2022 FIRST QUARTER FINANCIAL RESULTS

Apr 27, 2022

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Founder & CEO

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CFO & COO
Forward Looking Statement

During the course of this presentation, Check Point’s representatives may make certain forward-looking statements. These forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities and Exchange Act of 1934 include but are not limited to, statements related to Check Point's expectations regarding:

Our products and solutions, expectations regarding customer adoption of our products and solutions, expectations related to cybersecurity and other threats, expectations regarding our 2022 initiatives; our ability to continue to develop platform capabilities and solutions; customer acceptance and purchase of our existing solutions and new solutions; the market for IT security continuing to develop; competition from other products and services; and general market, political, economic and business conditions, including as a result of the impact of the Covid-19 pandemic. These forward-looking statements are also subject to other risks and uncertainties, including those more fully described in our filings with the Securities and Exchange Commission, including our Annual Report on Form 20-F filed with the Securities and Exchange Commission. The forward-looking statements in this presentation are based on information available to Check Point as of the date hereof, and Check Point disclaims any obligation to update any forward-looking statements, except as required by law.

In our press release, which has been posted on our website, we present GAAP and non-GAAP results, along with a reconciliation of such results as well as the reasons for our presentation of non-GAAP information.
Q1-22: Revenues & EPS at High-end of Our Projections

Non-GAAP

Revenues

$543M

$11 Million
Above the mid-point
of our projection

$517M
Mid Point

$532M

$547M
Actual

EPS

$1.57

4 Cents
Above the mid-point
of our projection

$1.48
Mid Point

$1.53

$1.58
Actual

*Non-GAAP excludes equity-based compensation charges, amortization of acquired intangibles and acquisition related expenses and their related tax effects. A reconciliation of non-GAAP to GAAP can be found in the appendix and our press release.
Strong Revenues and Growth Momentum

<table>
<thead>
<tr>
<th></th>
<th>Q1-21</th>
<th>Q1-22</th>
<th>Y/Y %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$508M</td>
<td>$543M</td>
<td>7%</td>
</tr>
<tr>
<td>Deferred Revenues</td>
<td>$1,458M</td>
<td>$1,666M</td>
<td>14%</td>
</tr>
</tbody>
</table>

- Strong double digit bookings
  - Billings* up by 4%
  - Significant bookings are not part of billings yet
  - Remaining Performance Obligation** Increased by over 20%

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*Billings is a non-GAAP measure that we define as total revenues recognized in accordance with GAAP plus the change in total deferred revenues during the period

** Remaining Performance Obligation represents the total future performance obligations to customers – i.e. bookings not yet recognizes as revenues
Accelerated Products & Subscriptions Growth

**Products**
- Q1-20: -2%
- Q1-21: -1%
- Q1-22: 6%

**Security Subscriptions**
- Q1-20: 10%
- Q1-21: 12%
- Q1-22: 14%

**Quantum**
**CloudGuard**
**Harmony** (CHECK POINT)
Products & Subscriptions Revenues

Reaching a significant milestone of DOUBLE-DIGIT Growth
Q1-22 Revenues By Geographies

Revenue growth across all geographies
Gross Profits Highlights
Non-GAAP

<table>
<thead>
<tr>
<th></th>
<th>Q1-21</th>
<th>Q1-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$508M</td>
<td>$543M</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$454M</td>
<td>$477M</td>
</tr>
</tbody>
</table>

- **Strong gross margin @ 88%**
- **Delivery to our customers with higher materials cost**

*Non-GAAP excludes equity-based compensation charges, amortization of acquired intangibles and acquisition related expenses and their related tax effects. A reconciliation of non-GAAP to GAAP can be found in the appendix and our press release.*
## Operating Expenses Highlights

<table>
<thead>
<tr>
<th></th>
<th>Q1-21</th>
<th>Q1-22</th>
<th>Y/Y %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research and Development</td>
<td>$61M</td>
<td>$74M</td>
<td>22%</td>
</tr>
<tr>
<td>Selling and Marketing</td>
<td>$130M</td>
<td>$146M</td>
<td>13%</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>$17M</td>
<td>$18M</td>
<td>4%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$208M</td>
<td>$238M</td>
<td>15%</td>
</tr>
</tbody>
</table>

- Grew our work force by 15%
- Includes both Avanan and Spectral acquisitions

*Non-GAAP excludes equity-based compensation charges, amortization of acquired intangibles and acquisition related expenses and their related tax effects. A reconciliation of non-GAAP to GAAP can be found in the appendix and our press release.*
## High Profitability

**Non-GAAP**

<table>
<thead>
<tr>
<th></th>
<th>Q1-21</th>
<th>Q1-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>$246M</td>
<td>$239M</td>
</tr>
<tr>
<td>Financial Income, Net</td>
<td>$13M</td>
<td>$7M</td>
</tr>
<tr>
<td>Tax Expenses</td>
<td>$48M</td>
<td>$42M</td>
</tr>
<tr>
<td>Net Income</td>
<td>$211M</td>
<td>$204M</td>
</tr>
<tr>
<td>EPS</td>
<td>$1.54</td>
<td>$1.57</td>
</tr>
</tbody>
</table>

### 44% Operating margin

**EPS 4 cents above the mid-point**

*Non-GAAP excludes equity-based compensation charges, amortization of acquired intangibles and acquisition related expenses and their related tax effects. A reconciliation of non-GAAP to GAAP can be found in the appendix and our press release.*
Cash Flow and Cash Position

$3.8 Billion
Cash, Marketable Securities & ST Deposits

$398 Million
Strong Operating Cash Flow
Growth from $375 Million in Q1-21

$325 Million
Share Repurchase
Financial Summary

- **Strong Financial Results**
  - Revenues & EPS at High end of our projections
  - Growth in all geographies
  - Double digit growth in Product & subscription revenues
  - Continued Focus on Top line growth
Intense Threat Landscape

01 54% increase in avg. weekly cyber attacks globally

02 1 in every 53 organizations is impacted by ransomware. 24% increase YoY

03 Gen V attacks (Multi-vector, sophisticated) become frequent

*source: Check Point research
A wave of Supply chain and Gen V attacks

01 Log4J – 46M exploitation attempts. Targeting 50% of corporate networks

02 Spring4Shell - Exploit attempts seen in 33% of corporate networks

CloudGuard AppSec – the only solution to provide preemptive protection

*source: Check Point research*
Predictions become reality: Cyber attacks at all-time high

- Continuous wave of Gen V attacks
- Organizations are only protected against Gen 3
- Increased demand for Consolidation Prevention Best security

Statement by President Biden on our Nation’s Cybersecurity
MARCH 21, 2022 - STATEMENTS AND RELEASES

This is a critical moment to accelerate our work to improve domestic cybersecurity....

Your vigilance and urgency today can prevent or mitigate attacks tomorrow.
Execution on our **High Growth Strategy**

- Company rebrand – You Deserve the Best Security
- A new Go-to-Market organization
- Launch of the Check Point Rockets
- Product breakthrough with Quantum Lightspeed
- Investment in growing our frontline sales teams
CHECK POINT™
YOU DESERVE THE BEST SECURITY
Check Point Infinity
Unified solution for every possible threat

Quantum
SECURE THE NETWORK

CloudGuard
SECURE THE CLOUD

Harmony
SECURE USERS & ACCESS

Infinity-Vision

THREATCLOUD
Real-time Threat Prevention
New Go-To-Market Organization

**Extend**
Extend the reach of our technology to new customers and segments

**Integrate**
Integrate Sales and Marketing for greater impact

**Scale**
Scale and extend our partner relationships

Led by Rupal Hollenbeck
Chief Commercial Officer

- **Oracle** – Chief Marketing Officer
- **Intel** – 20+ Years, $20B+ Global Data Center
Investment in Growing our Headcount

On target to reach **25% Growth** in Front Line Sales

R&D: **Successful hiring** despite a challenging environment

25% Goal!

Starting Point  Current Point  Plan
3 New Rockets
Spearhead Growth in High Potential Markets

- Focus: Agility & Growth
- Align & Invest - R&D, Sales, Marketing
Revenues Growth Continues

Revenues (Y/Y %)

Americas revenues (Y/Y%)
Exceptional Turnaround

Q1-21 Q2-21 Q3-21 Q4-21 Q1-22

Q1-21 Q2-21 Q3-21 Q4-21 Q1-22
Best Security – Harmony E-Mail

NORTH AMERICA MANUFACTURING

- Email security - 15,000 users
- Had an email-based attack
- Best catch rate against unknown zero days

US GOVERNMENT AGENCY

- Email security - 40,000 users
- Within 10 minutes we identified 50,000 phishing attacks
- Replacement of Proofpoint
Consolidation with Infinity

**US TRANSPORTATION**
Quantum Maestro and Harmony Endpoint
Replacing Cisco and Sophos

**US SPORTS FRANCHISE**
Infinity: Network, Endpoint, Mobile, Cloud
Better security and management
Winning against: Palo Alto

**EUROPE ENERGY & UTILITIES**
Quantum Network and Harmony Endpoint
Winning against: Fortinet and Cisco
SUMMARY

Superior Execution on Strategy

- Strong Performance
  - Revenue & EPS at High end of projections
  - America strikes back

- Healthy Market
  - Strong demand for cyber security
  - Consolidation and Prevention

- Continue to invest in growth
Q2-2022 Projections

Revenues $545M - $575M

Non-GAAP EPS $1.55 - $1.65

GAAP EPS is expected to be 35 cents less

Projecting future results is very challenging, there is always a high level of uncertainty. Results can be better or worse than our projections.
### Q1-2022: GAAP to Non-GAAP Consolidated Statement of Income Reconciliation

<table>
<thead>
<tr>
<th>(In millions, except per share amounts)</th>
<th>GAAP</th>
<th>Stock-based Compensation</th>
<th>Amortization of Intangible Assets and Acquisition Related Expenses</th>
<th>Taxes on Reconciliation Items</th>
<th>Non-GAAP</th>
<th>GAAP</th>
<th>Stock-based Compensation</th>
<th>Amortization of Intangible Assets and Acquisition Related Expenses</th>
<th>Taxes on Reconciliation Items</th>
<th>Non-GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Products and Licenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$109.3</td>
<td></td>
<td></td>
<td></td>
<td>$109.3</td>
</tr>
<tr>
<td>Security Subscriptions</td>
<td>177.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Products &amp; Security Subscriptions</strong></td>
<td>286.7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>317.5</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Software updates and maintenance</td>
<td>220.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>225.2</td>
<td></td>
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<tr>
<td><strong>Total Revenues</strong></td>
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<td></td>
<td></td>
<td></td>
<td>507.6</td>
<td></td>
<td></td>
<td></td>
<td>542.7</td>
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<tr>
<td>Cost of products and licenses</td>
<td>21.6</td>
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<td></td>
<td></td>
<td></td>
<td>21.5</td>
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<td>21.5</td>
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<tr>
<td>Cost of security subscriptions</td>
<td>8.0</td>
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<td></td>
<td></td>
<td></td>
<td>8.0</td>
<td></td>
<td></td>
<td></td>
<td>8.0</td>
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<tr>
<td><strong>Total Cost of products and security subscriptions</strong></td>
<td>29.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>29.5</td>
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<td>31.3</td>
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<tr>
<td>Cost of software updates and maintenance</td>
<td>25.3</td>
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<td>25.5</td>
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<tr>
<td>Amortization of technology</td>
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<td>3.2</td>
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<tr>
<td><strong>Total Cost of Revenues</strong></td>
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<td>56.6</td>
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<td>Research &amp; Development</td>
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<td>Sales &amp; Marketing</td>
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<td>140.0</td>
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<tr>
<td>General &amp; Administrative</td>
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<td></td>
<td>27.8</td>
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<td>17.6</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
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<td></td>
<td>292.8</td>
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<td></td>
<td>304.1</td>
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<tr>
<td>Operating Income</td>
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<td></td>
<td>214.8</td>
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<td></td>
<td></td>
<td>238.6</td>
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<tr>
<td>Financial &amp; Other income, Net</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>12.6</td>
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<tr>
<td>Income Taxes</td>
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<td></td>
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<td></td>
<td></td>
<td>44.5</td>
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<td>42.1</td>
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<tr>
<td><strong>Net Income</strong></td>
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<td></td>
<td></td>
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<td></td>
<td>182.9</td>
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<td>203.6</td>
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<tr>
<td>Diluted Earnings per share</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>1.33</td>
<td></td>
<td></td>
<td></td>
<td>1.57</td>
</tr>
<tr>
<td>Number of Shares (M), diluted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>137.3</td>
<td></td>
<td></td>
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<td>129.8</td>
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</table>

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