



(In Voluntary Liquidation)

BackWeb Announces Further Extension of Withholding Tax Deadline for Shares held through Cede & Co - DTC (Depository Trust Company)

Clarifies Withholding Tax Refund Process for all Shareholders

Tel Aviv, Israel, April 6, 2015 — Yoav Kfir, CEO of VAR Management Ltd. ("VAR"), Liquidator to BackWeb Technologies Ltd. (In Voluntary Liquidation) (the "Company" or "BackWeb"), today announced an extension to the deadline for certain shareholders to file withholding tax exemption forms ("Tax Forms"). Company shareholders who hold their shares through DTC and who have not sent the required Tax Forms now have a new, extended deadline by which they must submit the Tax Forms. The Company also clarified certain related procedures regarding withholding tax refunds for all shareholders.

On November 3, 2014, the Company announced an initial liquidation distribution in the amount of \$0.207 per share and the applicable withholding tax. Under a tax ruling from the Israel Tax Authority ("ITA"), the Tax Trustee, Meitav Dash Trusts Ltd. ("Trustee"), is required to calculate and deduct the appropriate Israeli withholding tax, up to a maximum rate of 30% and remit it to the ITA upon deduction.

Previous Company announcements via press releases indicated that January 30, 2015 was the last date to provide forms in order to apply for a withholding tax exemption or refund. However, a significant number of shareholders did not submit properly completed forms by that deadline. In an effort to further assist such shareholders, VAR approached the ITA and asked for an extension. The ITA approved another extension for shareholders to file their Tax Forms until the end of September 2015.

The Company is working with shareholders, who hold shares through DTC, to assist them in complying with procedures and is providing the following distribution dates for withheld tax amounts:

1. April 30, 2015 - Date on which withheld taxes will be distributed to Registered brokers for their shareholders, who already submitted proper forms and lists as described hereunder.
2. June 30, 2015 - Date on which withheld taxes will be distributed to Registered brokers for their shareholders who will submit proper forms as well as lists as described hereunder before the end of April 2015.
3. Final payment on or before September 30, 2015 - Date on which withheld taxes will be distributed to Registered brokers for their shareholders who will submit proper forms as well as lists as described hereunder before the end of July 2015.
4. Registered brokers who do not submit proper forms for their beneficiaries and

lists as described hereunder by July 31 2015, their beneficiaries will be subject to a full withholding tax deduction which will be reported to ITA on the name of the broker accordingly.

For the avoidance of doubt, below is the process shareholders will need to comply with in order for the Trustee to approve the distribution of withheld tax, or any part thereof:

Shareholders who hold their shares through DTC:

- Only registered shareholders, including brokers ("Registered Shareholders"), can submit the Tax Forms, which are available for download at the Company's website.
- Shareholders who are not Registered are requested to send Tax Forms via Registered Shareholders only.
- A Registered Shareholder will then send those Tax Forms to the Company through VAR together with a full and accurate list of shareholders who submitted Tax Forms to it. Such a list should include all details required to identify a specific shareholder in the list and should match the Tax Forms, along with the number of shares each shareholder holds. The total amount of shares held by all shareholders should match the amount of shares held by the Registered Shareholder.
- Registered Shareholders will also send full wiring details, on a proper cover letter of such Registered Shareholder, verified by the Registered Shareholder's counsel.
- Upon receipt of such reconciled lists, and upon receipt of a written approval from the Trustee regarding the amount of tax withholding per each shareholder, refunds of tax amounts shall be paid by wire transfer directly to the Registered Shareholder according to the distribution dates specified above. The Registered Shareholder will then need to make distributions to the shareholders on its list.
- Registered Shareholders who did not submit proper documents together with the list as per the above, will not be entitled to tax refunds and the Trustee will remit such withheld tax amounts to the ITA. Registered Shareholders can then approach the ITA on their own, if needed.

For registered shareholders who do not hold their shares through DTC:

- Registered shareholders who have not submitted properly completed Tax Forms to the Company through VAR by January 30, 2015 are welcome to continue and send forms to VAR together with their email address and other contact details, including full wire transfer details. Those shareholders will receive the funds via wire (preferably) or a check on conclusion of the liquidation process for the total amount due to them ~~according to their pro-rata share ownership, based on the share register~~
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as of the record date, with appropriate Israeli tax withheld (up to a maximum tax rate of 30%).

- Any payment that the Company attempts to make to direct shareholders who do not return the Tax Forms, will be made by check and will be mailed to the address that the Company has on file for such shareholders.

The Tax Forms are available for download by shareholders at: www.backweb.com/news

About BackWeb:

BackWeb ® Technologies Ltd. (In Voluntary Liquidation) (www.backweb.com) has suspended operations, divested its patents, and is in a process of liquidation.

BackWeb's liquidator is Mr. Yoav Kfir, CPA (Isr.), with contact information indicated below.

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