Oppenheimer Technology, Internet & Communications Conference
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.

• 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.
The Consumer Robot Company

• **Focused** on the **Consumer** as our **Customer**

• **Leading Today**
  • Products, Technology, Brand, Marketing

• **Lead Tomorrow** through continued investment in:
  • Product & Technology Innovation
    ▪ Robotic Vacuum Cleaners (RVC)
    ▪ Additional product categories
  • Global market and brand awareness – deeper household penetration
  • Evolving connected product/digital strategy

More than 25 years of global robotic-technology market leadership
RVC Segment Continues to Grow: Now 23% of Total Vacuums

Global Vacuum Cleaner Segment >$200 (USD, Retail)*

2012: ~$5B Market
- RVC: 13%
- Non-RVC: 87%

2017: $7.5B Market
- RVC: 23%
- Non-RVC: 77%

8.6% CAGR

RVC segment (>$200) share growth expected to significantly outpace overall vacuum cleaner segment growth (>=$200)

*Source: 2017 Global market size for Vacuum Cleaners >=$200 (NPD, GfK, and iRobot internal estimates).
iRobot Roomba Share in the RVC Segment

iRobot continues to hold 60+% share despite new competition

Global $ Segment Share

Source: NPD, GfK, iRobot internal estimates, RVC+ >$200 retail prices; incl. China Online
Note: Year-on-Year Exchange Rates are applied in this update
Global Growth

Sales and Marketing investment in U.S. | Apply proven model globally
2017 Robotic Vacuum Segment: Global Retail $ Share

North America - $629M

- iRobot: 85%
- Neato: 4%
- Shark: 2%
- Samsung: 5%
- All Others: 4%

EMEA - $507M

- iRobot: 71%
- Ecovacs: 4%
- Neato: 4%
- Cecotec: 7%
- LG: 5%
- Samsung: 6%
- All Others: 28%

APAC - $642M

- iRobot: 31%
- Ecovacs: 15%
- Mi: 2%
- Panasonic: 2%
- Hitachi: 3%
- Philips: 8%
- Dyson: 3%
- Proscenic: 11%
- All Others: 25%

iRobot continues to be the largest player in each market

Source: 2017 NPD, GfK, and iRobot internal estimates; Robotic Vacuum Cleaners >$200 retail prices; includes China On-line

August 8, 2018
Opportunity: Low Household Penetration
Immediate addressable market ~2X current installed base

Significant Opportunity for Expanded Robot Vacuum Adoption in U.S.

Source: iRobot, iRobot Demand Landscape Survey 2016, TCG Analysis. Updated with 2017 Actuals
Roomba Leading Through Continuous Innovation…

Future Roomba Models

- **Advanced Mapping**
- **iAdapt® 2.0 Navigation**
- **AeroForce® Cleaning System**
- **Intelligent Cleaning Carpet Boost**
- **Cloud Connectivity**
- **Ecosystem of Robots**

- **R980** $899
- **R960** $699
- **R890** $499

Introduce Innovation in premium product; Flow innovation across lower price point products
Global Braava Family Revenue Growth

CAGR = 47%

Additional advertising investment in 2018 to create awareness and articulate value proposition will drive global category growth.
RVC market is in the “explosion stage” of the s-curve; other categories are maturing

*Based on Everett Rogers Product Adoption Curve*
Connected Products – Digital Strategy

“Roomba then Braava”

Robots working together deliver unique benefits

“works with”
Smart Home

iRobot is an Emerging Player in IoT/Smart Home Market

Spatial information enables the Smart Home

Note: iRobot is committed to the absolute privacy of our customer-related data, including data collected by our connected products. No data is sold to third-parties. No data will be shared with third-parties without the informed consent of our customers.
Continue to Widen the Competitive Moat

- **Sword**: Encourage or force competitors to design products that avoid iRobot’s technology and brand identity.
- **Shield**: Ensure freedom to operate.
- **Openness**: Embrace open source and interoperability where appropriate.
- **Enforcement**: Take actions necessary to ensure fair competitive landscape.

Favorable initial determination from ITC on iRobot U.S. infringement claim. We will vigorously defend our IP.

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### IEEE Top 20 Patent Powerhouses Electronics - 2017

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Headquarters</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Apple Inc.</td>
<td>US</td>
</tr>
<tr>
<td>2</td>
<td>Sonos Inc.</td>
<td>US</td>
</tr>
<tr>
<td>3</td>
<td>LG Electronics Inc.</td>
<td>South Korea</td>
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<tr>
<td>4</td>
<td>GoPro Inc.</td>
<td>US</td>
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<tr>
<td>5</td>
<td>iRobot Corp.</td>
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<td>6</td>
<td>Dolby Laboratories Inc.</td>
<td>US</td>
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<tr>
<td>7</td>
<td>Sony Corp.</td>
<td>Japan</td>
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<tr>
<td>8</td>
<td>Canon</td>
<td>Japan</td>
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<td>9</td>
<td>Koninklijke Philips NV</td>
<td>Netherlands</td>
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<tr>
<td>10</td>
<td>Hand Held Products Inc. (Honeywell Int’l.)</td>
<td>US</td>
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<td>11</td>
<td>Goertek Inc.</td>
<td>China</td>
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<td>12</td>
<td>Kimree Inc.</td>
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<td>13</td>
<td>Samsung SDI Co.</td>
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<td>Fujifilm Holdings Corp.</td>
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<td>UK</td>
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<tr>
<td>20</td>
<td>Schneider Electric</td>
<td>US</td>
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Roomba Portfolio

243 U.S. Patents

- Connectivity, 12
- Other, 7
- Docking & Automatic Dirt Disposal, 16
- Accessories, Brushes & Filters, 28
- Platforms & Cleaning, 50
- Navigation, 80
- Robot Sensors & Behaviors, 50

436 International Patents

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<thead>
<tr>
<th>Tier</th>
<th>Countries</th>
<th>Count</th>
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<tr>
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<td>🇩🇪 🇯🇵</td>
<td>123</td>
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<td>2</td>
<td>🇨🇳 🇫🇷 🇨🇦</td>
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243 U.S. Patents

243 U.S. Patents and 436 International Patents

243 U.S. Patents

436 International Patents

August 8, 2018
Capital Allocation Strategy

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<thead>
<tr>
<th>R&amp;D</th>
<th>Core</th>
<th>Emerging</th>
<th>Future</th>
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<tbody>
<tr>
<td><strong>Organic</strong></td>
<td>Lower Risk</td>
<td>Medium Risk</td>
<td>Higher Risk</td>
</tr>
<tr>
<td></td>
<td>Significant Revenue and Profit Contribution</td>
<td>Market Validation</td>
<td>Exploration</td>
</tr>
<tr>
<td></td>
<td>Target R&amp;D Investment: 65% - 70%</td>
<td>20% - 25%</td>
<td>5% - 10%</td>
</tr>
</tbody>
</table>

**Inorganic**

- Acquisitions
- iRobot Ventures

Regular review to address industry and market evolution and company requirements.
# 2018 Expectations: Key Messages

<table>
<thead>
<tr>
<th>$M</th>
<th>FY17 Actual</th>
<th>FY18 Expectations *</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>884</td>
<td>1,060 - 1,080</td>
</tr>
<tr>
<td>YoY Growth</td>
<td>34%</td>
<td>20% - 22%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>49%</td>
<td>50% - 51%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>S&amp;M</td>
<td>18%</td>
<td>19% - 20%</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>OI</td>
<td>8%</td>
<td>8% - 9%</td>
</tr>
<tr>
<td>EPS</td>
<td>$1.77</td>
<td>$2.30 – $2.50</td>
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</table>

Increased expectations on July 24, 2018

Strong global growth continues

Gross Margin expansion from acquisitions delivered

Maintain investment in innovation and product development

1) Full year cost of acquired businesses; 2) Continued investment to create awareness & adoption of Roomba and Braava; 3) support new product launches

Leverage G&A globally

Plan assumes reinvesting incremental margin to drive critical 2018 launches and future growth initiatives

* Increased expectations provided 7/24/18
## Financial Targets

<table>
<thead>
<tr>
<th></th>
<th>FY17 Actual</th>
<th>FY18 Expectations*</th>
<th>FY19 / FY20 LTFM Targets</th>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
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<td>Gross Margin</td>
<td>49%</td>
<td>~51%</td>
<td>50%</td>
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<tr>
<td>Operating Margin</td>
<td>8%</td>
<td>8% - 9%</td>
<td>Growing to 10%</td>
</tr>
<tr>
<td>EPS</td>
<td>1.77</td>
<td>2.30 - 2.50</td>
<td>NA</td>
</tr>
</tbody>
</table>

Strong revenue growth expected through 2020 with increasing operating margins

*Increased expectations provided 7/24/18*
Summary

- 2018 – Off to the strong start we expected; well on our way to meeting our increased full-year financial expectations
- Maintaining unambiguous global product and brand leadership in RVC category
- Forward integration is enabling more consistent global control of brand and execution of marketing programs – Amazon Prime Day
- Continuing investment in innovation to extend technology and product leadership
- Introducing several new products in third quarter of the year