

CHECK POINT SOFTWARE TECHNOLOGIES LTD.

**Diamond Tower
3A Jabotinsky Street
Ramat Gan 52520, Israel**

PROXY STATEMENT

ANNUAL GENERAL MEETING OF SHAREHOLDERS July 31, 2002

Notice is hereby given of the Annual General Meeting of Shareholders (the "Meeting") of Check Point Software Technologies Ltd. (the "Company"), to be held on July 31, 2002 at 11:00 A.M., at the principal executive offices of the Company at the address that appears above.

This Proxy Statement is furnished to the holders of Ordinary Shares, NIS 0.01 nominal value (the "Ordinary Shares"), of the Company in connection with the solicitation by the Board of Directors of proxy cards for use at the Meeting or at any adjournment thereof. It is proposed that resolutions be adopted at the Meeting as follows: (1) to elect six Directors for the coming year; (2) to approve the Consolidated Financial Statements of the Company for the year ended December 31, 2001; (3) to ratify the appointment and compensation of Kost Forer & Gabbay, a member of Ernst & Young International, as the independent public accountants of the Company for the year ending December 31, 2002; (4) to amend the Automatic Option Grant Program under the U.S. Plan to increase the automatic option grant to each continuing non-employee Director; and (5) to approve certain terms of compensation of officers who are also Directors of the Company.

A form of proxy card for use at the Meeting is attached. Shareholders should follow the instructions on the proxy card. Shareholders may revoke the authority granted by their execution of proxy cards at any time before the exercise thereof by filing with the Company a written notice of revocation or duly executed proxy card bearing a later date, or by voting in person at the Meeting. Unless otherwise indicated on the form of proxy card, shares represented by any proxy card in the attached form, if the proxy card is properly executed and received by the Company prior to the Meeting, will be voted in favor of all of the proposed resolutions to be presented to the Meeting, as described above.

Proxy cards for use at the Meeting are being solicited by the Board of Directors of the Company. Only shareholders of record at the close of business on June 24, 2002 will be entitled to vote at the Meeting. Also, shareholders who hold Ordinary Shares through a bank, broker or other nominee which is a shareholder of record of the Company or which appears in the participant listing of a securities depository, are entitled to notice of, and to vote at, the Meeting. Proxy cards are being mailed to shareholders on or about July 5, 2002 and will be solicited chiefly by mail; however, certain officers, Directors, employees and agents of the Company, none of whom will receive additional compensation for these services, may solicit proxy cards by telephone, telegram or other personal contact. The Company will bear the cost of the solicitation of the proxy cards, including postage, printing and handling, and will reimburse the reasonable expenses of brokerage firms and others for forwarding material to beneficial owners of shares.

On June 24, 2002 the Company had outstanding 244,370,197 Ordinary Shares, each of which is entitled to one vote upon each of the matters to be presented at the Meeting. Two or more shareholders, present in person or by proxy and holding shares conferring in the aggregate more than 50% of the voting power of the Company, will constitute a quorum at the Meeting. If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting will be adjourned to the same day in the next week, at the same time and place, or to such day and at such time and place as the Chairman may determine with the consent of the holders of a majority of the voting power represented at the Meeting in person or by

proxy and voting on the question of adjournment. At such adjourned Meeting, any two shareholders, present in person or by proxy, will constitute a quorum. Under Israeli law, if a quorum is present in person or by proxy, broker non-votes and abstentions will have no effect on whether the requisite vote is obtained, as they do not constitute present and voting shares.

**BENEFICIAL OWNERSHIP OF SECURITIES
BY CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding beneficial ownership of the Company's Ordinary Shares as of June 24, 2002 for (i) each person who is known by the Company to own beneficially more than 5% of the Company's outstanding Ordinary Shares, and (ii) all current executive officers and Directors as a group.

<u>Name and Address of Five Percent Shareholders, Officers and Directors(1)</u>	<u>Number of Shares Beneficially Owned(2)</u>	<u>Percentage of Shares Beneficially Owned</u>
Gil Shwed	27,648,996	11.2%
Marius Nacht	26,041,796	10.5%
Janus Capital Corporation(3)	13,969,447	5.7%
All Directors & executive officers as a group (10 persons)	69,190,703	27.6%

(1) Unless otherwise indicated, the address for each listed shareholder is c/o Check Point Software Technologies Ltd., 3A Jabotinsky Street, Ramat Gan 52520, Israel. Except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all Ordinary Shares.

(2) The number of Ordinary Shares beneficially owned includes the shares issuable pursuant to stock options that are exercisable within 60 days of June 24, 2002. Shares issuable pursuant to stock options are deemed outstanding for computing the percentage of the person holding such options but are not outstanding for computing the percentage of any other person.

(3) Based on information contained in March 31, 2002 Form-13F filings.

ITEM 1 - ELECTION OF DIRECTORS (OTHER THAN OUTSIDE DIRECTORS)

In accordance with the Company's Articles of Association, the Company's shareholders last fixed the number of Directors at 10. There are currently 8 members of the Board of Directors of the Company.

In accordance with Israel's Companies Law and the regulations promulgated under the Companies Law, on June 29, 2000 the Board of Directors designated Irwin Federman and Ray Rothrock as Outside Directors. Both of the Outside Directors serve on the Company's statutory audit committee, and at least one Outside Director serves on each committee of the Board of Directors. The term of office of an Outside Director is three years, and an Outside Director can be removed from office only under very limited circumstances. Therefore, Messrs. Federman and Rothrock are not required to stand for reelection at the Meeting. Biographical information concerning Messrs. Federman and Rothrock follows for informational purposes only.

Irwin Federman has served as a Director of the Company since November 1995. Mr. Federman has been a General Partner of U.S. Venture Partners, a venture capital firm, since April 1990. From 1988 to 1990, he was a Managing Director of Dillon Read & Co., an investment banking firm, and a general partner in its venture capital affiliate, Concord Partners. Mr. Federman is a Director of Centillum Communications, Inc., Netro Corporation, Nuance Communications, Inc., SanDisk Corporation and a number of private companies. Mr. Federman received a B.S. in Economics from Brooklyn College.

Ray Rothrock has served as a Director of the Company since November 1995. Mr. Rothrock has been a member of Venrock Associates, a venture capital firm, since 1988 and a General Partner of Venrock Associates since 1995. Mr. Rothrock is director of a number of private companies. Mr. Rothrock received a B.S. in engineering from Texas A&M University, an M.S. from the Massachusetts Institute of Technology and an M.B.A. from the Harvard Business School.

Shareholders are being asked to reelect the current Directors, other than the Outside Directors. Management recommends that the following six nominees be elected to the Board of Directors at the Meeting, each to serve until the next annual meeting of shareholders.

Gil Shwed, a co-founder of the Company, is Chairman of the Board of the Company, a position he has held since July 1998, and is also the Company's Chief Executive Officer and a Director of the Company, both of which positions he has held since the Company's inception in July 1993. Mr. Shwed also served as President of the Company from its inception until 2001.

Marius Nacht, a co-founder of the Company, has served as the Company's Senior Vice President and Vice Chairman of the Board since the beginning of 2001. Mr. Nacht served as the Company's Senior Vice President from January 1999 until the beginning of 2001. Mr. Nacht served as the Company's Vice President of International Operations from September 1995 until December 1998, and from July 1993 to September 1995 Mr. Nacht served as a Vice-President of the Company. Mr. Nacht has served as a Director of the Company since its inception in July 1993. Mr. Nacht received a Masters degree in Electrical Engineering and Communication Systems from Tel Aviv University, as well as a B.S. in Physics and Mathematics from Hebrew University of Jerusalem.

Shlomo Kramer, a co-founder of the Company, served as the Company's Executive Vice President from October 1996 until December 1998, and served as Vice President of Product and Business Development from October 1995 to October 1996. From July 1993 to October 1995, Mr. Kramer served as a Vice President of the Company. Mr. Kramer has served as a Director of the Company since its inception in July 1993. Mr. Kramer is currently the CEO of Webcohort Inc. Mr. Kramer received a Masters degree in Computer Science from Hebrew University of Jerusalem as well as a B.S. in Mathematics and Computer Science from Tel Aviv University.

David Rubner has served as a director of the Company since June 1999. Mr. Rubner is Chairman and Chief Executive Officer of Rubner Technology Ventures Ltd., and is a general partner in Hyperion Israel Advisors Ltd., a venture capital firm. Previously, Mr. Rubner served as President and Chief Executive Officer of ECI Telecom Ltd. Prior to this appointment, he held the positions of Chief Engineer, Vice President of Operations and Executive Vice President and General Manager of the telecommunications division of ECI Telecom Ltd. Mr. Rubner holds a B.S. degree in Engineering from Queen Mary College, University of London and an M.S. degree from Carnegie Mellon University. Mr. Rubner was a recipient of the Industry Prize in 1995 and serves on the boards of directors of a number of companies and universities.

Alex Serge Vieux has served as a director of the Company since the beginning of 1998. Mr. Vieux is Chairman, CEO and founder of DASAR Brothers, Inc., which he founded in 1990 and the owner of ETRE, the European Technology Roundtable Exhibition. He is a member of the board of several public and private technology companies including BVRP software, Commerce One, Kyriba, madge, Thrunet, and White Pajama. Mr. Vieux has served as a senior advisor to both government and industry and was lately named, for the second year in a row, one of the most influential people in the European technology community. Mr. Vieux is currently a visiting professor at the French University Paris Dauphine, where he is teaching telecommunications in the United States. Mr. Vieux is a graduate of the Institut d'Etudes Politiques in Paris and HEC. He also holds a law degree from the Université de Paris II-Assas and an M.B.A. from Stanford University, where he was a Fulbright Scholar.

Dr. Tal Shavit has served as a director of the Company since June 2000. Dr. Shavit is an organizational consultant specializing in international collaboration between Israeli and American

companies, consulting in the management of cultural differences in order to forge effective collaboration. Her focus is on consultation to R&D upgrade in both Israeli companies and in American companies with Israeli-based R&D centers. Her work with leading management teams includes a defining of organizational culture as the engine of the company's activities. She consults to companies undergoing structural change and a redefining of management roles in order to meet market changes.

It is the intention of the persons appointed as proxies in the accompanying proxy card to vote FOR the election of the nominees named above as Directors unless specifically instructed to the contrary. Management knows of no current circumstances that would render any nominee named herein unable to accept nomination or election.

**ITEM 2 - PROPOSAL TO APPROVE THE
CONSOLIDATED FINANCIAL STATEMENTS OF
THE COMPANY FOR THE YEAR ENDED DECEMBER 31, 2001**

The Company's Consolidated Financial Statements for the year ended December 31, 2001 are available on the Company's website www.checkpoint.com.

It is proposed that the following resolution be adopted at the Meeting:

“RESOLVED, that the Consolidated Financial Statements of the Company for the year ended December 31, 2001 be, and the same hereby are, approved.”

The affirmative vote of the holders of a majority of the voting power represented at the Meeting in person or by proxy and voting thereon is necessary for the approval of the resolution to approve the Consolidated Financial Statements. **The Board of Directors recommends that the shareholders vote “FOR” the approval of the Company’s Consolidated Financial Statements.**

**ITEM 3 - PROPOSAL TO RATIFY THE
APPOINTMENT AND COMPENSATION OF
THE COMPANY’S INDEPENDENT PUBLIC ACCOUNTANTS**

The Board of Directors has appointed the accounting firm of Kost Forer & Gabbay, a member of Ernst & Young International, as the independent public accountants of the Company for the year ending December 31, 2002. Kost Forer & Gabbay have audited the Company's books and accounts since its inception.

The Board of Directors will present the following resolution at the Meeting:

“RESOLVED, that the appointment of Kost Forer & Gabbay, a member of Ernst & Young International, as the Company's independent public accountants for the year ending December 31, 2002 be, and it hereby is, ratified, and the Board of Directors be, and it hereby is, authorized to fix the remuneration of such independent public accountants in accordance with the volume and nature of their services.”

The affirmative vote of the holders of a majority of the voting power represented at the Meeting in person or by proxy and voting thereon is necessary for the approval of the resolution to ratify the appointment of the Company's independent public accountants. **The Board of Directors recommends that the shareholders vote “FOR” the ratification of the appointment and compensation of the Company’s independent public accountants.**

**ITEM 4 – PROPOSAL TO APPROVE AN AMENDMENT
TO THE AUTOMATIC OPTION GRANT PROGRAM
UNDER THE U.S. PLAN**

The Automatic Option Grant Program under the U.S. Plan currently provides that each non-employee Director who is first elected or appointed to the Board of Directors after the effective date of the U.S. Plan shall automatically be granted an option to purchase up to 30,000 Ordinary Shares on the date of such initial election or appointment. In addition, on the date of each annual meeting of the Company's shareholders, each non-employee Director who is to continue to serve as a non-employee Director after such annual meeting shall automatically be granted a fully vested option to purchase up to an additional 11,250 Ordinary Shares, provided that the Director has served as a non-employee Director for at least 6 months prior to the date of such annual meeting.

The Board believes that the Automatic Option Grant Program is an important factor in attracting and retaining highly-qualified individuals to serve on the Company's Board of Directors and in motivating such individuals to devote their maximum efforts toward the advancement of the Company. Therefore, it is proposed to increase the automatic option grant to each continuing non-employee Director to a fully vested option to purchase up to 18,000 Ordinary Shares.

It is proposed that the following resolution be adopted at the Meeting:

“RESOLVED, that the Automatic Option Grant Program under the U.S. Plan be amended to provide that on the date of each annual meeting of the Company's shareholders beginning with the 2002 annual meeting of the Company's shareholders, each non-employee Director who is to continue to serve as a non-employee Director after such annual meeting shall automatically be granted a fully vested option to purchase up to an additional 18,000 Ordinary Shares, provided that the Director has served as a non-employee Director for at least 6 months prior to the date of such annual meeting. The exact number of Ordinary Shares covered by the option to be granted to each non-employee Director shall be determined by the other Directors in office immediately prior to the date of the annual meeting.”

The affirmative vote of the holders of a majority of the voting power represented at the Meeting in person or by proxy and voting thereon is necessary for the approval of the amendment to the Automatic Option Grant Program under the U.S. Plan. **The Board of Directors recommends that the shareholders vote “FOR” the adoption of this resolution.**

**ITEM 5 - PROPOSAL TO APPROVE CERTAIN TERMS
OF COMPENSATION OF OFFICERS
WHO ARE ALSO DIRECTORS OF THE COMPANY**

Under Israel's Companies Law, the payment of compensation to Directors of the Company, whether in their capacity as Directors or otherwise, requires shareholder approval. Gil Shwed and Marius Nacht, who are Directors of the Company, are also the Chief Executive Officer, and Senior Vice President, respectively, of the Company.

It is therefore proposed that the shareholders approve the compensation of these officers (who are also Directors) for their services as officers, in the amounts to be presented at the Meeting, as approved by the Board of Directors of the Company.

The affirmative vote of the holders of a majority of the voting power represented at the Meeting in person or by proxy and voting thereon is necessary for the approval of the resolution to approve the compensation of the officers of the Company who are also Directors. **The Board of Directors recommends that the shareholders vote “FOR” the approval of the resolution to approve the compensation of the officers of the Company who are also Directors.**

By Order of the Board of Directors.

A handwritten signature in black ink that reads "Gil Shwed". The signature is written in a cursive, flowing style.

GIL SHWED

Chairman of the Board of Directors

Dated: July 5, 2002

