



2024 Third Quarter Financial Results

October 29th, 2024

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YOU DESERVE THE BEST SECURITY

Forward Looking Statement

This presentation may contain certain forward-looking statements. These forward-looking statements generally relate to future events or our future financial or operating performance. Forward-looking statements in this report include, but are not limited to:

Our expectations regarding our products and solutions, expectations related to cybersecurity and other threats, and our financial projection for future quarter and year end results. Our expectations and beliefs regarding these matters may not materialize, and actual results or events in the future are subject to risks and uncertainties that could cause actual results or events to differ materially from those projected. These risks include our ability to continue to develop platform capabilities and solutions; customer acceptance and purchase of our existing products and solutions and new products and solutions; the market for IT security continuing to develop; competition from other products and services; the transition of our CEO into the role of Executive Chairman and the related succession process; and general market, political, economic, and business conditions, including acts terrorism or war. 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 on April 2, 2024. 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 this presentation and 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.

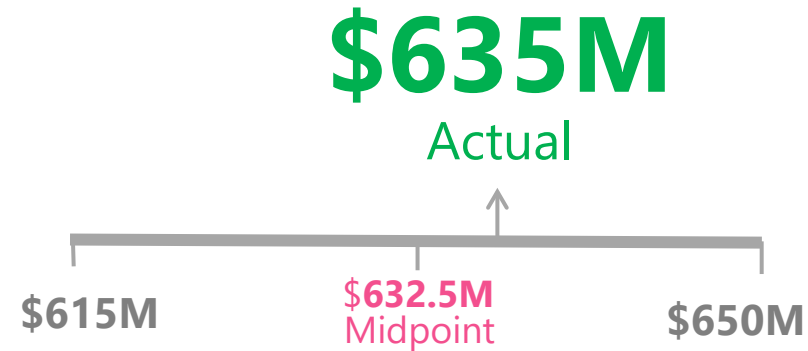
Financial Results

Q3-24 Revenues & EPS

Non-GAAP*

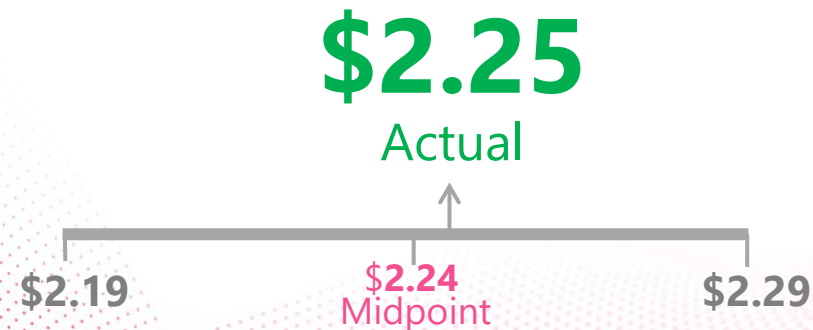
Revenues – 7% Growth

\$3 Million Above the Midpoint of our projections



EPS – 9% Growth

1 Cents Above the Midpoint of our projections



*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.

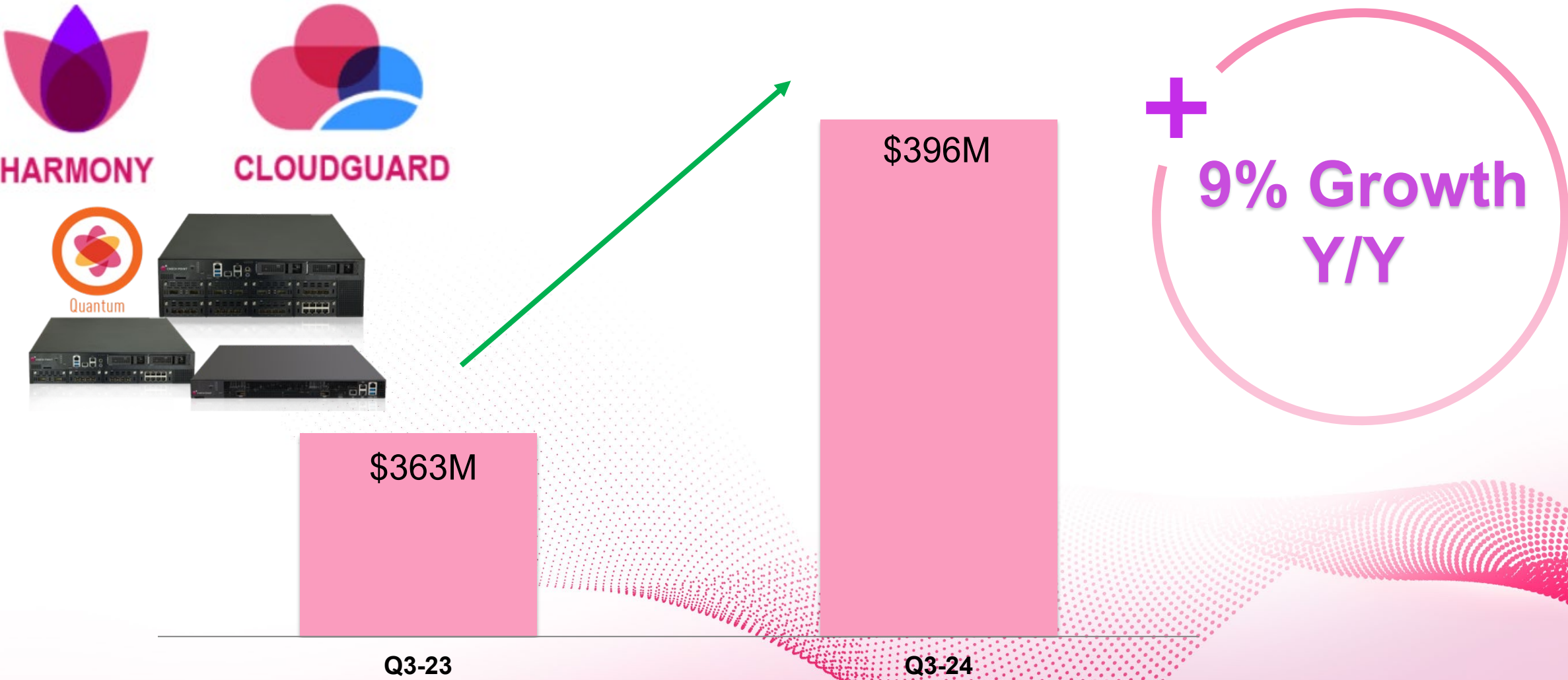
Revenues & Deferred Revenues

	Q3-23	Q3-24	Y/Y %
Total Revenues	\$596M	\$635M	7%
Security Subscription Revenues	\$248M	\$277M	12%
Deferred Revenues	\$1,709M	\$1,745M	2%

- **Calculated Billings*** reached **\$562M** up **6% YoY**
- **Current Calculated Billings** **\$563M** up **5% YoY**

* Calculated Billings is a measure that we defined as total revenues recognized in accordance with GAAP plus the change in Total Deferred Revenues during the period

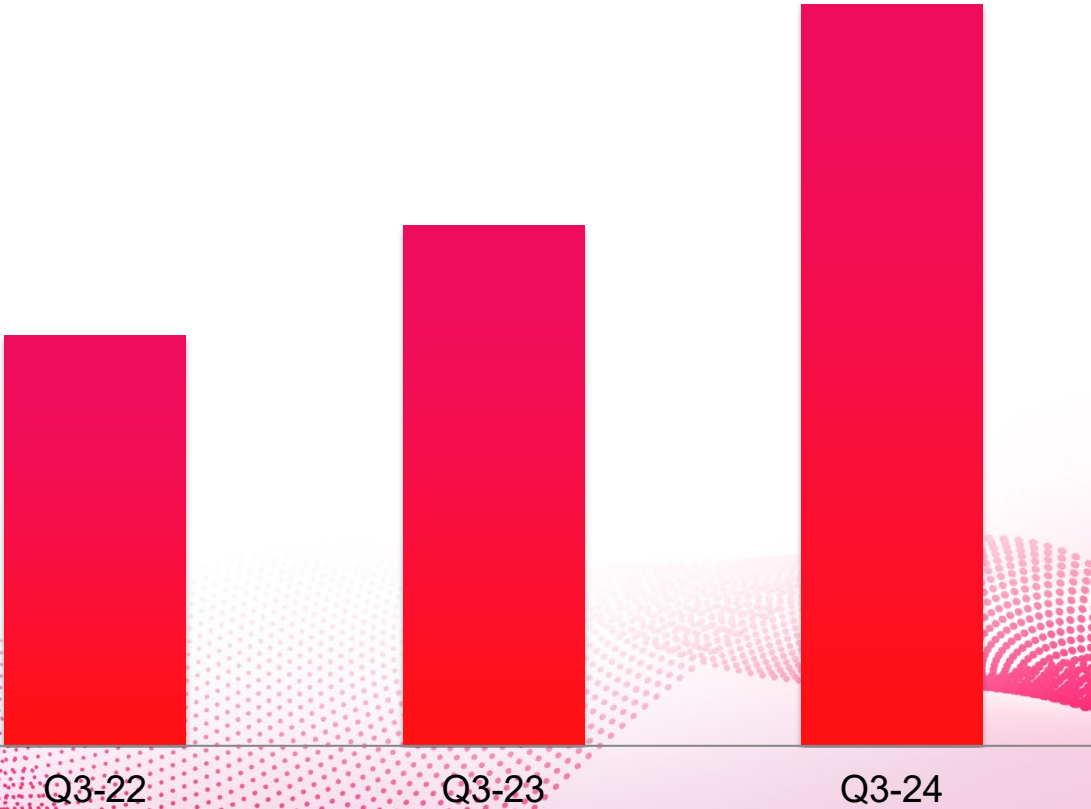
Growth In Product & Subscription Revenues



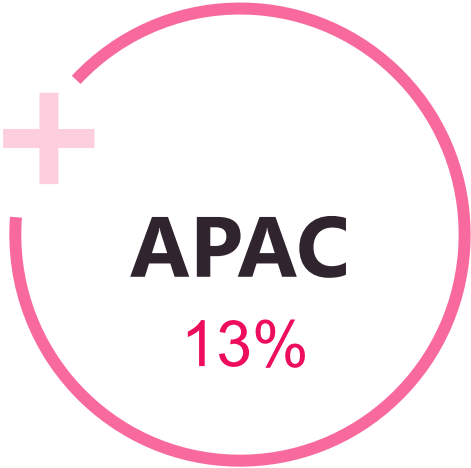
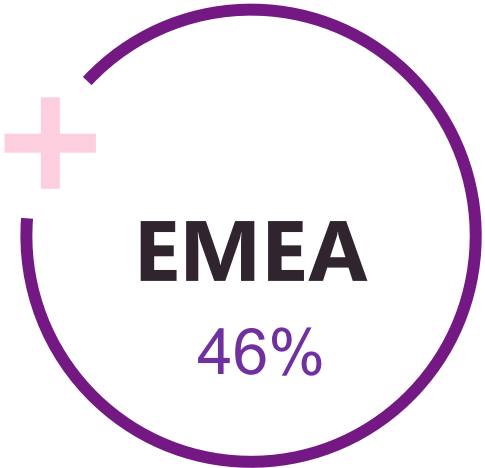
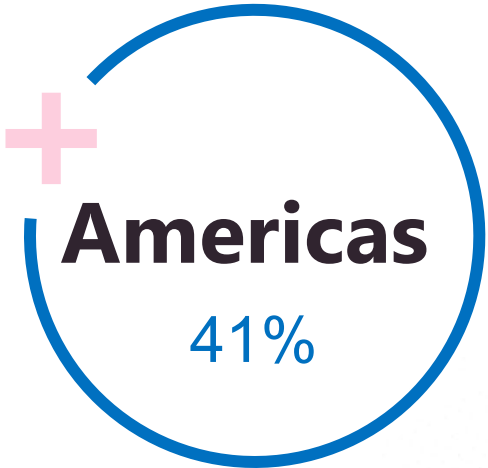
Strong Adoption - Industry Leading Security Platform



Double-Digit
Revenue Growth 



Global Revenue Distribution – Growth in all GEO's



Strong Operating Performance

Non-GAAP*

	Q3-23	Q3-24	Y/Y
Total Revenues	\$596M	\$635M	7%
Gross Profit	\$534M	\$563M	5%
Operating Expenses	\$265M	\$289M	9%
Operating Income	\$269M	\$274M	2%
Financial Income, Net	\$18M	\$25M	
Tax Expenses	\$44M	\$44M	
Net Income	\$242M	\$255M	5%
EPS	\$2.07	\$2.25	9%

*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.

Third Quarter Cash Flow & Cash Position

\$2.9 Billion

Cash, Marketable Securities &
Short Term Deposits

\$249 Million

Strong Operating Cash Flow

\$186 Million

Net Cash paid for Acquisition

\$325 Million

Share Repurchase
in the quarter

Financial Summary

- **Revenues & EPS Above Midpoint of Projections**
- **Quarterly Revenues Accelerated**
 - Product & Subscription Revenues Growth
 - Strong Infinity & Harmony Email Performance
- **Strong Profitability & Operating Cash Flow**

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Business Update

Q3 – Exceeded Expectations



Great Results

- Revenues, EPS – Above Midpoint of Projections
- Infinity Platform - Continued Strong Demand
- Harmony Email – Over \$100M ARR*



Expanding Portfolio

- Infinity Global Services - Strong Demand, over 3400 customers
- Transforming Security Operations & Threat Intelligence - Cyberint Acquisition

10th Acquisition in 5 years!

*Annualized Recurring Revenue. ARR is annualized allocated revenue of all active contracts as of the final day of the reporting period.

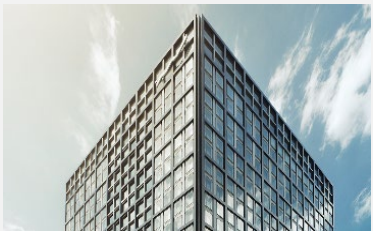
Customers Embrace Check Point



**Deutsche
Börse**

Europe

Among World's Largest
Exchange Companies



Americas

Largest Global Non-profit
Medical Group



**United States
Department of State**

Americas

Federal Government



**PORSCHE
INFORMATIK**

Europe

Automotive Software
Solutions



SIEMENS

Americas

Global Leader in
Industrial Automation



New Customers Choose Check Point

Public Sector

65 New customers
40 Countries



Financial Services

40 New customers
23 Countries



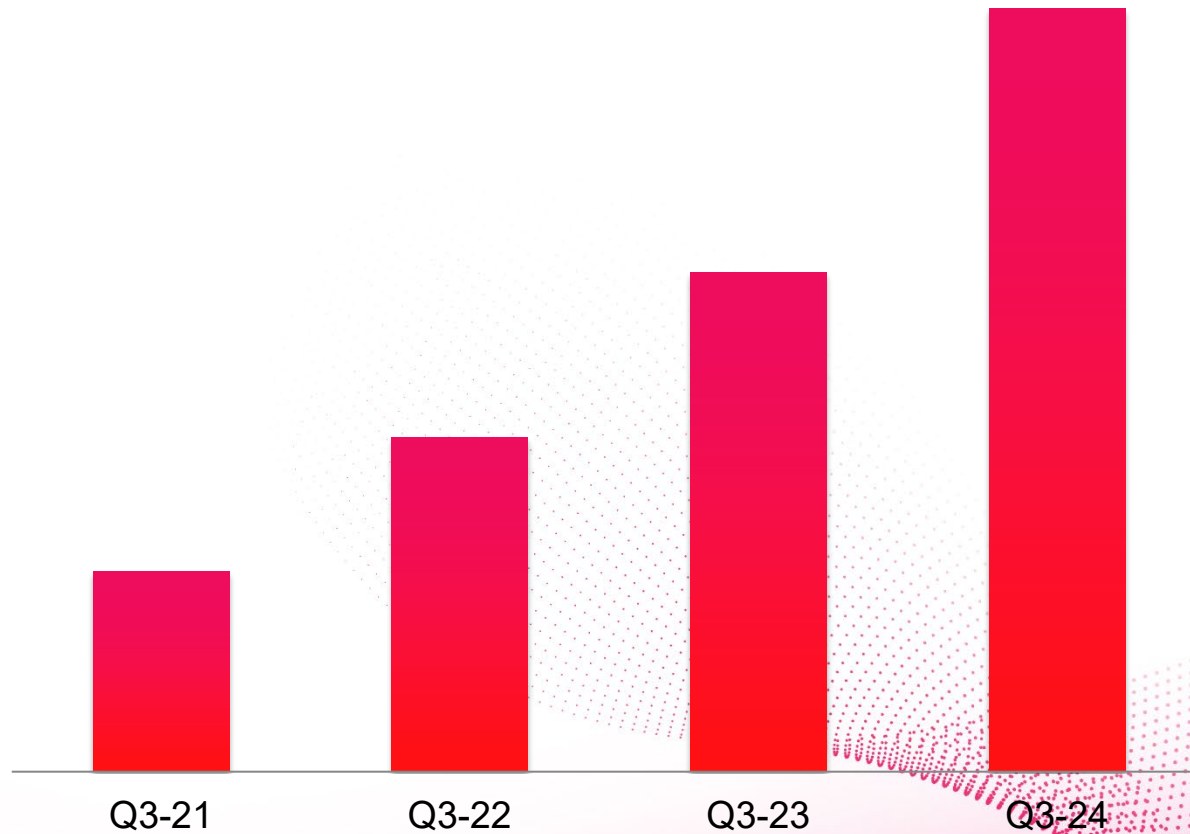
Healthcare

28 New customers
17 Countries



Harmony Email Reached New Milestone Exceeding \$100M ARR !

Over \$100 Million ARR*



Harmony
Email & Collaboration

*Annualized Recurring Revenue. ARR is annualized allocated revenue of all active contracts as of the final day of the reporting period.

Expanding into the Security Operations Center (SOC) - Acquired CyberInt

Cyberint

The **Broadest External Threat Exposure Platform**, including Threat Intelligence, Digital Risk Protection and External Attack Surface Management

One of the fastest growing companies in the market

170 employees

200 enterprise customers and MSSP offering, including Fortune 500 companies.



Check Point + Cyberint Turning Detection into Full Prevention



Summary

- Revenues & EPS Above Midpoint of Projections
- Infinity Delivers Continued Strength
- Harmony Email Exceeded \$100M ARR
- Expanded SOC Offering & Transforming Security Operations & Threat Intelligence Through Cyberint Acquisition

Q4 / FY2024 Projections

Q4-2024 Projections

Revenues

\$675M - \$715M

Non-GAAP EPS

\$2.60 - \$2.70

GAAP EPS is expected to be 45 cents less

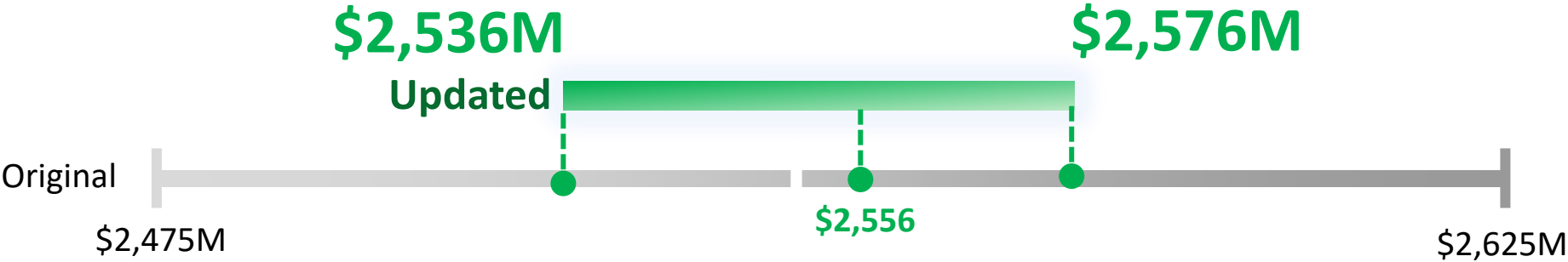
Projecting future results is very challenging, there is a high level of uncertainty
Results can be better or worse than our projections

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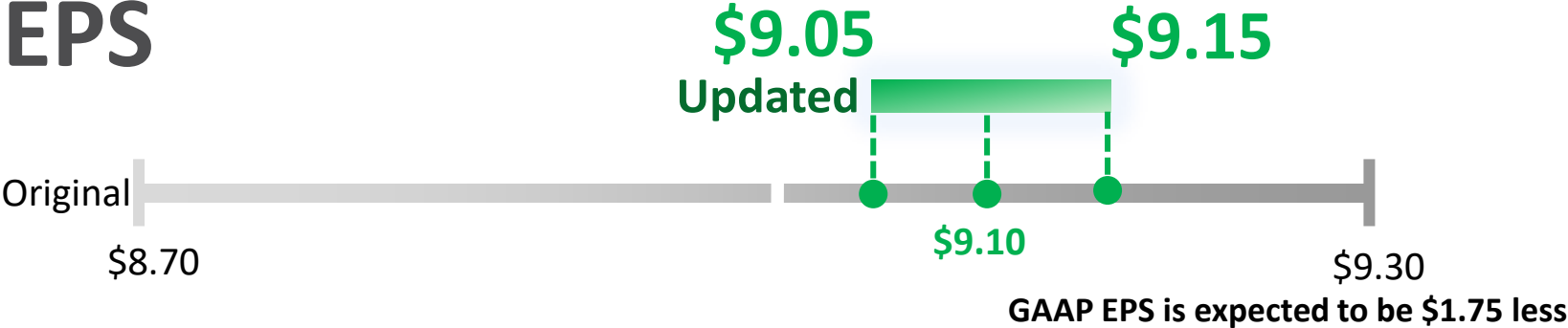
Updated 2024 Projections

Non-GAAP

Revenues



Non-GAAP EPS



Projecting future results is very challenging, there is a high level of uncertainty
Results can be better or worse than our projections

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Thank You!

GAAP to Non-GAAP Consolidated Statement of Income Reconciliation



	Three Months Ended September 30, 2024					Three Months Ended September 30, 2023				
(In millions, except per share amounts)	GAAP	Stock-based compensation	Amortization of intangible assets and acquisition related expenses	Taxes on reconciliation items	Non-GAAP	GAAP	Stock-based compensation	Amortization of intangible assets and acquisition related expenses	Taxes on reconciliation items	Non-GAAP
Products and Licenses	\$ 118.9				\$ 118.9	\$ 114.2				\$ 114.2
Security Subscriptions	276.9				276.9	248.3				248.3
Total Products & Security Subscriptions	395.8				395.8	362.5				362.5
Software updates and maintenance	239.3				239.3	233.8				233.8
Total Revenues	635.1				635.1	596.3				596.3
Cost of products and licenses	24.3	0.1			24.2	22.5	0.1			22.4
Cost of security subscriptions	19.6				19.6	13.9				13.9
Total Cost of products and security subscriptions	43.9	0.1			43.8	36.4	0.1			36.3
Cost of software updates and maintenance	30.2	1.8			28.4	27.7	1.9			25.8
Amortization of technology	5.8		5.8			3.0		3.0		
Total Cost of revenues	79.9	1.9	5.8	-	72.2	67.1	2.0	3.0	-	62.1
Research & Development	97.5	14.0	1.6		81.9	90.0	12.1	1.1		76.8
Sales & Marketing	208.9	15.4	9.1		184.4	183.3	15.0	2.3		166.0
General & Administrative	30.3	7.7			22.6	29.8	7.4			22.4
Total Operating Expenses	416.6	39.0	16.5	-	361.1	370.2	36.5	6.4	-	327.3
Operating Income	218.5	39.0	16.5	-	274.0	226.1	36.5	6.4	-	269.0
Financial & Other Income, Net	25.3				25.3	17.7				17.7
Income Taxes (Tax Benefit)	36.9			(7.0)	43.9	38.8			(5.5)	44.3
Net Income	\$ 206.9	39.0	16.5	(7.0)	\$ 255.4	\$ 205.0	36.5	6.4	(5.5)	\$ 242.4
Diluted Earnings per share	\$ 1.83	0.34	0.14	(0.06)	\$ 2.25	\$ 1.75	0.31	0.06	(0.05)	\$ 2.07
Number of Shares (M), diluted	113.4				113.4	117.3				117.3

GAAP to Non-GAAP Consolidated Statement of Income Reconciliation



	Nine Months Ended September 30, 2024					Nine Months Ended September 30, 2023				
(In millions, except per share amounts)	GAAP	Stock-based compensation	Amortization of intangible assets and acquisition related expenses	Taxes on reconciliation items	Non-GAAP	GAAP	Stock-based compensation	Amortization of intangible assets and acquisition related expenses	Taxes on reconciliation items	Non-GAAP
Products and Licenses	\$ 337.3				\$ 337.3	\$ 339.1				\$ 339.1
Security Subscriptions	812.0				812.0	715.4				715.4
Total Products & Security Subscriptions	1,149.3				1,149.3	1,054.5				1,054.5
Software updates and maintenance	712.0				712.0	696.7				696.7
Total Revenues	1,861.3				1,861.3	1,751.2				1,751.2
Cost of products and licenses	68.2	0.3			67.9	71.3	0.3			71.6
Cost of security subscriptions	52.9				52.9	39.8				39.8
Total Cost of products and security subscriptions	121.1	0.3			120.8	111.1	0.3			110.8
Cost of software updates and maintenance	90.5	6.2			84.3	81.8	4.9			76.9
Amortization of technology	17.4		17.4			8.2		8.2		
Total Cost of revenues	229.0	6.5	17.4	-	205.1	201.1	5.2	8.2	0.0	187.7
Research & Development	293.8	42.3	4.8		246.7	268.9	34.5	5.0		229.4
Sales & Marketing	630.8	46.2	27.3		557.3	546.6	41.1	4.6		500.9
General & Administrative	86.0	24.9			61.1	87.3	24.6			62.7
Total Operating Expenses	1,239.6	119.9	49.5	-	1,070.2	1103.9	105.4	17.8	0.0	980.7
Operating Income	621.7	119.9	49.5	-	791.1	647.3	105.4	17.8	0.0	770.5
Financial & Other Income, Net	71.6				71.6	58.1				58.1
Income Taxes (Tax Benefit)	105.1			(21.7)	126.8	114.3			(15.7)	130.0
Net Income	\$ 588.2	119.9	49.5	(21.7)	\$ 735.9	\$ 591.1	105.4	17.8	(15.7)	\$ 698.6
Diluted Earnings per share	\$ 5.16	1.04	0.44	(0.19)	\$ 6.45	\$ 4.96	0.88	0.15	(0.13)	\$ 5.86
Number of Shares (M), diluted	114.1				114.1	119.2				119.2