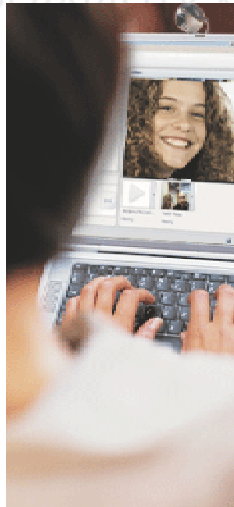


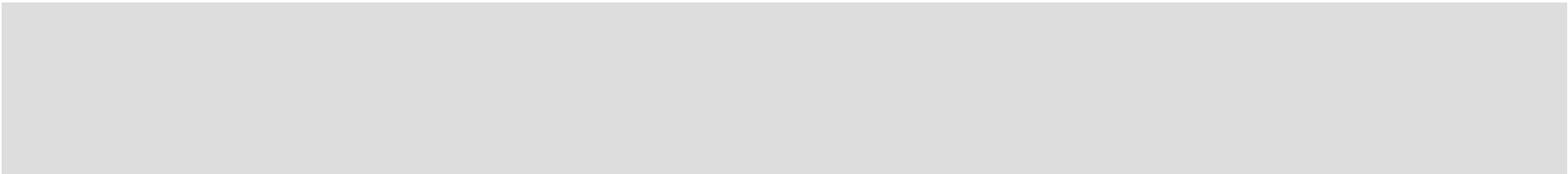

MARKET-PROVEN COMPLETELY SCALABLE MULTI-PROTOCOL CARRIER-CLASS RELIABILITY COMPLETELY  
FULL INTEROPERABILITY MARKET-PROVEN CARRIER-CLASS RELIABILITY MULTI-PROTOCOL CARRI  
SSIBILITY FULL INTEROPERABILITY MARKET-PROVEN MULTI-PROTOCOL COMPLETELY SCALAB  
L RELIABILITY MARKET-PROVEN MULTI-PROTOCOL CARRIER-CLASS RELIABILITY COMPLETELY  
LABLE FULL INTEROPERABILITY MARKET-PROVEN COMPLETELY SCALABLE MULTI-PROTOCOL CARRI



# 3Q06 Financial Review

This presentation is designed to accompany the information given on the RADVISION Q3 2006 Earnings Conference Call on Oct. 26, 2006.

Tsipi Kagan  
CFO  
Oct 2006



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.

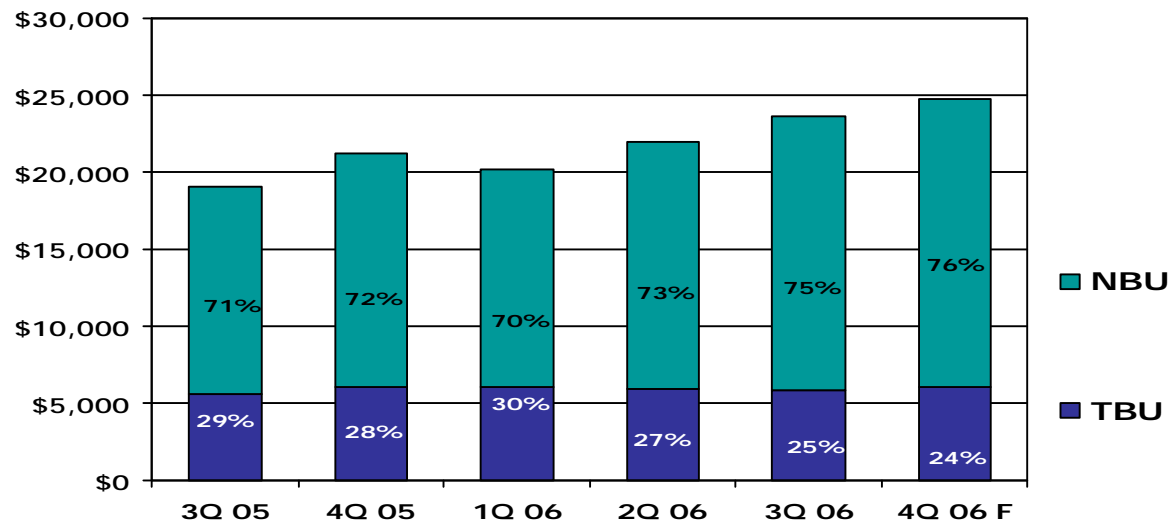
# *RADVISION Business Units*

- 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



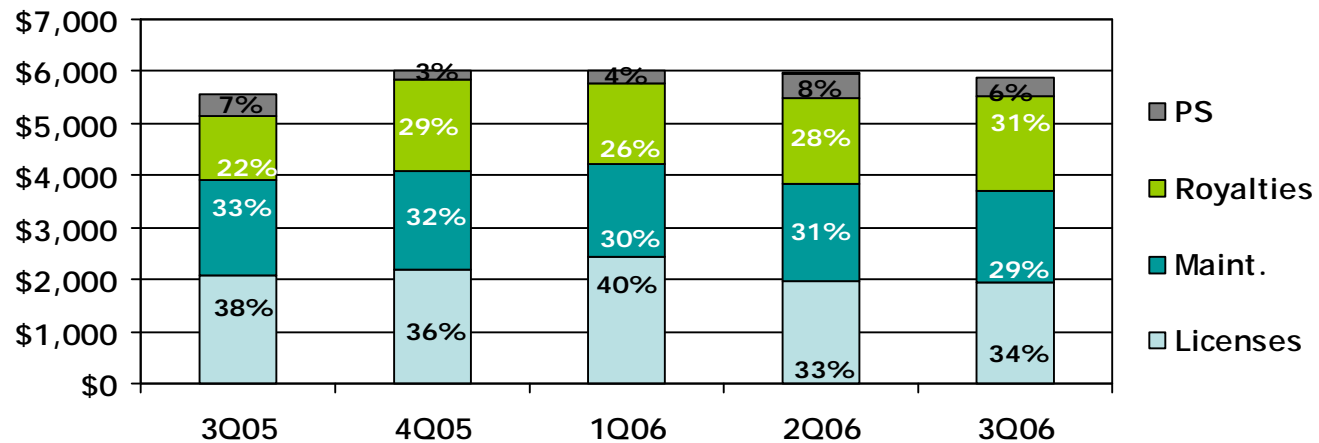
# Revenues - General

	<u>Actual</u> 3Q 2005	<u>Actual</u> 4Q 2005	<u>Actual</u> FY2005	<u>Actual</u> 1Q 2006	<u>Actual</u> 2Q 2006	<u>Actual</u> 3Q 2006	<u>Forecast</u> 4Q 2006
TBU	\$5,561	\$6,020	\$22,717	\$6,009	\$5,962	\$5,859	\$6,000
NBU	\$13,528	\$15,150	\$51,295	\$14,127	\$16,042	\$17,763	\$18,700
<b>Total</b>	<b>\$19,089</b>	<b>\$21,170</b>	<b>\$74,012</b>	<b>\$20,136</b>	<b>\$22,004</b>	<b>\$23,622</b>	<b>\$24,700</b>
Gross Margin	82.2%	81.9%	82.3%	82.2%	80.3%	80.0%	80.2%



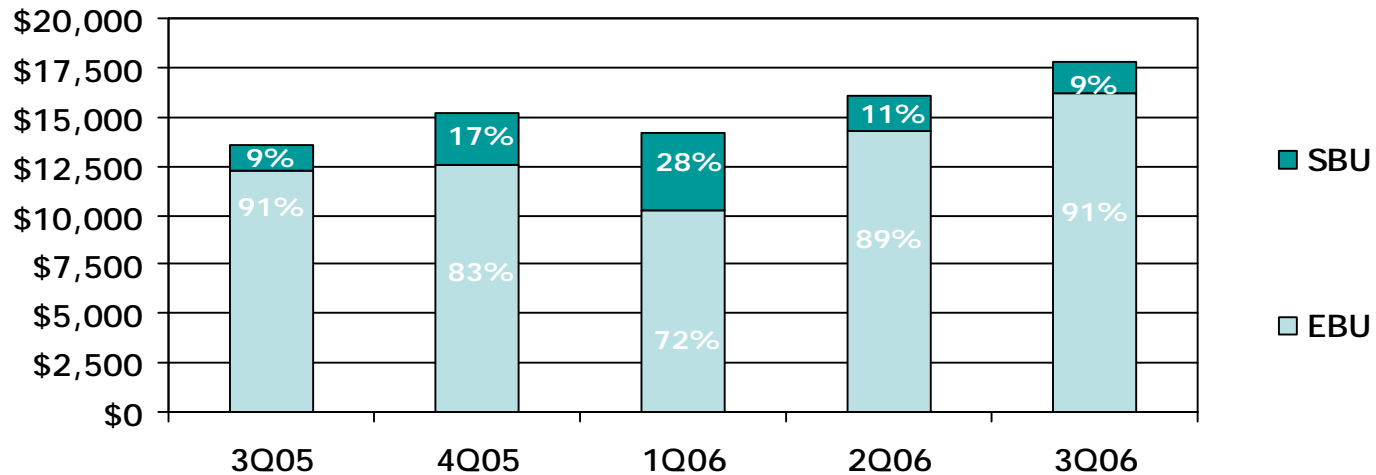
# Revenues - TBU

	<u>Actual</u> 3Q 2005	<u>Actual</u> 4Q 2005	<u>Actual</u> FY2005	<u>Actual</u> 1Q 2006	<u>Actual</u> 2Q 2006	<u>Actual</u> 3Q 2006
PS	\$427	\$182	<b>\$1,357</b>	\$247	\$458	<b>\$343</b>
Royalties	\$1,236	\$1,745	<b>\$4,757</b>	\$1,555	\$1,675	<b>\$1,840</b>
Maint.	\$1,810	\$1,903	<b>\$6,873</b>	\$1,785	\$1,855	<b>\$1,724</b>
Licenses	\$2,088	\$2,190	<b>\$9,729</b>	\$2,422	\$1,974	<b>\$1,952</b>
<b>Total</b>	<b>\$5,561</b>	<b>\$6,020</b>	<b>\$22,717</b>	<b>\$6,009</b>	<b>\$5,962</b>	<b>\$5,859</b>



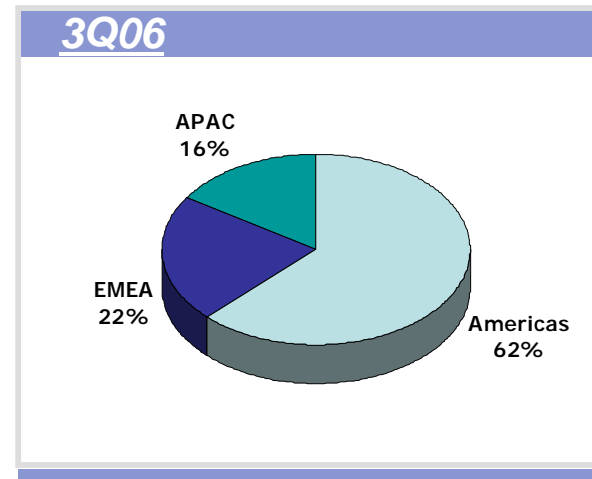
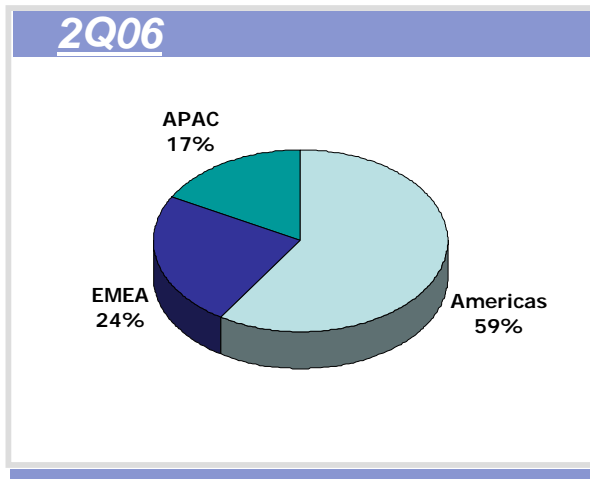
# Revenues - NBU

	<i>Actual</i> <u>3Q 2005</u>	<i>Actual</i> <u>4Q 2005</u>	<i>Actual</i> <u>FY2005</u>	<i>Actual</i> <u>1Q 2006</u>	<i>Actual</i> <u>2Q 2006</u>	<i>Actual</i> <u>3Q 2006</u>
Enterprise Business Unit	\$12,270	\$12,523	<b>\$43,643</b>	\$10,214	\$14,236	<b>\$16,135</b>
Service Provider Business Unit	\$1,259	\$2,626	<b>\$7,652</b>	\$3,913	\$1,806	<b>\$1,628</b>
<b>Total</b>	<b>\$13,529</b>	<b>\$15,149</b>	<b>\$51,295</b>	<b>\$14,127</b>	<b>\$16,042</b>	<b>\$17,763</b>



# Revenues – Geographic & Concentration

	<u>3Q05</u>	<u>4Q05</u>	<u>1Q06</u>	<u>2Q06</u>	<u>3Q06</u>
Americas	59.5%	53.8%	48.7%	59.1%	62.4%
EMEA	23.8%	31.8%	32.2%	24.0%	21.8%
APAC	16.7%	14.4%	19.1%	16.9%	15.8%
Total	100%	100%	100%	100%	100%



	<u>3Q05</u>	<u>4Q05</u>	<u>1Q06</u>	<u>2Q06</u>	<u>3Q06</u>
Top 10 Customers	61%	56%	56%	62%	67%

# Operating Expenses

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

	<u>Actual</u> 3Q 2005	<u>Actual</u> 4Q 2005	<u>Actual</u> FY2005	<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>Forecast</u> 4Q 2006 <sup>1</sup>
R&D	\$5,171	\$5,230	\$20,110	\$5,446	\$5,778	\$6,184	\$6,500
S&M	\$6,165	\$6,660	\$24,588	\$6,960	\$7,267	\$7,128	\$7,300
G&A	\$1,165	\$1,201	\$4,677	\$1,240	\$1,278	\$1,407	\$1,500
<b>Total</b>	<b>\$12,501</b>	<b>\$13,091</b>	<b>\$49,375</b>	<b>\$13,646</b>	<b>\$14,323</b>	<b>\$14,719</b>	<b>\$15,300</b>

## % of revenues

	<u>3Q 2005</u>	<u>4Q 2005</u>	<u>FY2005</u>	<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>
R&D	27.1%	24.7%	27.2%	27.0%	26.3%	26.2%	26.3%
S&M	32.3%	31.5%	33.2%	34.6%	33.0%	30.2%	29.6%
G&A	6.1%	5.7%	6.3%	6.2%	5.8%	6.0%	6.1%
<b>Total</b>	<b>65.5%</b>	<b>61.8%</b>	<b>66.7%</b>	<b>67.8%</b>	<b>65.1%</b>	<b>62.3%</b>	<b>61.9%</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>3Q 2005</u>	<u>4Q 2005</u>	<u>1Q 2006</u>	<u>2Q 2006</u>	<u>3Q 2006</u>
Cash & cash equivalents*	\$115,791	\$124,951	\$135,659	\$138,455	\$135,712
as percent of total assets	78%	80%	83%	80%	80%
Cash flow from operations	\$2,743	\$5,793	\$8,451	\$2,716	\$3,657
Capital expenditures	(\$454)	(\$453)	(\$775)	(\$461)	(\$342)
Option Exercise	\$1,115	\$3,820	\$3,032	\$541	\$935
Share Buyback					(\$6,993)
<b>Net Change in Cash</b>	<b>\$3,404</b>	<b>\$9,160</b>	<b>\$10,708</b>	<b>\$2,797</b>	<b>(\$2,743)</b>
Cash per basic share	\$5.46	\$5.80	\$6.17	\$6.23	\$6.15
# of basic shares	21,221	21,558	21,995	22,216	22,082

\*Including long term investments



# Balance Sheet

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

	<u>3Q 2005</u>	<u>4Q 2005</u>	<u>1Q 2006</u>	<u>2Q 2006</u>	<u>3Q 2006</u>
Inventory Days	49	62	89	100	59
Inventory	\$1,817	\$2,593	\$3,520	\$4,744	\$3,110
DSOs (in days)	66	53	39	54	60
Target DSOs	55	55	55	55	55
Receivables	\$13,740	\$12,257	\$8,712	\$13,145	\$15,656

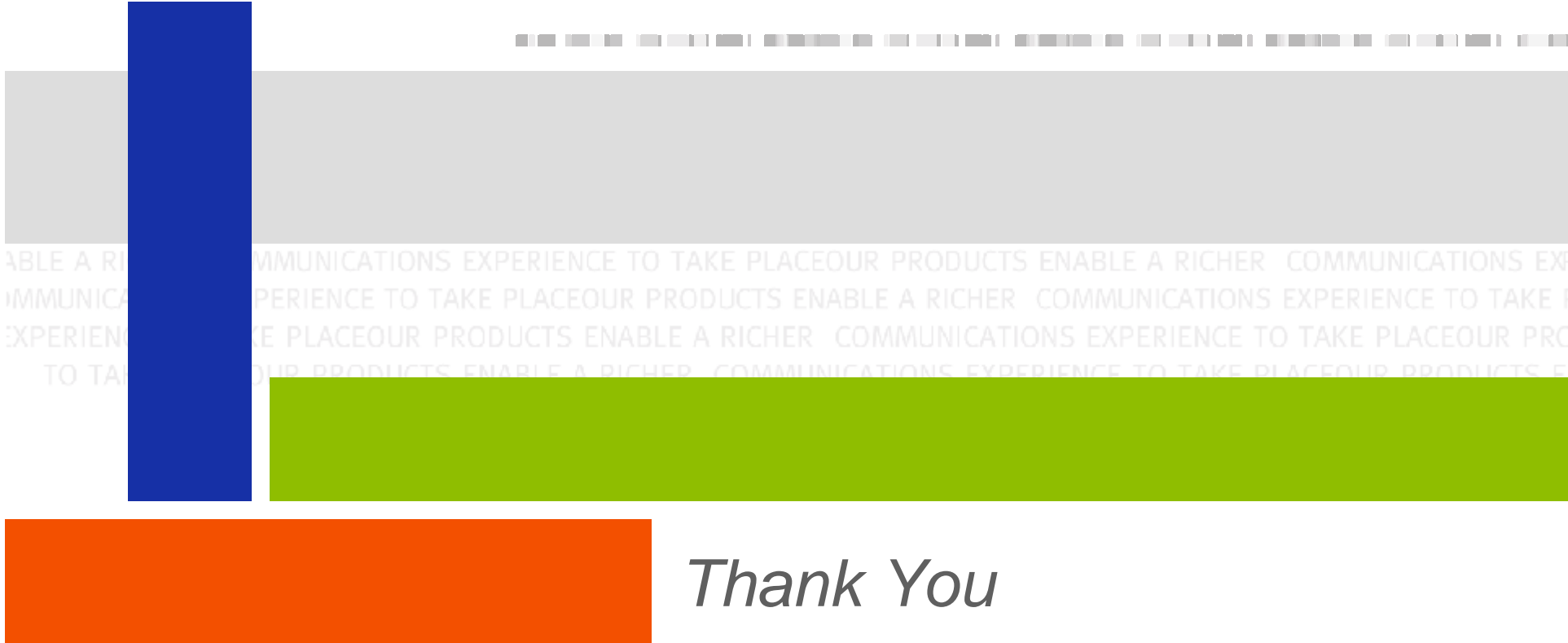
# Actual Results and 4Q06 Guidelines

	3Q05a	4Q05a	2005a	1Q06a*	2Q06a*	3Q06a*	4Q06f*
Revenue	\$19,089	\$21,170	\$74,012	\$20,136	\$22,004	\$23,622	\$24,700
COG	(3,401)	(3,830)	(13,110)	(3,582)	(4,333)	(4,734)	(4,900)
Gross Profit	\$15,688	\$17,339	\$60,901	\$16,554	\$17,671	\$18,888	\$19,800
	82%	82%	82%	82%	80%	80%	80%
R&D	(5,171)	(5,230)	(20,110)	(5,446)	(5,778)	(6,184)	(6,500)
S&M	(6,165)	(6,660)	(24,588)	(6,960)	(7,267)	(7,128)	(7,300)
G&A	(1,165)	(1,201)	(4,677)	(1,240)	(1,278)	(1,407)	(1,500)
Exp.	(\$12,501)	(\$13,091)	(\$49,375)	(\$13,646)	(\$14,323)	(\$14,719)	(\$15,300)
Op. Profit before reserve	\$3,187	\$4,248	\$11,526	\$2,908	\$3,348	\$4,169	\$4,500
Patent settlement reserve						(\$1,900)	
Op. Profit after reserve	\$3,187	\$4,248	\$11,526	\$2,908	\$3,348	\$2,269	\$4,500
Financial income	\$774	\$948	\$3,051	\$1,271	\$1,433	\$1,500	\$1,500
Taxes on Income	(\$11)	\$153	\$112	(\$254)	(\$355)	(\$569)	(\$600)
Net Income	\$3,950	\$5,350	\$14,689	\$3,925	\$4,426	\$3,200	\$5,400
FAS-123R Option expenses				\$1,028	\$1,215	\$1,215	\$1,300
Net Income after FAS-123R	\$3,950	\$5,350	\$14,689	\$2,897	\$3,211	\$1,985	\$4,100
No. of diluted shares	22,065	22,740	22,215	22,811	22,760	22,589	22,750
Diluted EPS(excluding FAS-123R and reserve)	\$0.18	\$0.24	\$0.66	\$0.17	\$0.19	\$0.23	\$0.24
Diluted EPS				\$0.13	\$0.14	\$0.09	\$0.18

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



**RADVISION**<sup>®</sup>  
Delivering the Visual Experience



*Thank You*



[www.radvision.com](http://www.radvision.com)  
[cfo@radvision.com](mailto:cfo@radvision.com)