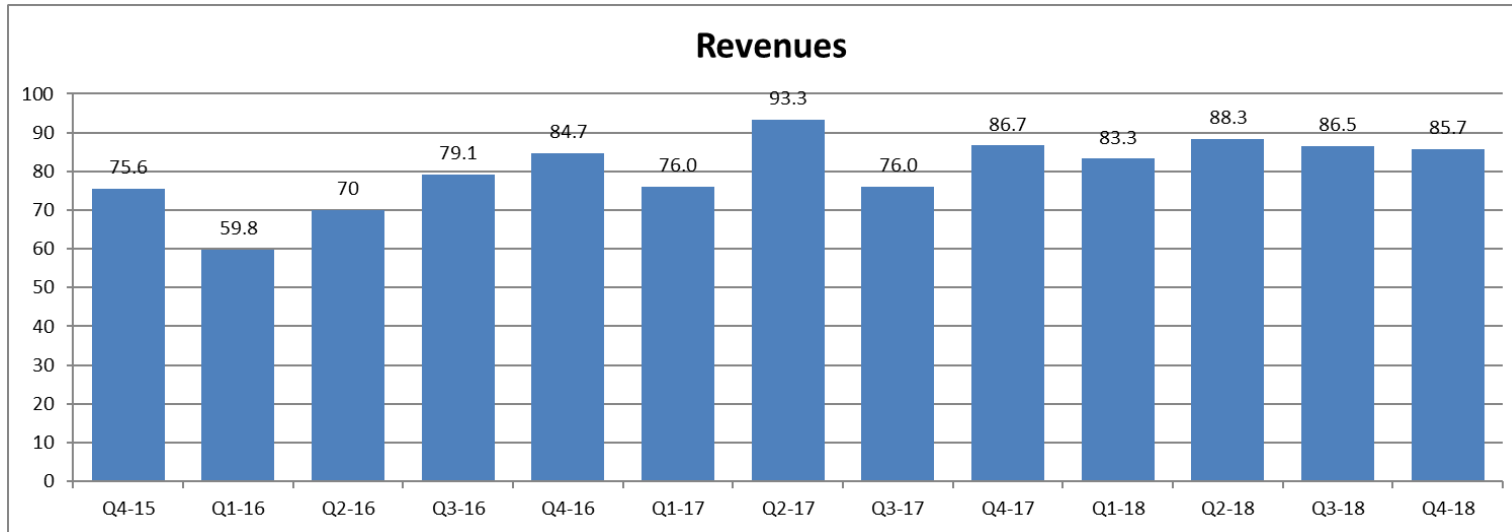
Selected Balance Sheet Data

	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q2/18	Q3/18	Q4/18
Cash and Cash Equivalents	36,318	41,845	34,377	32,374	36,338	36,460	34,087	36,470	25,877	25,956	29,398	41,322	35,581
Trade Receivables	116,683	82,070	89,451	109,615	107,395	99,539	114,077	127,124	113,719	116,002	118,545	113,193	123,451
DSOs	122	95	112	141	133	117	125	141	125	125	129	120	131
Inventory	49,690	49,592	48,786	44,182	45,647	50,815	56,158	55,866	54,164	49,676	46,040	47,435	53,509
Inventory Days	74	85	93	87	87	89	90	91	88	80	76	76	86
Working capital	84,311	86,561	88,322	95,252	95,950	98,197	102,818	105,673	105,362	108,030	109,134	113,817	115,170
Loans	34,922	29,850	21,450	20,300	17,000	11,500	8,000	23,800	-	-	-	-	-
Shareholders' Equity	102,821	103,440	104,048	108,363	116,164	118,026	123,656	126,854	133,898	136,061	138,474	145,543	159,568
%- Shareholders' Equity/ Total assets	39%	44%	45%	45%	48%	48%	47%	46%	53%	55%	56%	56%	56%
Total BS	265,332	236,482	230,269	242,563	244,225	243,848	263,682	278,658	253,593	248,190	247,212	258,948	283,000

Reported results – Reconciliation to GAAP

(U.S. dollars in thousands)													
	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q2/18	Q3/18	Q4/18
Non GAAP Net income (loss)	2,055	(147)	1,608	4,772	5,239	864	5,975	4,360	4,066	3,002	3,821	5,701	4,998
Stock based compensation expenses	452	411	180	283	197	358	261	349	235	353	679	450	498
Amortization of intangible assets	457	406	414	414	416	374	380	384	406	-	-	-	-
Changes in indirect tax exposures	(4,848)	133	723	403	(1,921)	162	165	(209)	(1,983)	15	12	11	(230)
Recovery of devaluation related expenses in Venezuela	-	-	-	-	-	-	-	-	-	-	-	(969)	0
Currency devaluation in Venezuela	-	(907)	-	-	-	-	-	-	-	-	-	-	-
Non-cash tax adjustments	762	246	242	189	(1,786)	98	187	340	(1,802)	564	(96)	58	(6,869)
GAAP Net Income (Loss)	5,232	(436)	49	3,483	8,333	(128)	4,982	3,496	7,210	2,070	3,226	6,151	11,599
GAAP EPS	0.07	(0.01)	0.00	0.04	0.10	(0.00)	0.06	0.04	0.09	0.03	0.04	0.08	0.14
# of Shares for basic EPS ('000)	77,416	77,655	77,675	77,712	77,759	77,796	77,891	77,964	78,010	78,080	78,232	78,455	79,539
# of Shares for diluted EPS ('000)	78,432	77,655	77,920	79,285	79,584	80,513	80,202	79,597	79,452	80,065	80,850	81,172	81,988

Quarterly Revenues and Non-GAAP Net Income (Loss)





Thank You

