



February 8, 2011

Allot Communications Reports Increased Revenues and Net Profit for Fourth Quarter of 2010

Revenues reach \$16.2 million; EPS hits \$0.07 on a non-GAAP basis

Key highlights:

- Fourth quarter revenues reached \$16.2 million, a 41% increase over the fourth quarter of 2009
- Fourth quarter non-GAAP net income of \$1.8 million; non-GAAP EPS grows to \$0.07 from \$0.05 in the third quarter of 2010
- Cash, cash equivalents and marketable securities totaled \$59.4 million; generated approximately \$1.8 million in cash from operations during the quarter
- Revenues for 2010 increase by 36% to \$57 million; non-GAAP EPS reaches \$0.17

Boston, MA – February 8, 2011 – Allot Communications Ltd. (NASDAQ: ALLT), a leading supplier of service optimization and revenue generation solutions for fixed and mobile broadband service providers worldwide, today announced that sales and profitability continued to increase during the fourth quarter of 2010, and that the Company was profitable for the year 2010 on a non-GAAP basis.

Total revenues for the fourth quarter of 2010 reached \$16.2 million, a 41% increase from the \$11.5 million of revenues reported for the fourth quarter of 2009, and a 10% increase from the \$14.7 million of revenues reported for the third quarter of 2010. On a GAAP basis, net profit for the fourth quarter of 2010 was \$1.3 million, or \$0.06 per basic share and \$0.05 per diluted share. This compares with a net loss of \$1.5 million, or \$0.07 per share (basic and diluted), in the fourth quarter of 2009, and net income of \$0.8 million, or \$0.03 per share (basic and diluted), in the third quarter of 2010. For the full year 2010, revenues reached \$57 million, representing a 36% increase over the \$41.8 million of revenues in 2009. On a GAAP basis, net loss for the year 2010 was \$5.8 million, or \$0.25 per share (basic and diluted), as compared with a net loss of \$7.7 million, or \$0.35 per share (basic and diluted), in 2009.

On a non-GAAP basis, excluding the impact of share-based compensation and amortization of certain intangibles, non-GAAP net income for the fourth quarter of 2010 totaled \$1.8 million, or \$0.08 per basic share and \$0.07 per diluted share, compared with non-GAAP net income of \$19,000, or \$0.00 per share (basic and diluted), for the fourth quarter of 2009, and non-GAAP income \$1.3 million or \$0.06 per basic share and \$0.05 per diluted share, for the third quarter of 2010.

These non-GAAP measures should be considered in addition to, and not as a substitute for, comparable GAAP measures. The non-GAAP results and a full reconciliation between GAAP and non-GAAP results are provided in the accompanying Tables 2 and 3. The Company provides these non-GAAP financial measures because it believes that they present a better measure of the Company's core business and management uses the non-GAAP measures internally to evaluate the Company's ongoing performance. Accordingly, the Company believes that they are useful to investors in enhancing an understanding of the Company's operating performance.

"2010 was a significant year for Allot, during which we combined solid revenue growth with steadily increasing profitability," commented Rami Hadar, Allot Communications' President and Chief Executive Officer. "During the year we firmly established our Company as the leader in the fast-growing mobile data market, which now constitutes approximately 40% of our total sales. Along with continued success in the fixed-line market, the large, successful Tier-1 deployments we have undertaken are a testimony to the robustness of our solutions to meet the rapidly increasing demand for bandwidth-intensive data applications."

Recently, the Company achieved the following significant goals:

- Received an initial order from a Tier 1 operator in EMEA with over 15 million subscribers, which operates both fixed and wireless networks;
- Received an expansion order from a Tier 1 cable operator in EMEA;
- During the quarter, received orders from 13 large service providers, of which 2 represented new customers and 11 represented expansion deals;
- Introduced the new Service Gateway Sigma E, with 160Gb throughput per system;

- The Company's shares are now listed on the NASDAQ Global Select Market; and
- The Company listed its shares on the Tel Aviv Stock Exchange, where it is now included on the Tel-Tech 15 index and the Mid-Cap 50 indices.

As of December 31, 2010, cash, cash equivalents, short term deposits and marketable securities totaled \$59.4 million.

Conference Call & Webcast

The Allot management team will host a conference call to discuss its fourth quarter and year end 2010 earnings results today at 8:30 AM ET, 3:30 PM Israel time.

To access the conference call, please dial one of the following numbers: US: +1 212 444 0412, UK: +44 (0)20 7806 1950, Israel: +972 3 721 9509, participant code 4178253.

A replay of the conference call will be available from 12:01 am ET on February 9, 2011 through March 7, 2011 at 11:59 pm ET. To access the replay, please dial: US: +1 347 366 9565, UK: +44 (0)20 7111 1244, access code: 4178253#.

A live webcast of the conference call can be accessed on the Allot Communications website at www.allot.com. The webcast will also be archived on the website following the conference call.

About Allot Communications

Allot Communications Ltd. (NASDAQ: ALLT) is a leading provider of intelligent IP service optimization solutions for fixed and mobile broadband operators and large enterprises. Allot's rich portfolio of solutions leverages dynamic actionable recognition technology (DART) to transform broadband pipes into smart networks that can rapidly and efficiently deploy value added Internet services. Allot's scalable, carrier-grade solutions provide the visibility, topology awareness, security, application control and subscriber management that are vital to managing Internet service delivery, enhancing user experience, containing operating costs, and maximizing revenue in broadband networks. For more information, please visit <http://www.allot.com>

Safe Harbor Statement

Information provided in this press release may contain statements relating to current expectations, estimates, forecasts and projections about future events that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally relate to the Company's plans, objectives and expectations for future operations. These forward-looking statements are based upon management's current estimates and projections of future results or trends. Actual results may differ materially from those projected as a result of certain risks and uncertainties. These factors include, but are not limited to: changes in general economic and business conditions; the Company's inability to develop and introduce new technologies, products and applications; loss of market; and other factors discussed under the heading "Risk Factors" in the Company's annual report on Form 20-F filed with the Securities and Exchange Commission. These forward-looking statements are made only as of the date hereof, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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