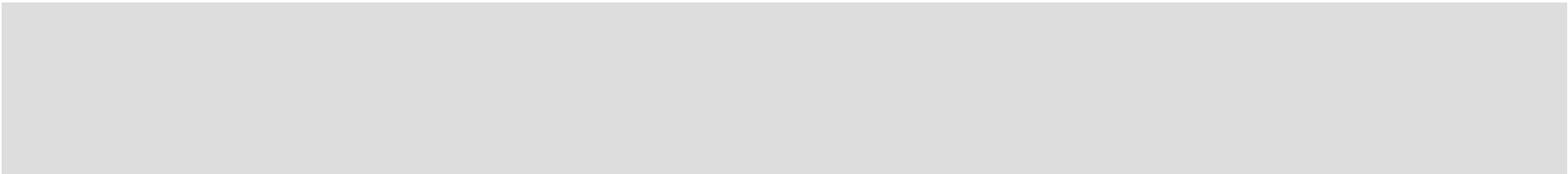



# 1Q07 Financial Review

This presentation is designed to accompany the information given on the RADVISION Q1 2007 Earnings Conference Call on May 2, 2007.

Tsipi Kagan  
CFO  
May 2007



This presentation contains forward-looking statements that are subject to risks and uncertainties. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, general business conditions in the industry, changes in demand for products, the timing and amount or cancellation of orders and other risks detailed from time to time in RADVISION's filings with the Securities Exchange Commission, including RADVISION's Form 20-F Annual Report. These documents contain and identify other important factors that could cause actual results to differ materially from those contained in our projections or forward-looking statements. Stockholders and other readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We undertake no obligation to update publicly or revise any forward-looking statement.

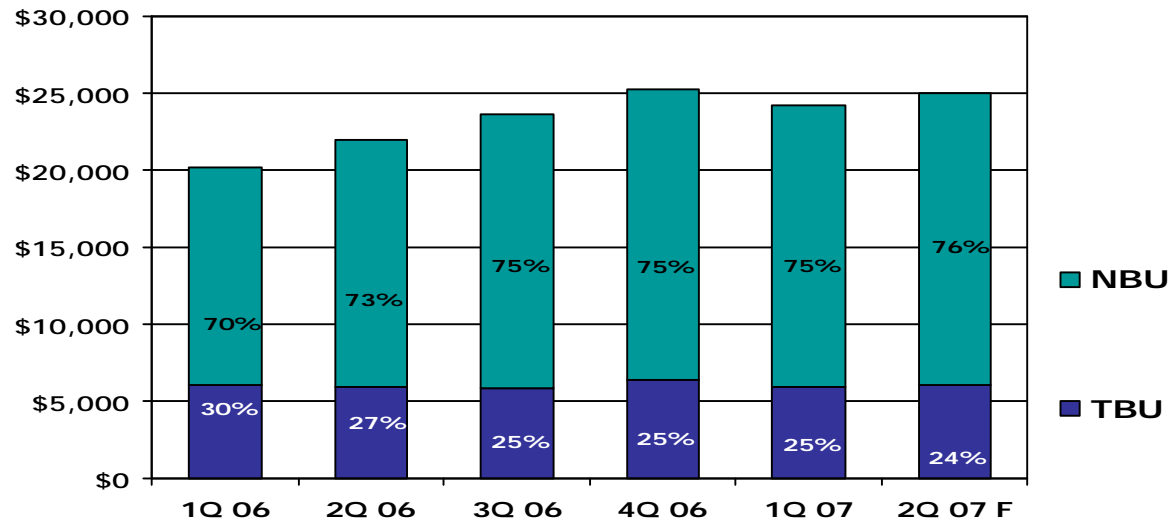
# RADVISION Business Units

- n Networking Business Unit (NBU)**
  - n** Leading provider of IP-centric and 3G **videoconferencing platforms** (gateways, gatekeepers, and enhanced services)
  - n** Powered by **RADVISION IP protocols** (see below)
  - n** Supports both legacy ISDN and IP protocols and all end points
  - n** Supports Voice, Video and Data conferencing
- n Technology Business Unit (TBU)**
  - n** Dominant leader in providing **IP Software and Toolkits**
  - n** Supplies IP, 3G protocols and toolkits (H.323, SIP, MGCP, 3G-324M)
  - n** Used by companies to develop equipment for voice/video over IP and 3G wireless (IP phones, servers, 3G cell phones, etc.)
  - n** The leading brand name for 13 years
  - n** Large customer base of over 500 licensees



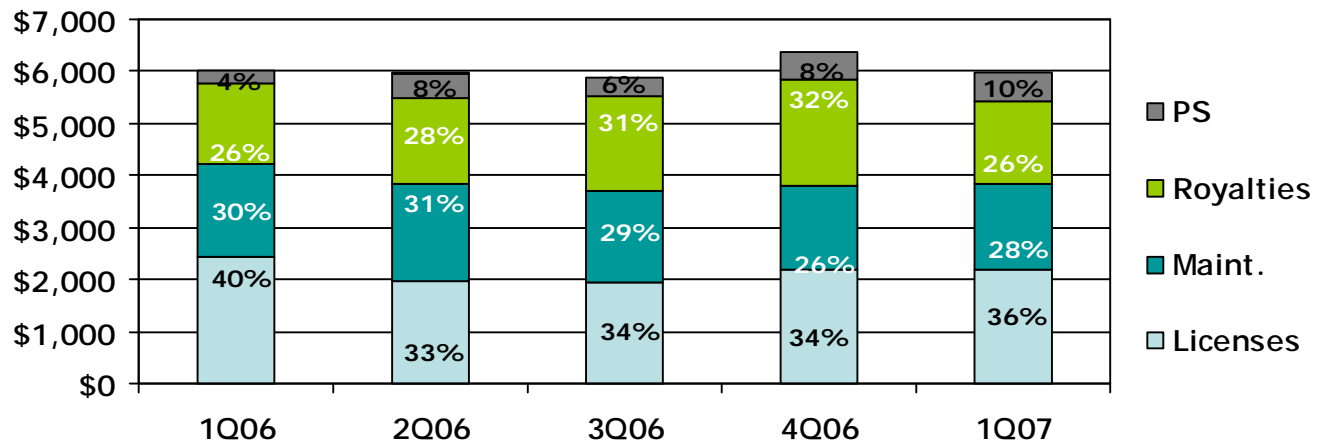
# Revenues - General

	<u>Actual</u> 1Q 2006	<u>Actual</u> 2Q 2006	<u>Actual</u> 3Q 2006	<u>Actual</u> 4Q 2006	<u>Actual</u> FY2006	<u>Actual</u> 1Q 2007	<u>Forecast</u> 2Q 2007
TBU	\$6,009	\$5,962	\$5,859	\$6,376	\$24,206	\$5,963	\$6,000
NBU	\$14,127	\$16,042	\$17,763	\$18,885	\$66,817	\$18,302	\$19,000
<b>Total</b>	<b>\$20,136</b>	<b>\$22,004</b>	<b>\$23,622</b>	<b>\$25,261</b>	<b>\$91,023</b>	<b>\$24,265</b>	<b>\$25,000</b>
Gross Margin	82.2%	80.3%	80.0%	79.6%	80.5%	79.8%	80.0%



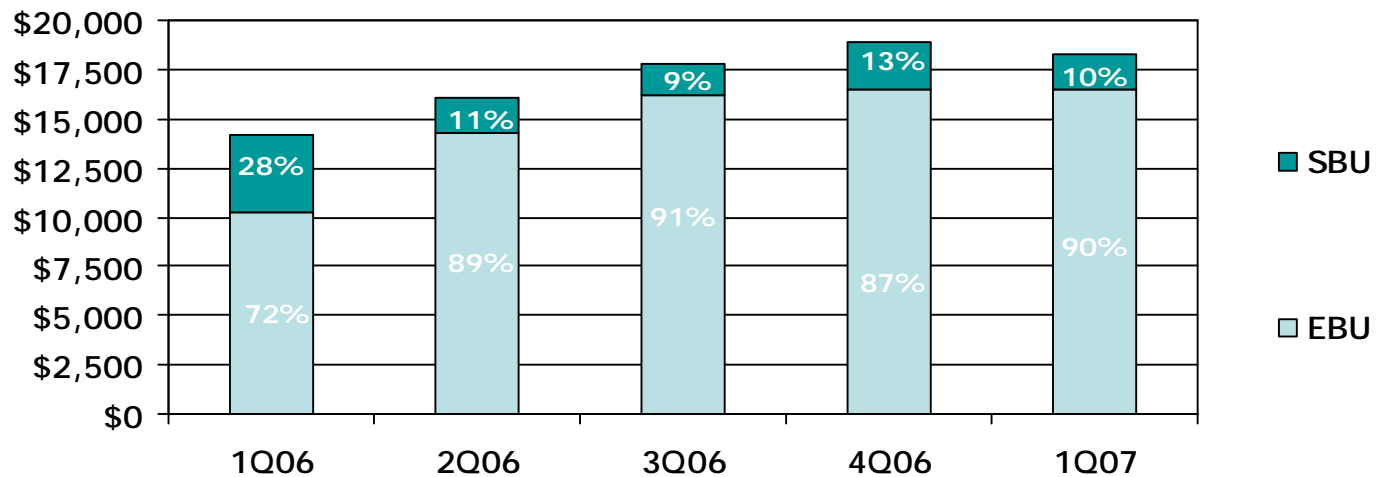
# Revenues - TBU

	<u>Actual</u> 1Q 2006	<u>Actual</u> 2Q 2006	<u>Actual</u> 3Q 2006	<u>Actual</u> 4Q 2006	<b><u>Actual</u> FY2006</b>	<u>Actual</u> 1Q 2007
PS	\$247	\$458	\$343	\$535	<b>\$1,583</b>	\$537
Royalties	\$1,555	\$1,675	\$1,840	\$2,034	<b>\$7,104</b>	\$1,575
Maint.	\$1,785	\$1,855	\$1,724	\$1,634	<b>\$6,998</b>	\$1,675
Licenses	\$2,422	\$1,974	\$1,952	\$2,173	<b>\$8,521</b>	\$2,176
<b>Total</b>	<b>\$6,009</b>	<b>\$5,962</b>	<b>\$5,859</b>	<b>\$6,376</b>	<b>\$24,206</b>	<b>\$5,963</b>



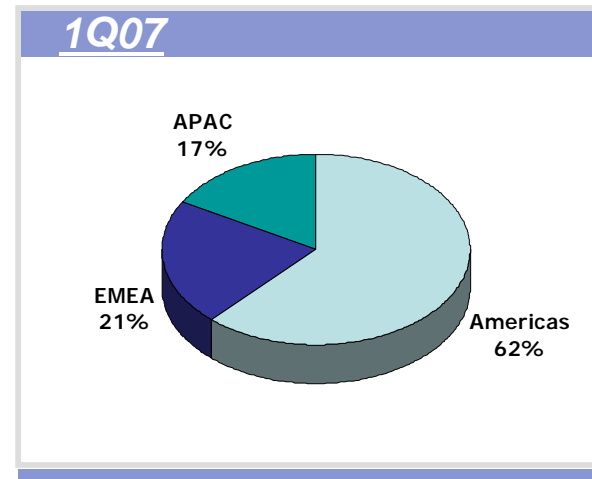
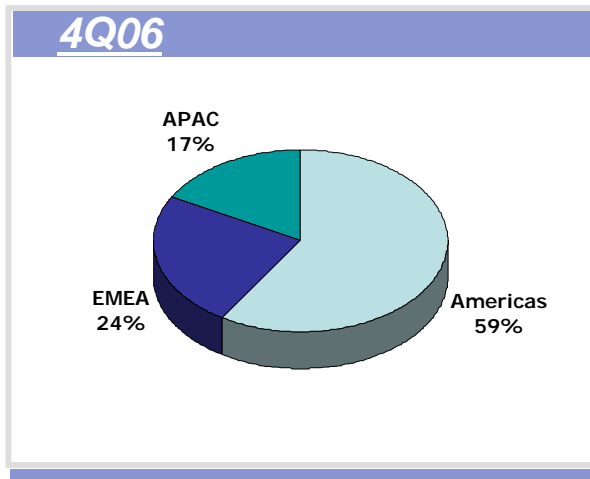
# Revenues - NBU

	<u>Actual</u> 1Q 2006	<u>Actual</u> 2Q 2006	<u>Actual</u> 3Q 2006	<u>Actual</u> 4Q 2006	<u>Actual</u> FY2006	<u>Actual</u> 1Q 2007
Enterprise Business Unit	\$10,214	\$14,236	\$16,135	\$16,446	\$57,031	\$16,499
Service Provider Business Unit	\$3,913	\$1,806	\$1,628	\$2,439	\$9,786	\$1,803
<b>Total</b>	<b>\$14,127</b>	<b>\$16,042</b>	<b>\$17,763</b>	<b>\$18,885</b>	<b>\$66,817</b>	<b>\$18,302</b>



# Revenues – Geographic & Concentration

	<u>1Q06</u>	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>
Americas	48.7%	59.1%	62.4%	59.2%	62.0%
EMEA	32.2%	24.0%	21.8%	24.3%	21.2%
APAC	19.1%	16.9%	15.8%	16.5%	16.8%
Total	100%	100%	100%	100%	100%



	<u>1Q06</u>	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>
Top 10 Customers	56%	62%	67%	59%	67%

# Operating Expenses

(U.S. Dollars in thousands)  
(Un-audited)

	<u>Actual</u> 1Q 2006 <sup>1</sup>	<u>Actual</u> 2Q 2006 <sup>1</sup>	<u>Actual</u> 3Q 2006 <sup>1,2</sup>	<u>Actual</u> 4Q 2006 <sup>1</sup>	<u>Actual</u> FY 2006 <sup>1,2</sup>	<u>Actual</u> 1Q 2007 <sup>1</sup>	<u>Forecast</u> 2Q 2007 <sup>1</sup>
R&D	\$5,446	\$5,778	\$6,184	\$6,470	\$23,878	\$7,239	\$7,300
S&M	\$6,960	\$7,267	\$7,128	\$7,387	\$28,742	\$7,500	\$7,700
G&A	\$1,240	\$1,278	\$1,407	\$1,522	\$5,447	\$1,443	\$1,500
<b>Total</b>	<b>\$13,646</b>	<b>\$14,323</b>	<b>\$14,719</b>	<b>\$15,379</b>	<b>\$58,067</b>	<b>\$16,182</b>	<b>\$16,500</b>

## % of revenues

	<u>1Q 2006 <sup>1</sup></u>	<u>2Q 2006 <sup>1</sup></u>	<u>3Q 2006 <sup>1,2</sup></u>	<u>4Q 2006 <sup>1</sup></u>	<u>FY 2006 <sup>1,2</sup></u>	<u>1Q 2007 <sup>1</sup></u>	<u>2Q 2007 <sup>1</sup></u>
R&D	27.0%	26.3%	26.2%	25.6%	26.2%	29.8%	29.2%
S&M	34.6%	33.0%	30.2%	29.2%	31.6%	30.9%	30.8%
G&A	6.2%	5.8%	6.0%	6.0%	6.0%	5.9%	6.0%
<b>Total</b>	<b>67.8%</b>	<b>65.1%</b>	<b>62.3%</b>	<b>60.9%</b>	<b>63.8%</b>	<b>66.7%</b>	<b>66.0%</b>

<sup>1</sup> Data excluding deferred stock compensation according to FAS-123R.

<sup>2</sup> Data excluding settlement reserve.

# Cash Flow

(U.S. Dollars in thousands)

	<u>1Q 2006</u>	<u>2Q 2006</u>	<u>3Q 2006</u>	<u>4Q 2006</u>	<u>1Q 2007</u>
Cash & cash equivalents*	\$135,659	\$138,455	\$135,712	\$145,571	\$155,815
as percent of total assets	83%	80%	80%	80%	82%
Cash flow from operations	\$8,451	\$2,716	\$3,657	\$8,272	\$7,316
Capital expenditures	(\$775)	(\$461)	(\$342)	(\$665)	(\$832)
Option Exercise	\$3,032	\$541	\$935	\$2,252	\$3,760
Share Buyback			(\$6,993)		
Net Change in Cash	\$10,708	\$2,797	(\$2,743)	\$9,859	\$10,244
Cash per basic share	\$6.17	\$6.23	\$6.15	\$6.61	\$6.98
# of basic shares	21,995	22,216	22,082	22,013	22,310

\*Including long term investments



# Balance Sheet

(U.S. Dollars in thousands)  
(Un-audited)

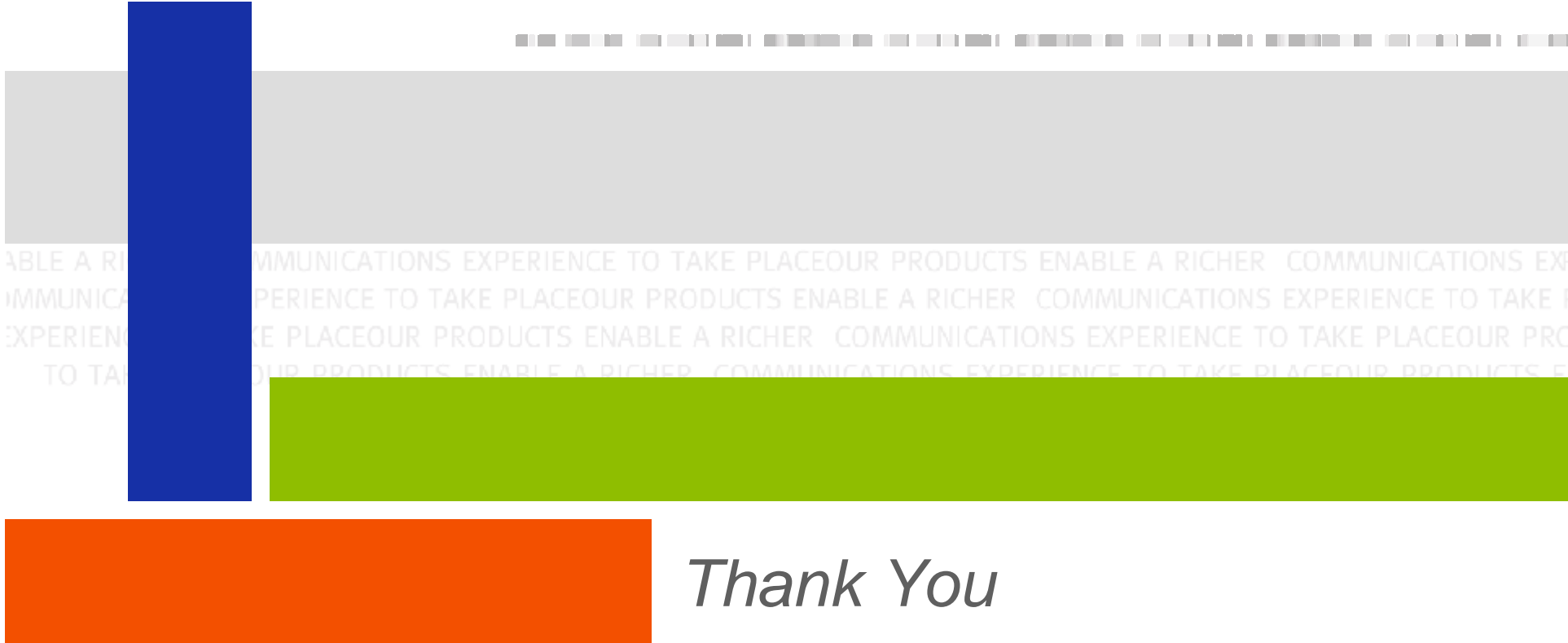
	<u>1Q 2006</u>	<u>2Q 2006</u>	<u>3Q 2006</u>	<u>4Q 2006</u>	<u>1Q 2007</u>
Inventory Days	89	100	59	53	57
Inventory	\$3,520	\$4,744	\$3,110	\$2,979	\$3,136
DSOs (in days)	39	54	60	46	38
Target DSOs	55	55	55	55	55
Receivables	\$8,712	\$13,145	\$15,656	\$12,866	\$10,057

# Actual Results and 2Q07 Guidelines

	1Q06a*	2Q06a*	3Q06a*	4Q06a*	2006a*	1Q07a*	2Q07f*
Revenue	\$20,136	\$22,004	\$23,622	\$25,261	\$91,023	\$24,265	\$25,000
COG	(3,582)	(4,333)	(4,734)	(5,143)	(17,792)	(4,909)	(5,000)
Gross Profit	\$16,554	\$17,671	\$18,888	\$20,118	\$73,231	\$19,356	\$20,000
	82%	80%	80%	80%	80%	80%	80%
R&D	(5,446)	(5,778)	(6,184)	(6,470)	(23,878)	(7,239)	(7,300)
S&M	(6,960)	(7,267)	(7,128)	(7,387)	(28,742)	(7,500)	(7,700)
G&A	(1,240)	(1,278)	(1,407)	(1,522)	(5,447)	(1,443)	(1,500)
Exp.	(\$13,646)	(\$14,323)	(\$14,719)	(\$15,379)	(\$58,067)	(\$16,182)	(\$16,500)
Op. Profit before reserve	\$2,908	\$3,348	\$4,169	\$4,739	\$15,164	\$3,174	\$3,500
Patent settlement reserve			(\$1,900)		(\$1,900)		
Op. Profit after reserve	\$2,908	\$3,348	\$2,269	\$4,739	\$13,264	\$3,174	\$3,500
Financial income	\$1,271	\$1,433	\$1,500	\$1,621	\$5,825	\$1,721	\$1,700
Taxes on Income	(\$254)	(\$355)	(\$569)	\$2,114	\$936	(\$26)	(\$100)
Net Income	\$3,925	\$4,426	\$3,200	\$8,474	\$20,025	\$4,869	\$5,100
FAS-123R Option expenses	\$1,028	\$1,215	\$1,215	\$1,319	\$4,777	\$1,330	\$1,400
Net Income after FAS123-R	\$2,897	\$3,211	\$1,985	\$7,155	\$15,248	\$3,539	\$3,700
No. of diluted shares	22,811	22,760	22,589	22,829	22,747	23,136	23,100
Diluted EPS(excluding FAS-123R and reserve)	\$0.17	\$0.19	\$0.23	\$0.37	\$0.96	\$0.21	\$0.22
Diluted EPS	\$0.13	\$0.14	\$0.09	\$0.31	\$0.67	\$0.15	\$0.16

(\*) Operating expenses data excluding deferred stock compensation according to FAS-123R.





*Thank You*



**RADVISION**

the V<sup>2</sup>oIP™ experts

[www.radvision.com](http://www.radvision.com)

[cfo@radvision.com](mailto:cfo@radvision.com)