



Needham Growth Conference January 13, 2016

iRobot®
Robots That Make A Difference

Forward Looking Statements

- Certain statements made in this presentation that are not based on historical information are forward-looking statements which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.
- These statements are neither promises nor guarantees, but are subject to a variety of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those contemplated in these forward-looking statements.
- Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. iRobot Corporation undertakes no obligation to update or revise the information contained in this presentation, whether as a result of new information, future events or circumstances or otherwise.
- This presentation contains various non-GAAP financial measures as defined by SEC Regulation G, including Adjusted EBITDA, which we define as Earnings Before Interest, Taxes, Depreciation, Amortization, merger and acquisition expenses, restructuring expenses, net intellectual property litigation expenses and non-cash stock compensation expense. The most directly comparable GAAP financial measures and a reconciliation of the differences between the GAAP financial measures and the non-GAAP financial measures are posted on the investor relations page of our web site at www.irobot.com.
- For additional disclosure regarding these and other risks faced by iRobot Corporation, see the disclosure contained in our public filings with the Securities and Exchange Commission.

iRobot – The Robot Company

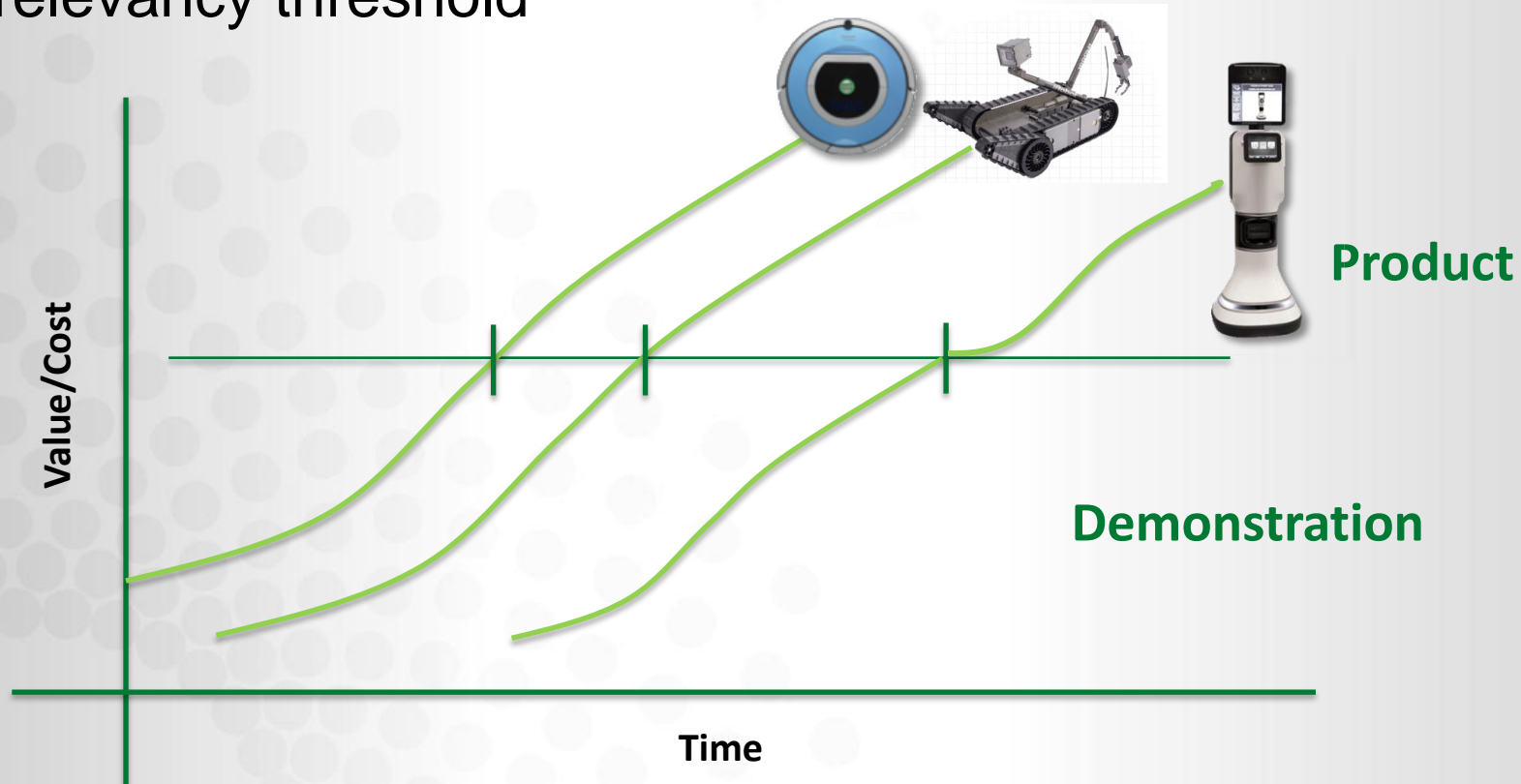
- **Global Technology Company - Empowering people to accomplish more through practical robots**
- **Robotic technology solutions currently serving 3 market verticals with a focus on the connected home, including products and enabling infrastructure**
- **Large and growing addressable markets**
 - Formidable IP portfolio
 - Market-leading brand recognition
 - First mover advantage

More than two decades of global robotic-technology market leadership



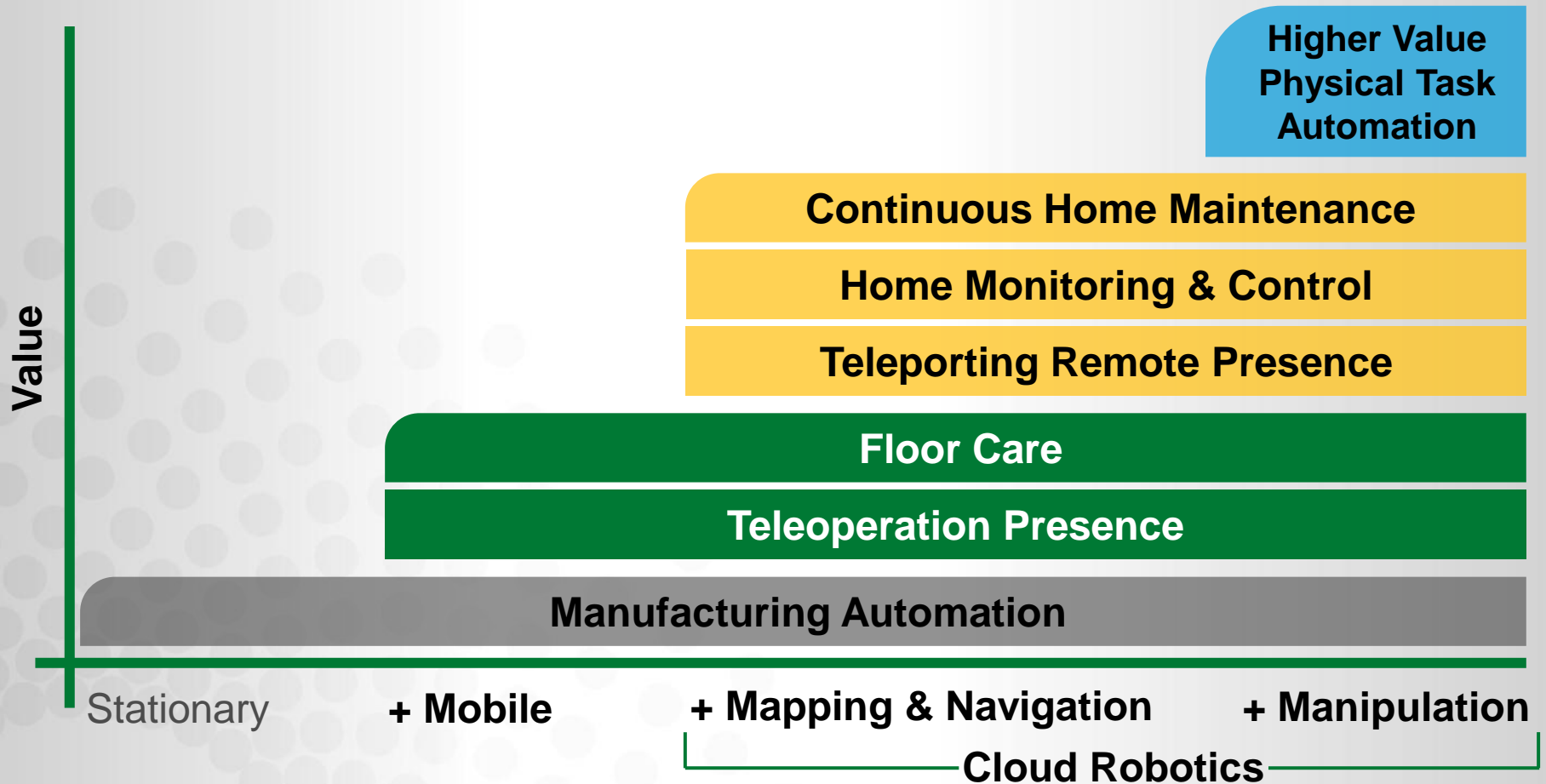
The Emerging Robot Industry

New capabilities unlock new opportunities to cross the relevancy threshold



Prototype to commercially viable product – lengthy, expensive process

Unlocking the Potential



Focused technology development: 20-25% of annual internal R&D expense
Enhance current and enable future products

Home Robot Products

iRobot Roomba®
Vacuum Cleaning Robots



iRobot Scooba®
Floor Scrubbing Robots



iRobot Braava™
Floor Mopping Robots



iRobot Mirra™
Pool Cleaning Robots



iRobot Looj®
Gutter Cleaning Robots

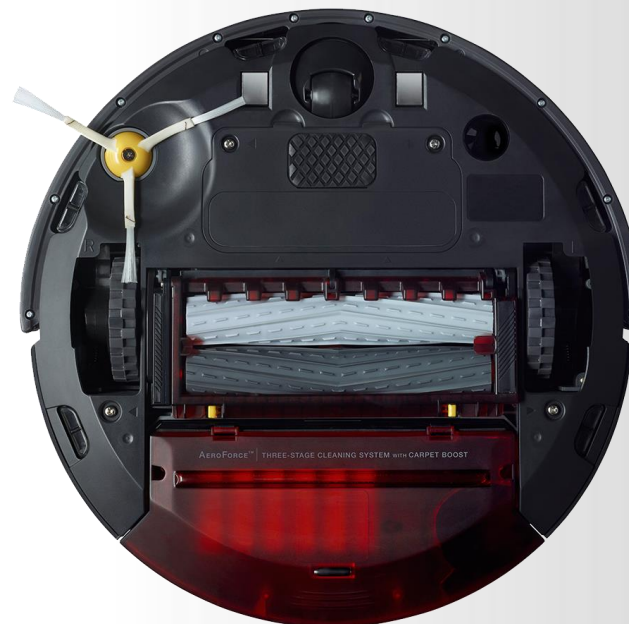


Flagship product
Driving iRobot revenue growth
NEW iRobot Roomba® 980
Vacuum Cleaning Robot

More Than 14 Million Home Robots Sold Since 2002
Currently Sold in More Than 60 Countries

iRobot®

NEW iRobot Roomba® 980



Smart

iAdapt® 2.0 Navigation with Visual Localization helps Roomba® seamlessly and efficiently navigate an entire level of your home, recharging as needed until the job is done.



Simple

The iRobot HOME App lets you Clean and Schedule conveniently—anytime, anywhere.* Or just press **CLEAN** on the robot.

*Some features available only through the iRobot® HOME App.



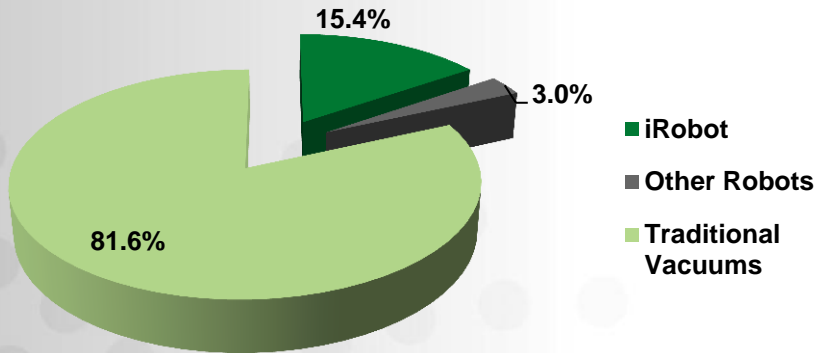
Clean

The AeroForce™ Cleaning System with Carpet Boost provides up to 10x the air power* by automatically increasing the performance of the Gen 3 motor on carpet and rugs, where dust and dirt hide.

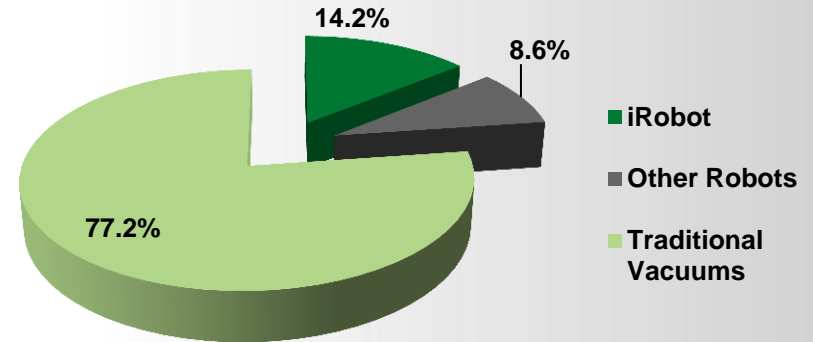
*Compared to Roomba 600 & 700 Series AeroVac™ Systems

Huge Addressable Markets

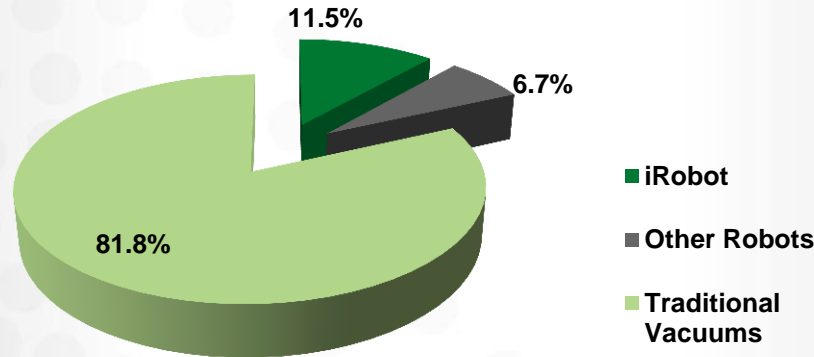
North America - \$2.3 billion



EMEA - \$2.7 billion



APAC - \$2.3 billion



\$7.2 billion annual market opportunity

Source: Vacuum Cleaners >\$200 USD, 2014 retail prices (based on NPD, GfK, Euromonitor, iRobot internal data)

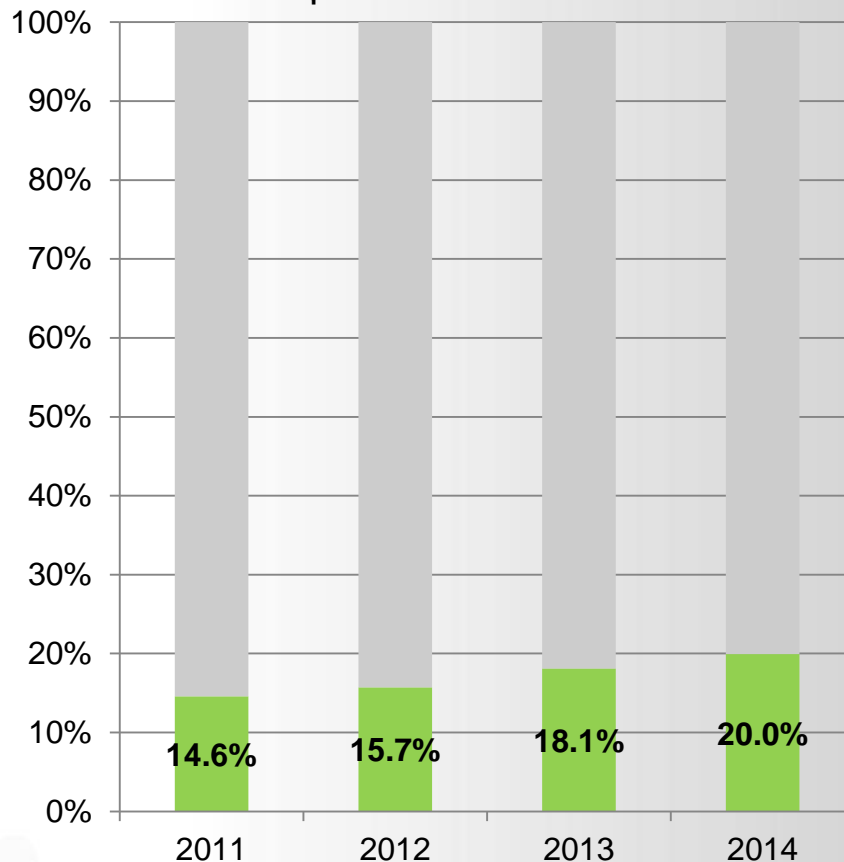


Robotic Vacuum Market

Robotic Vacuum \$ Spent



Robotic Vacuum \$ as % of total \$ Vacuum Market



Strong growth continues in robotic vacuum cleaning market

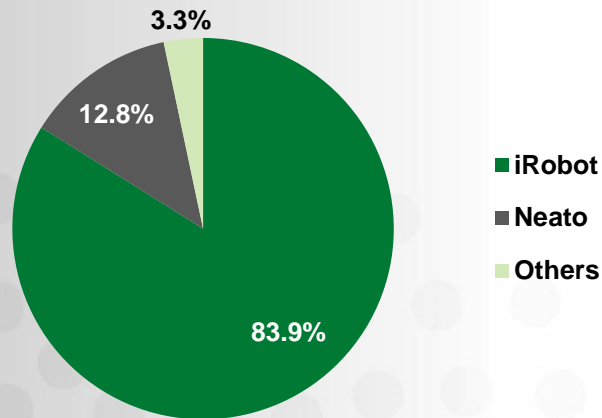
Source: *GfK, NPD, Euromonitor, iRobot data – 2014

**Vacuum cleaners >\$200/robotic vacuum revenues

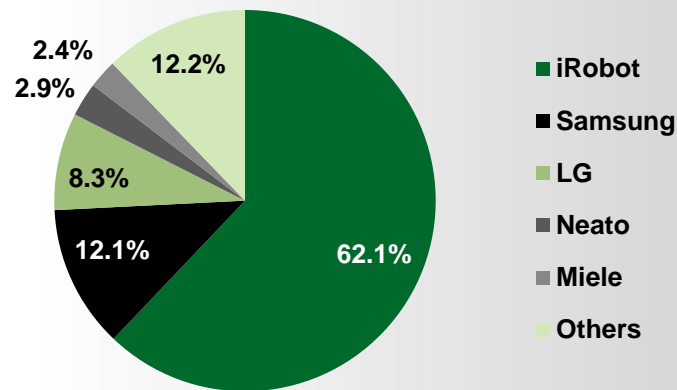


Robotic Vacuum Global Retail \$ Market Share

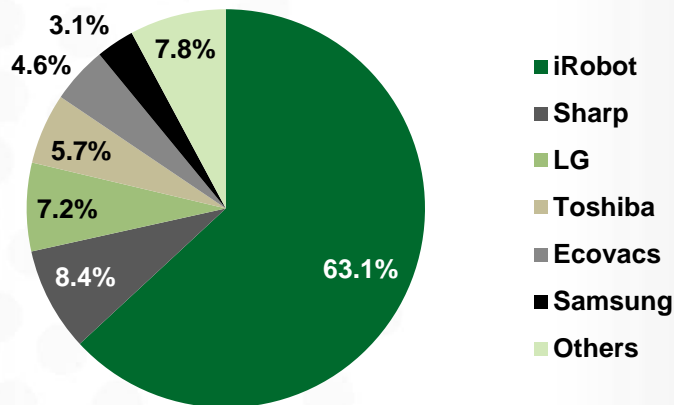
North America



EMEA



APAC

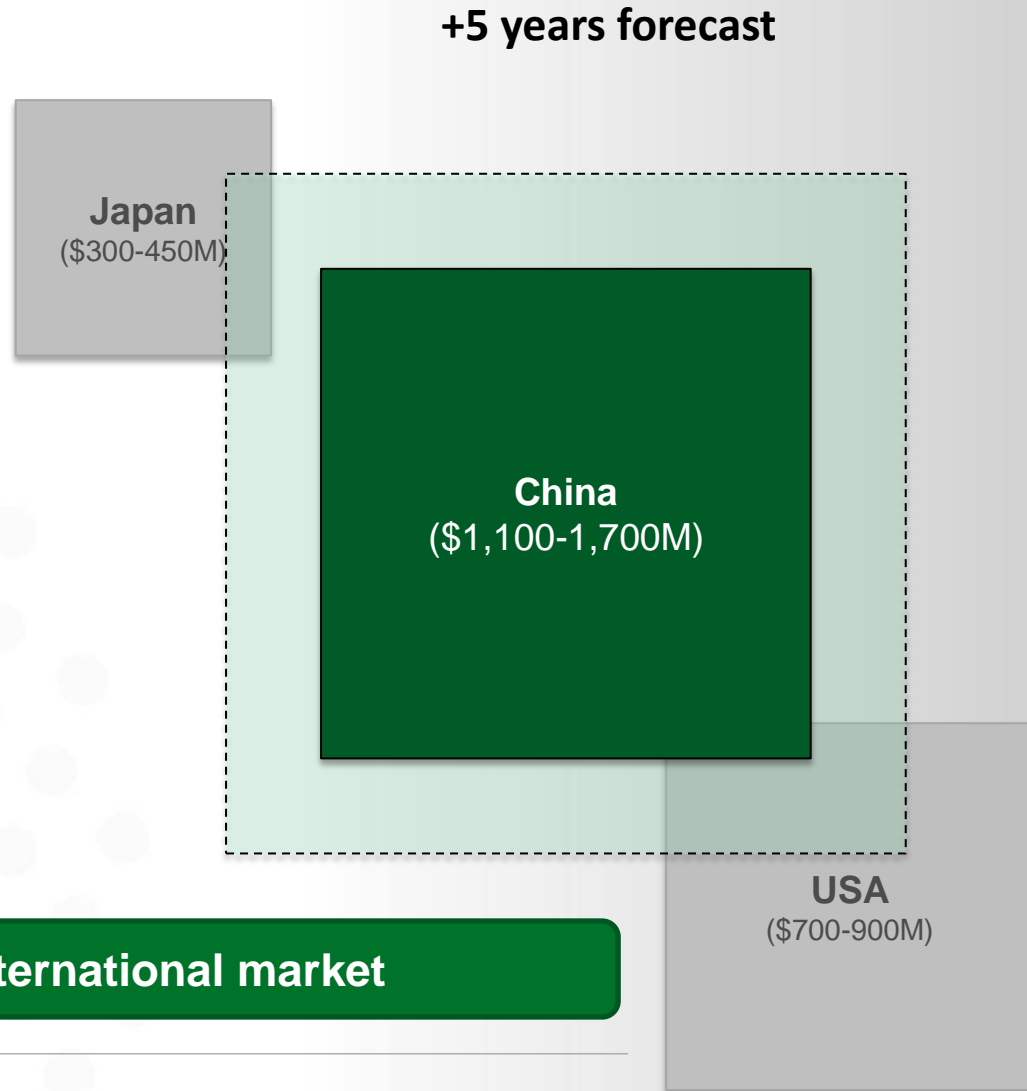


Source: 2014 NPD, GfK, Euromonitor, iRobot internal data, Robotic Vacuum Cleaners >\$200 retail prices



Chinese Market

- Focused on premium and premium-mass market
- iRobot's revenues are expected to grow to continue to grow materially
- Aligning go to market strategy with maturing ecommerce market
- Strengthening brand - premium brand communication key enabler for growth
- Wet floor care products significant opportunity as they are aligned with existing consumer behavior



Potential to be largest international market

Source: Parthenon analysis; Corp Dev / HBU analysis

iRobot Wet Floor Care



Floor Mopping

Braava™



Floor Scrubbing

Scooba®

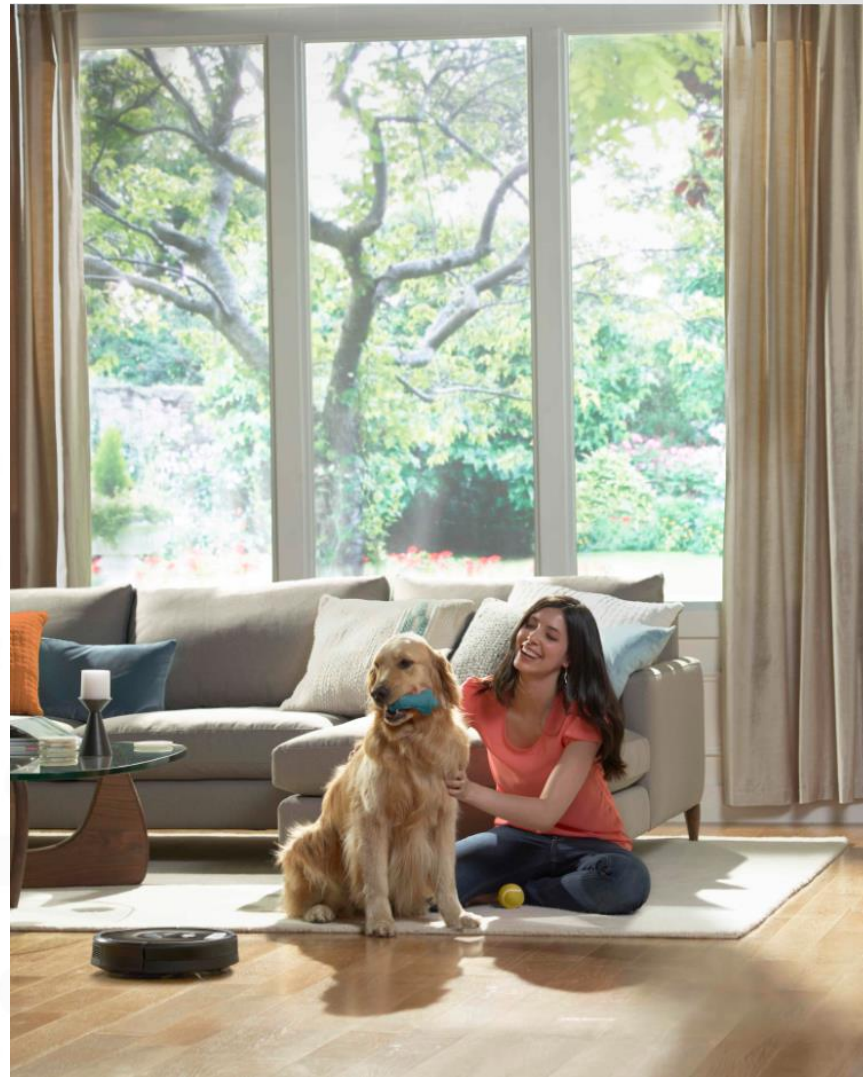
- Wet Floor Cleaning is a significant market and consumer need
- Incremental need to Roomba customer base
- Mopping aligned with Asian consumer behavior
- Trend towards more hard floors vs carpets
- Need to further communicate portfolio differences
- Wet floor cleaning market defined as devices and consumables

Home will Drive Shareholder Value

- 1) Near-term
 - a) Roomba
 - b) Wet Floor Care

- 2) Intermediate-term
 - a) Core floor care
 - b) Lawn?
 - c) Other

- 3) Long-term
 - a) Critical player in the connected home



D&S and Remote Presence

- 1) Defense & Security – Primary Focus
 - a) Position to win large Programs of Record (2016/2017)
 - b) Support DoD interim plan for fleet upgrades



- 1) Remote Presence
 - a) Further leverage our partnership with Cisco



2016 Accelerated Revenue Growth

- 1) Increased Roomba Household Penetration via new marketing campaigns
- 2) 980 roll-out
- 3) China market development
- 4) Wet Floor Care adoption

3 Year Targets and 2016 guidance - February 2016

Capital Allocation Strategy - Evolution

- 1) Rebuild cash position post ER acquisition (2013)
- 2) 2013 – introduced first share repurchase program - \$25M
- 3) 2014 - expanded share repurchase program to \$50M
- 4) 2015 – renewed \$50M share repurchase program
- 5) 2016 - New anti-share dilution repurchase program
 - a) Authorized to re-purchase up to 1M shares annually

Ongoing review to address company's changing needs

Investment Thesis

- **Home Robots will drive iRobot growth and profitability for the next couple of years**
- **Addressable markets are large and growing**
- **iRobot's foundational technologies enable sustainable competitive advantage**
- **Commitment to generating profitable growth and building shareholder value**
- **Strong balance sheet allows for acquisitions and stock repurchase**