



(In Voluntary Liquidation)

BackWeb Completed First Distribution's Withholding Tax Refunds process

Tel-Aviv, Israel, October 13, 2015 — Yoav Kfir, CEO of VAR Management Ltd. ("VAR"), Liquidator to BackWeb Technologies Ltd. (In Voluntary Liquidation) (the "Company" or "BackWeb"), today made the following announcements:

- A.** In accordance with previous announcements via press releases, the Company has completed withholding refund payments to Registered brokers who fulfilled the conditions and procedures mentioned in the press releases. These previous press releases are available in the News section of the Company's website, www.backweb.com.

All tax refund payments reflect approximately 78% of the amount initially withheld from DTC, while rest had already been reported and paid to Israeli Tax Authorities in accordance to its Ruling dated June 24 2013.

B. Audit of the Israeli Tax Authorities (ITA)

Following previous announcement, VAR is still working together with Deloitte Israel and the ITA to reach agreement. At this stage, an agreement has not yet been finalized. The Company cannot estimate the likelihood or possible amount of tax exposure, or the length of the ITA audit process.

C. Timing and Amount of Second Distribution of net cash to shareholders may change from previously announced expectations

The ITA audit process also means the Company cannot at this time predict the timing and amount of the Second Distribution of the Company's net cash to shareholders. In its November 3, 2014 press release, the Company indicated its expectation the Second Distribution would occur during calendar year 2015 and would distribute an estimated \$0.7 million to \$1.2 million, or \$0.016 to \$0.027 per share to shareholders. Because the Company cannot estimate the timing of or tax exposure from the ITA audit, the timing and amount of the Second Distribution and the timing of the final dissolution of the Company cannot be estimated at this time. The Company will make further announcements when it has additional information on this matter.

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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