

# Allot Ltd

08:03 04 Feb 2020

## Allot's stock soars as 4Q revenue jumps 14% to \$30.6M as security offerings gain traction

Allot Ltd (NASDAQ:ALLT) (TASE:ALLT), the smart network intelligence solutions company, reported fourth-quarter earnings and revenue early Tuesday that handily beat Wall Street expectations, boosted by its security offerings, which drew several new operators.

For the quarter ended December 2019, Allot posted a non-GAAP net loss of \$1.7 million, or \$0.05 per share, on revenue of \$30.6 million, an increase of 14% compared to \$26.9 million in the fourth quarter of 2018. The consensus estimate was a loss of \$0.08 per share.

Investors responded well, sending shares nearly 12.9% higher to \$10.96 before the opening bell.

### READ: Allot's cybersecurity platform picked by Portuguese broadband operator MEO to protect its users

The company said it expects 2020 revenue of between \$135 million and \$140 million. The current consensus estimate is revenue of \$122.7 million for the year ending December 31, 2020.

Cash and investments as of December 31, 2019, totaled \$117.6 million, compared to \$114.8 million as of September 30, 2019, and \$103.9 million as of December 31, 2018.

### Financial highlights

- Full-year revenues were \$110.1 million, up 15% year-over-year;
- Backlog increased by \$69 million to \$138 million at year-end 2019 compared with \$69 million at year-end 2018;
- Allot signed in 2019 recurring security revenue agreements with a total maximum annual revenue potential of concluded transactions of \$85 million; and
- Management expects to close additional recurring security revenue deals in 2020. The maximum annual revenue potential of concluded transactions for new deals to be signed in 2020 is expected to exceed \$140 million.

In a statement accompanying the company's latest numbers, Allot CEO Erez Antebi commented: "We are very pleased with our performance in 2019. Our visibility and control business continued to perform well due to ongoing solid execution."

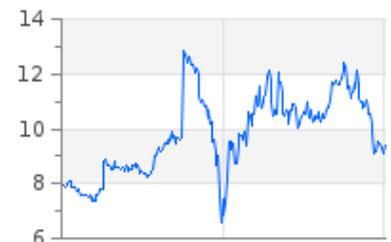
The Allot boss said the company had flourished in the security space.

"We had a successful year bringing on several new operators to our security offerings, some of them in a revenue share arrangement," said Antebi.

**Price:** 9.79

**Market Cap:** \$344.73 m

### 1 Year Share Price Graph



September 2019 March 2020 September 2020

### Share Information

**Code:** ALLT

**Listing:** NASDAQ

<b>52 week</b>	<b>High</b>	<b>Low</b>
	13.05	6.45

**Sector:** Telecoms

**Website:** www.allot.com

### Company Synopsis:

Allot is a leading provider of innovative network intelligence and security solutions that empower communications service providers (CSPs) and enterprises worldwide to enhance the value they bring to their customers. With over 20 years of proven success, our solutions turn network, application, usage and security data into actionable intelligence that make our customers' networks smarter and their users more secure.

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"We believe that the recurring revenue and growth we gain from these deals will have a significantly positive long-term impact on our future. We expect to win further such deals in the coming year," he added.

Allot is a provider of network intelligence and security solutions for service providers worldwide. Its solutions are deployed for network and application analytics, traffic control and shaping, and network-based security services.

"Looking out to 2020, we expect accelerated top-line growth. While we continue to invest in our offerings and in sales and marketing, our expenses should grow at a slower rate than our revenue and subsequently we expect to reach profitability in the last quarter of 2020," said Antebi.

"We look forward to continued growth as we successfully execute on our strategy," he added.

The company's multi-service platforms are used by over 500 mobile, fixed and cloud service providers and more than 1,000 enterprises.

Allot NetworkSecure is the world's largest deployed network-based security service for the mass market with over 20 million paying security customers.

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