
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): April 24, 2012

iROBOT CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction
of Incorporation)

000-51598
(Commission
File Number)

77-0259335
(IRS Employer
Identification No.)

8 Crosby Drive, Bedford, Massachusetts
(Address of Principal Executive Offices)

01730
(Zip Code)

Registrant's telephone number, including area code: (781) 430-3000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On April 24, 2012, iRobot Corporation announced its financial results for the fiscal quarter ended March 31, 2012. A copy of the press release is being furnished as Exhibit 99.1 to this Report on Form 8-K.

The information in this Report on Form 8-K and Exhibit 99.1 attached hereto is intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

99.1 Press Release issued by the registrant on April 24, 2012, furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

iRobot Corporation

April 24, 2012

By: /s/ Glen D. Weinstein

Name: Glen D. Weinstein

Title: General Counsel and Secretary

EXHIBIT INDEX

**Exhibit
Number**

Description

99.1 Press Release issued by the registrant on April 24, 2012, furnished herewith.

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iRobot Reports First-Quarter 2012 Financial Results

BEDFORD, Mass., April 24, 2012 – iRobot Corp. (NASDAQ: IRBT), a leader in delivering robotic technology-based solutions, today announced its financial results for the first quarter ended March 31, 2012.

- Revenue for the first quarter of 2012 was \$97.8 million, compared with \$106.3 million for the same quarter one year ago.
- Net income in the first quarter of 2012 was \$0.7 million, compared with \$7.5 million in the first quarter of 2011.
- Quarterly earnings per share were \$0.02, compared with \$0.27 in the first quarter last year.
- Adjusted EBITDA for the first quarter of 2012 was \$6.1 million, compared with \$15.2 million in the first quarter of 2011.

“We kicked off 2012 with a better than anticipated quarter, and therefore we are reaffirming our full-year fiscal 2012 financial expectations. The results and outlook for our Home Robot business are excellent while the near-term visibility in our Defense & Security business continues to be limited,” said Colin Angle, chairman and chief executive officer of iRobot.

“The improvement in domestic sales, expanded distribution of new products and further penetration into long-term international markets will drive growth in the Home Robot business. Orders for FirstLook and SUGV robots from the U.S. military and sales to foreign countries will support our Defense & Security business in the second half of 2012.”

Business Highlights

- Strong growth in both domestic and international markets fueled a 20 percent year-over-year Q1 increase in Home Robot revenue. For the full year, we have increased our expectations for the Home Robot business and now expect revenue in this business unit to comprise 75 percent of total company revenue.
- Defense & Security Q1 results were below our expectations. We continue to experience funding delays that will impact Q2 revenue as well. We have reflected that impact in our lower full-year expectations for this business unit.
- In mid-April, we launched one of the largest domestic marketing campaigns in our history. The multifaceted media blitz, based on the concept “iRobot, Do You?”, includes an extensive integrated presence on television, online and print publications.

iRobot Corporation

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Financial Expectations

Management provides the following expectations with respect to the second quarter ending June 30, 2012 and full year ending December 29, 2012.

Q2 2012:

| | |
|--------------------|-----------------------|
| Revenue | \$102 - \$112 million |
| Earnings Per Share | \$0.05 - \$0.13 |
| Adjusted EBITDA | \$7 - \$10 million |

Fiscal Year 2012:

| | |
|--------------------|-----------------------|
| Revenue | \$465 - \$485 million |
| Earnings Per Share | \$0.75 - \$0.95 |
| Adjusted EBITDA | \$56 - \$63 million |

Full-Year 2012 Business Unit Revenue

| | |
|---------------------------|-----------------------|
| Home Robots | \$345 - \$355 million |
| Defense & Security Robots | \$120 - \$130 million |

First-Quarter Conference Call

iRobot will host a conference call tomorrow at 8:30 a.m. ET to discuss its results for the first fiscal quarter 2012, business outlook, and outlook for 2012 financial performance. Pertinent details include:

| | |
|-----------------|---------------------------|
| Date: | Wednesday, April 25, 2012 |
| Time: | 8:30 a.m. ET |
| Call-In Number: | 847-413-3362 |
| Passcode: | 32231617 |

A live, audio broadcast of the conference call will also be available at

<http://investor.irobot.com/phoenix.zhtml?c=193096&p=irol-irhome>. An archived version of the broadcast will be available on the same website shortly after the conclusion of the live event. A replay of the telephone conference call will be available through May 2, and can be accessed by dialing 630-652-3042, passcode 32231617#.

About iRobot Corp.

iRobot designs and builds robots that make a difference. The company's home robots help people find smarter ways to clean, and its defense & security robots protect those in harm's way. iRobot's consumer and military robots feature iRobot Aware® robot intelligence systems, proprietary technology incorporating advanced concepts in navigation, mobility, manipulation and artificial intelligence. For more information about iRobot, please visit www.irobot.com.

For iRobot Investors

Certain statements made in this press release 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. This press release contains express or implied forward-looking statements relating to, among other things, iRobot Corp.'s expectations regarding future financial performance and growth, demand for our robots, and operating performance, anticipated mix of revenue for the year ending December 29, 2012 and the second quarter ending June 30, 2012, and anticipated revenue, earnings per share and Adjusted EBITDA for the year ending December 29, 2012 and the second quarter ending June 30, 2012. These statements are neither promises nor guarantees, but are subject to a variety of risks and uncertainties, many of which are

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beyond our control, which could cause actual results to differ materially from those contemplated in these forward-looking statements. In particular, the risks and uncertainties include, among other things: our ability to operate in an emerging market, the financial strength of our customers and retailers, general economic conditions, our dependence on the U.S. federal government and government contracts, the timing of government contracts and orders, market acceptance of our products, changes in government policies or spending priorities, and competition. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. iRobot Corp. undertakes no obligation to update or revise the information contained in this press release, whether as a result of new information, future events or circumstances or otherwise. For additional disclosure regarding these and other risks faced by iRobot Corp., see the disclosure contained in our public filings with the Securities and Exchange Commission.

This release includes Adjusted EBITDA, a non-GAAP financial measure as defined by SEC Regulation G. We define Adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, merger and acquisition expenses, net intellectual property litigation expenses, restructuring expenses, and non-cash stock compensation. A reconciliation between net income and Adjusted EBITDA are provided in the financial tables at the end of this press release.

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iRobot Corporation
Consolidated Statement of Income
(in thousands, except per share amounts)
(unaudited)

| | For the three months ended | |
|--|-------------------------------|------------------|
| | March 31, 2012 | April 2, 2011 |
| Revenue | | |
| Product revenue | \$91,742 | \$ 96,711 |
| Contract revenue | 6,065 | 9,566 |
| Total | <u>97,807</u> | <u>106,277</u> |
| Cost of Revenue | | |
| Product revenue | 58,275 | 56,190 |
| Contract revenue | 5,519 | 6,633 |
| Total | <u>63,794</u> | <u>62,823</u> |
| Gross Margin | 34,013 | 43,454 |
| Operating Expense | | |
| Research & development | 8,724 | 8,729 |
| Selling & marketing | 13,570 | 12,981 |
| General & administrative | 11,042 | 10,600 |
| Total | <u>33,336</u> | <u>32,310</u> |
| Operating income | 677 | 11,144 |
| Other income (expense), net | 220 | 238 |
| Pre-tax income | 897 | 11,382 |
| Income tax expense | 244 | 3,905 |
| Net income | <u>\$ 653</u> | <u>\$ 7,477</u> |
| Net income per common share: | | |
| Basic | \$ 0.02 | \$ 0.29 |
| Diluted | \$ 0.02 | \$ 0.27 |
| Shares used in per common share calculations: | | |
| Basic | 27,352 | 26,089 |
| Diluted | 28,283 | 27,485 |
| Stock-based compensation included in above figures: | | |
| Cost of product revenue | \$ 291 | \$ 250 |
| Cost of contract revenue | 118 | 95 |
| Research & development | 259 | 81 |
| Selling & marketing | 237 | 181 |
| General & administrative | 1,608 | 1,172 |
| Total | <u>\$ 2,513</u> | <u>\$ 1,779</u> |

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iRobot Corporation
Condensed Consolidated Balance Sheet
(unaudited, in thousands)

| | March 31, 2012 | December 31, 2011 |
|---|-------------------|----------------------|
| Assets | | |
| Cash and equivalents | \$ 166,798 | \$ 166,308 |
| Short term investments | 15,277 | 17,811 |
| Accounts receivable, net | 29,907 | 43,338 |
| Unbilled revenues | 1,240 | 2,362 |
| Inventory | 31,681 | 31,089 |
| Deferred tax assets | 16,222 | 15,344 |
| Other current assets | 5,078 | 7,928 |
| Total current assets | 266,203 | 284,180 |
| Property, plant and equipment, net | 28,209 | 29,029 |
| Deferred tax assets | 12,640 | 6,127 |
| Other assets | 18,784 | 12,877 |
| Total assets | \$ 325,836 | \$ 332,213 |
| Liabilities and stockholders' equity | | |
| Accounts payable | \$ 44,302 | \$ 48,406 |
| Accrued expenses | 19,108 | 17,188 |
| Accrued compensation | 7,730 | 17,879 |
| Deferred revenue and customer advances | 2,422 | 1,527 |
| Total current liabilities | 73,562 | 85,000 |
| Long term liabilities | 4,189 | 4,255 |
| Stockholders' equity | 248,085 | 242,958 |
| Total liabilities and stockholders' equity | \$ 325,836 | \$ 332,213 |

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iRobot Corporation
Consolidated Statement of Cash Flows
(unaudited, in thousands)

| | For the three months ended | |
|--|-------------------------------|------------------|
| | March 31, 2012 | April 2, 2011 |
| Cash flows from operating activities: | | |
| Net income | \$ 653 | \$ 7,477 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 2,602 | 2,183 |
| Loss on disposal of property and equipment | 69 | 470 |
| Stock-based compensation | 2,513 | 1,779 |
| Deferred income taxes, net | (6,694) | 2,442 |
| Tax benefit of excess stock based compensation deductions | (705) | (2,442) |
| Non-cash director deferred compensation | 22 | 38 |
| Changes in operating assets and liabilities — (use) source | | |
| Accounts receivable | 13,431 | 6,447 |
| Unbilled revenue | 1,122 | (3,922) |
| Inventory | (592) | (7,911) |
| Other assets | 2,832 | (1,929) |
| Accounts payable | (4,104) | 5,555 |
| Accrued expenses | 2,003 | (915) |
| Accrued compensation | (10,149) | (9,678) |
| Deferred revenue | 895 | 114 |
| Change in long term liabilities | (66) | 389 |
| Net cash provided by operating activities | <u>3,832</u> | <u>97</u> |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | (1,643) | (4,554) |
| Change in other assets | (6,000) | — |
| Purchases of investments | — | (5,000) |
| Sales of investments | 2,500 | 2,500 |
| Net cash used in investing activities | <u>(5,143)</u> | <u>(7,054)</u> |
| Cash flows from financing activities: | | |
| Proceeds from stock option exercises | 1,323 | 4,584 |
| Income tax withholding payment associated with restricted stock vesting | (227) | (453) |
| Tax benefit of excess stock based compensation deductions | 705 | 2,442 |
| Net cash provided by financing activities | <u>1,801</u> | <u>6,573</u> |
| Net increase (decrease) in cash and cash equivalents | 490 | (384) |
| Cash and cash equivalents, at beginning of period | <u>166,308</u> | <u>108,383</u> |
| Cash and cash equivalents, at end of period | <u>\$166,798</u> | <u>\$107,999</u> |

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iRobot Corporation
Supplemental Information
(unaudited)

| | For the three months ended | |
|--|-------------------------------|------------------|
| | March 31, 2012 | April 2, 2011 |
| Revenue: * | | |
| Home Robots | <u>\$81,583</u> | <u>\$67,882</u> |
| Domestic | \$21,815 | \$18,058 |
| International | \$59,768 | \$49,824 |
| Defense & Security | <u>\$16,224</u> | <u>\$38,395</u> |
| Domestic | \$12,177 | \$30,202 |
| International | \$ 4,047 | \$ 8,193 |
| Product | \$10,159 | \$28,829 |
| Contract | \$ 6,065 | \$ 9,566 |
| Product Life Cycle | \$ 4,890 | \$12,702 |
| Gross Margin Percent: | | |
| Home Robots | 45.3% | 45.5% |
| Defense & Security | -18.1% | 32.7% |
| Total Company | 34.8% | 40.9% |
| Units shipped: | | |
| Home Robots * | 392 | 349 |
| Defense & Security | 138 | 114 |
| Average gross selling prices for robot units: | | |
| Home Robots | \$ 214 | \$ 193 |
| Defense & Security * | \$ 38 | \$ 141 |
| Defense & Security Funded Product Backlog * | \$ 6,000 | \$ 8,302 |
| Days sales outstanding | 29 | 31 |
| Days in inventory | 50 | 55 |
| Headcount | 620 | 692 |

* in thousands

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iRobot Corporation
Adjusted EBITDA Reconciliation to GAAP
(unaudited, in thousands)

| | For the three months ended | |
|--|-------------------------------|------------------|
| | March 31, 2012 | April 2, 2011 |
| Net income | \$ 653 | \$ 7,477 |
| Interest income, net | (262) | (210) |
| Income tax expense | 244 | 3,905 |
| Depreciation | 2,394 | 2,058 |
| Amortization | 208 | 125 |
| EBITDA | 3,237 | 13,355 |
| Stock-based compensation expense | 2,513 | 1,779 |
| Merger and acquisition expense | 12 | — |
| Net intellectual property litigation expense | 37 | 94 |
| Restructuring expense | 278 | — |
| Adjusted EBITDA | <u>\$ 6,077</u> | <u>\$15,228</u> |

Use of Non-GAAP Financial Measures

In evaluating its business, iRobot considers and uses Adjusted EBITDA as a supplemental measure of its operating performance. The Company defines Adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, merger and acquisition expenses, net intellectual property litigation expenses, restructuring expenses and non-cash stock compensation. The Company also presents Adjusted EBITDA because it believes it is frequently used by securities analysts, investors and other interested parties as a measure of financial performance.

The term Adjusted EBITDA is not defined under U.S. generally accepted accounting principles, or U.S. GAAP, and is not a measure of operating income, operating performance or liquidity presented in accordance with U.S. GAAP. Adjusted EBITDA has limitations as an analytical tool, and when assessing the Company's operating performance, investors should not consider Adjusted EBITDA in isolation, or as a substitute for net income (loss) or other consolidated income statement data prepared in accordance with U.S. GAAP. Among other things, Adjusted EBITDA does not reflect the Company's actual cash expenditures. Other companies may calculate similar measures differently than iRobot, limiting their usefulness as comparative tools. iRobot compensates for these limitations by relying primarily on its GAAP results and using Adjusted EBITDA only supplementally.

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