

Napatech

Company Presentation

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Henrik Brill Jensen
CEO

Napatech

In brief

- Napatech develop and markets hardware & software solutions that reliably increase performance of our customers' applications one step ahead of the networks they need to manage and protect
- Napatech customers are equipment manufactures and solution providers building network application solutions for customers like: Telecom, Data Center, Financial, E-commerce, Defense and Enterprise
- Napatech has a strong global customer base. Delivering high quality to more than a 100 international customers whom have deployed 140,000+ ports is the proof of high customer retention and satisfaction
- Napatech is a public company; listed on OSE in Dec'13

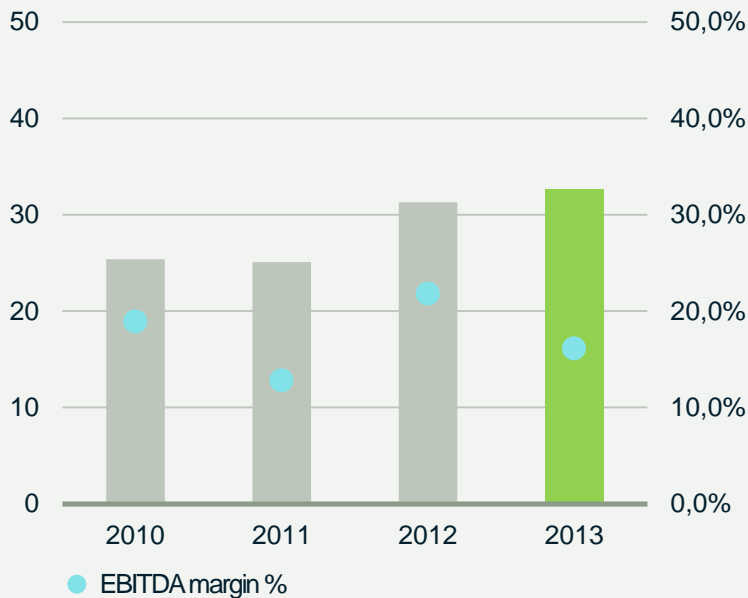


Sustained Financial Performance

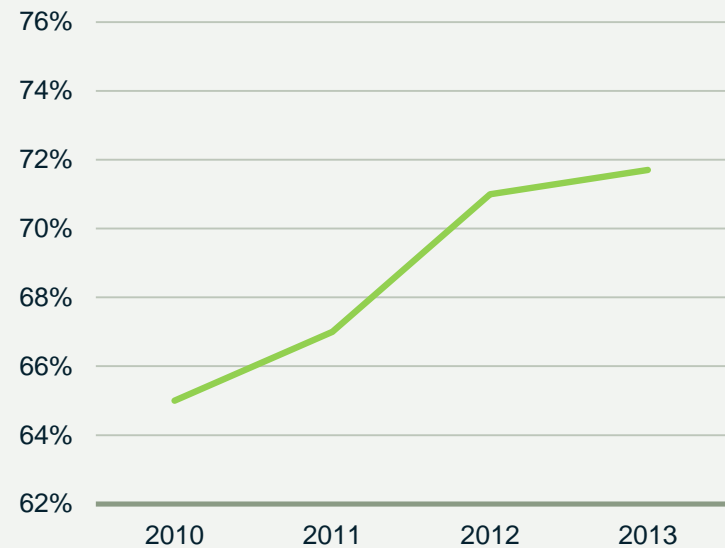
A strong business model

Revenue MUSD

EBITDA margin

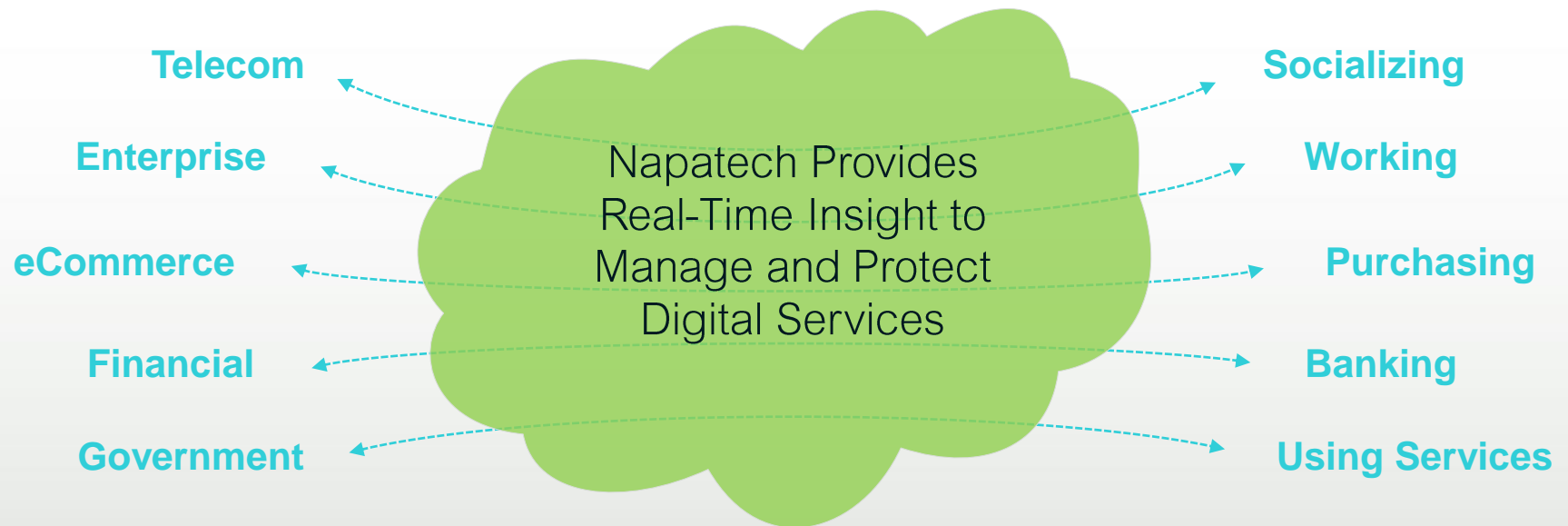


Gross margin



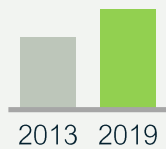
Staying Ahead of the Data Growth Curve

Guaranteeing availability and security

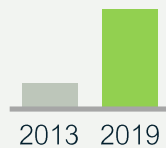


Explosion in mobile traffic

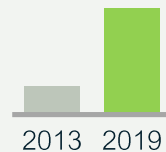
10X growth in smartphone traffic 2013-19



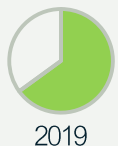
Mobile subscriptions growing with more than 2 billion by 2019 reaching 9.3 billion



Mobile broadband subscriptions seeing a CAGR of 25% reaching 8 billion subscriptions by 2019



Mobile traffic per subscription seeing a CAGR of 25% between 2013 and 2019



65% of the worlds population will be covered by LTE in 2019

Napatech solutions help operators monitor and manage the health of their networks and also ensure successful launch of new services and infrastructure

Through analysis of applications and subscriber behavior, operators can optimize existing and generate new innovative service while ensuring first-rate quality of experience

Security is critical to everyone

Breaches becoming extremely expensive

343M

Identities exposed in 2013 through attacks, human & system failure¹

118\$

Average cost per breached data record²
“Target Retail” exposed >100M records in 2013³

12M\$

Yearly cost of cyber attacks for an average US company²

2T\$

Global e-commerce expected to hit 2 trillion dollars by 2016⁴

Napatech solutions helps customers protect business critical information from data leaks and outside attacks, safeguarding personal information and securing financial transactions

Furthermore Napatech solutions protect the IT infrastructures for government networks, utility companies, healthcare and educational institutions

¹ Symantec Intelligence Report, December 2013 year-to-date December numbers

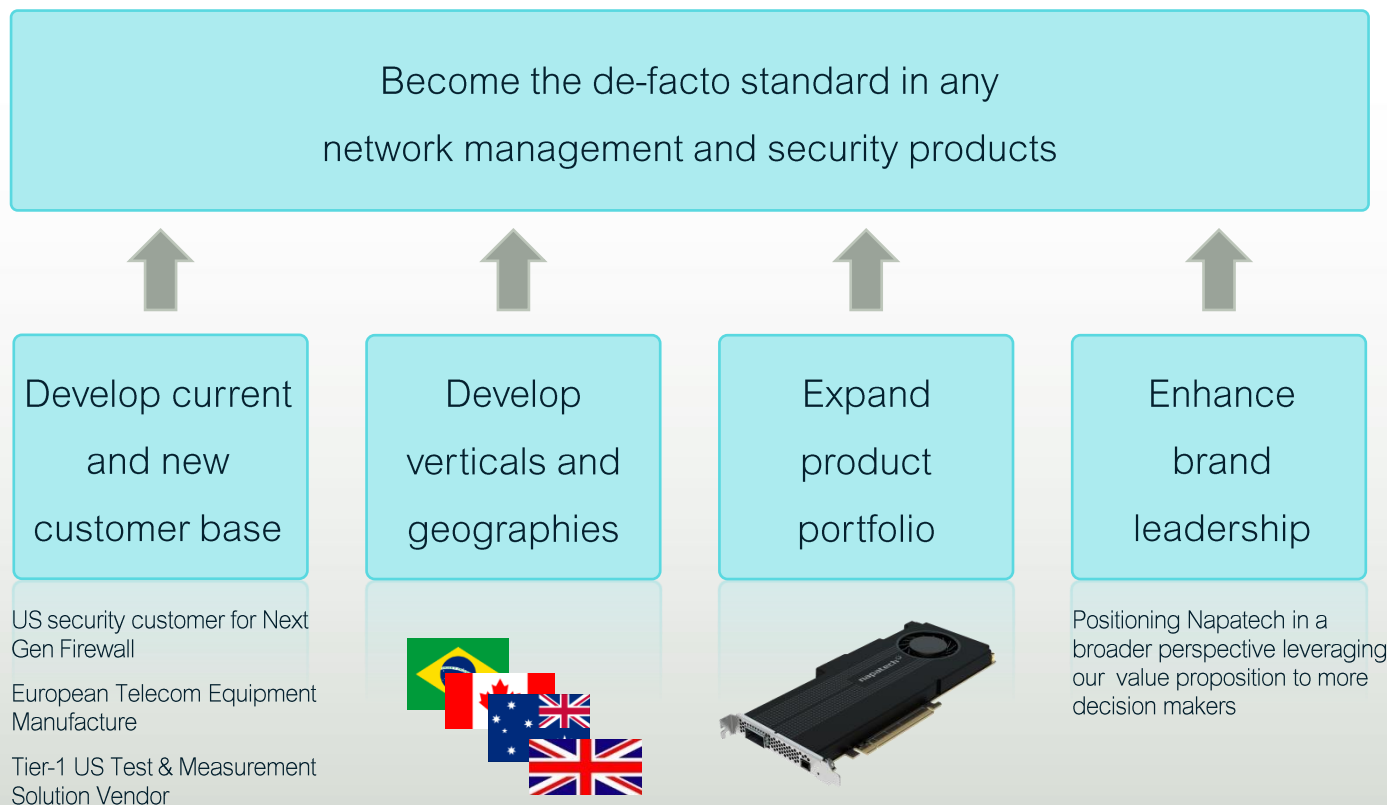
² US numbers. Ponemon Institute, 2013 Cost of Cyber Crime Study

³ <http://pressroom.target.com> & http://www.nytimes.com/2014/01/18/business/a-sneaky-path-into-target-customers-wallets.html?_r=0

⁴ eMarketer

Napatech strategic direction

Growing by focused execution



Management outlook

Strongly positioned to build additional growth

- Our new 10 and 100 Gigabit product lines and expansion of our Sales & Marketing activities are expected to fuel additional growth
- The growth in mobile data is creating urgency for service providers to analyze and understand data traffic to provide insights for strategic business decisions to secure profitability
- Increasing customer requirements for guaranteed data security and information protection is driving demand for Napatech high performance products accelerating security applications
- Now and in the future our team of specialists are committed to develop and market innovative new solutions to meet the needs fueled by higher network speeds, data growth and complexity

Guidance for full year

2014 is maintained at:

- Revenue growth 17%-23%
- EBITDA margin 18%-23%

Questions and answers session