

iRobot Corporation  
Supplemental Reconciliation of 2019 GAAP Actuals to 2019 Non-GAAP Actuals  
(in thousands, except per share amounts)  
(unaudited)

	For the three months ended				For the twelve
	March 30, 2019	June 29, 2019	September 28, 2019	December 31, 2019	months ended December 31, 2019
GAAP Revenue	\$ 237,661	\$ 260,172	\$ 289,399	\$ 426,778	\$ 1,214,010
GAAP Gross Profit	119,546	118,170	136,841	169,370	543,927
Amortization of acquired intangible assets	3,077	3,111	3,095	2,438	11,721
Stock-based compensation	378	405	337	366	1,486
Non-GAAP Gross Profit	<u>\$ 123,001</u>	<u>\$ 121,686</u>	<u>\$ 140,273</u>	<u>\$ 172,174</u>	<u>\$ 557,134</u>
Non-GAAP Gross Profit Margin	51.8 %	46.8 %	48.5 %	40.3 %	45.9 %
GAAP Operating Income	\$ 22,263	\$ 5,250	\$ 42,555	\$ 16,550	\$ 86,618
Amortization of acquired intangible assets	3,348	3,380	3,351	2,693	12,772
Stock-based compensation	6,864	7,594	4,284	5,001	23,744
Net merger, acquisition and divestiture (income) expense <sup>1</sup>	152	143	32	138	466
IP litigation expense, net <sup>1</sup>	469	(676)	(157)	2,582	2,218
Non-GAAP Operating Income	<u>\$ 33,096</u>	<u>\$ 15,691</u>	<u>\$ 50,065</u>	<u>\$ 26,964</u>	<u>\$ 125,818</u>
Non-GAAP Operating Income Margin	13.9 %	6.0 %	17.3 %	6.3 %	10.4 %
GAAP Income Tax (Benefit) Expense	\$ 1,023	\$ (424)	\$ 7,923	\$ 5,011	\$ 13,533
Tax effect of non-GAAP adjustments	1,824	1,797	(132)	1,159	4,648
Other tax adjustments	4,067	1,461	133	1,267	6,928
Non-GAAP Income Tax Expense	<u>\$ 6,914</u>	<u>\$ 2,834</u>	<u>\$ 7,924</u>	<u>\$ 7,437</u>	<u>\$ 25,109</u>
GAAP Net Income	\$ 22,520	\$ 7,207	\$ 35,532	\$ 20,041	\$ 85,300
Amortization of acquired intangible assets	3,348	3,380	3,351	2,693	12,772
Stock-based compensation	6,864	7,594	4,284	5,001	23,744
Net merger, acquisition and divestiture (income) expense <sup>1</sup>	152	143	32	138	466
IP litigation expense, net <sup>1</sup>	469	(676)	(157)	2,582	2,218
(Gain)/loss on strategic investments	57	(629)	-	(8,332)	(8,904)
Income tax effect	(5,891)	(3,258)	(1)	(2,426)	(11,576)
Non-GAAP Net Income	<u>\$ 27,519</u>	<u>\$ 13,761</u>	<u>\$ 43,041</u>	<u>\$ 19,697</u>	<u>\$ 104,020</u>
GAAP Net Income Per Diluted Share	\$ 0.78	\$ 0.25	\$ 1.24	\$ 0.70	\$ 2.97
Amortization of acquired intangible assets	0.12	0.12	0.12	0.09	0.44
Stock-based compensation	0.24	0.26	0.15	0.18	0.83
Net merger, acquisition and divestiture (income) expense <sup>1</sup>	-	-	-	-	0.01
IP litigation expense, net <sup>1</sup>	0.02	(0.02)	(0.01)	0.09	0.08
(Gain)/loss on strategic investments	-	(0.02)	-	(0.29)	(0.31)
Income tax effect	(0.20)	(0.11)	-	(0.08)	(0.40)
Non-GAAP Net Income Per Diluted Share	\$ 0.96	\$ 0.48	\$ 1.50	\$ 0.69	\$ 3.62
Number of shares used in diluted per share calculation	28,763	28,763	28,650	28,563	28,735
Stock-based compensation included in above figures:					
Cost of revenue	\$ 378	\$ 405	\$ 337	\$ 366	\$ 1,486
Research and development	2,379	2,547	1,703	2,557	9,186
Selling and marketing	802	916	747	857	3,323
General and administrative	<u>3,305</u>	<u>3,726</u>	<u>1,497</u>	<u>1,221</u>	<u>9,749</u>
Total	\$ 6,864	\$ 7,594	\$ 4,284	\$ 5,001	\$ 23,744
Section 301 Tariff Costs					
Section 301 tariff costs	\$ 3,518	\$ 4,982	\$ 7,466	\$ 21,896	\$ 37,862
Impact of Section 301 tariff costs to gross and operating margin (GAAP & non-GAAP)	(1.5)%	(1.9)%	(2.6)%	(5.1)%	(3.1)%
Impact of Section 301 tariff costs to net income per diluted share (GAAP & non-GAAP)	\$ (0.12)	\$ (0.17)	\$ (0.26)	\$ (0.77)	\$ (1.32)

Certain numbers may not total due to rounding

<sup>1</sup> Net merger, acquisition and divestiture (income) expense and IP litigation, net are classified in General and Administrative

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(unaudited)

	For the three months ended				For the twelve
	March 31, 2018	June 30, 2018	September 29, 2018	December 29, 2018	December 29, 2018
GAAP Revenue	\$ 217,068	\$ 226,317	\$ 264,534	\$ 384,665	\$ 1,092,584
GAAP Gross Profit	115,785	117,926	135,206	186,511	555,428
Amortization of acquired intangible assets	4,782	4,679	4,574	4,509	18,544
Stock-based compensation	341	347	347	372	1,407
Non-GAAP Gross Profit	<u>\$ 120,908</u>	<u>\$ 122,952</u>	<u>\$ 140,127</u>	<u>\$ 191,392</u>	<u>\$ 575,379</u>
Non-GAAP Gross Profit Margin	55.7 %	54.3 %	53.0 %	49.8 %	52.7 %
GAAP Operating Income	\$ 25,405	\$ 13,355	\$ 37,275	\$ 29,787	\$ 105,822
Amortization of acquired intangible assets	5,055	4,948	4,837	4,769	19,609
Stock-based compensation	5,946	6,431	6,592	6,835	25,804
Net merger, acquisition and divestiture (income) expense <sup>1</sup>	(141)	164	-	115	138
IP litigation expense, net <sup>1</sup>	2,571	759	187	39	3,556
Non-GAAP Operating Income	<u>\$ 38,836</u>	<u>\$ 25,657</u>	<u>\$ 48,891</u>	<u>\$ 41,545</u>	<u>\$ 154,929</u>
Non-GAAP Operating Income Margin	17.9 %	11.3 %	18.5 %	10.8 %	14.2 %
GAAP Income Tax (Benefit) Expense	\$ 5,523	\$ 4,391	\$ 5,683	\$ 5,033	\$ 20,630
Tax effect of non-GAAP adjustments	3,340	2,830	2,835	2,849	11,854
Other tax adjustments	712	(2,440)	2,667	1,170	2,109
Non-GAAP Income Tax Expense	<u>\$ 9,575</u>	<u>\$ 4,781</u>	<u>\$ 11,185</u>	<u>\$ 9,052</u>	<u>\$ 34,593</u>
GAAP Net Income	\$ 20,401	\$ 10,471	\$ 31,929	\$ 25,191	\$ 87,992
Amortization of acquired intangible assets	5,055	4,948	4,837	4,769	19,609
Stock-based compensation	5,946	6,431	6,592	6,835	25,804
Net merger, acquisition and divestiture (income) expense <sup>1</sup>	(141)	164	-	115	138
IP litigation expense, net <sup>1</sup>	2,571	759	187	39	3,556
(Gain)/loss on strategic investments	281	(682)	26	(61)	(436)
Income tax effect	(4,052)	(390)	(5,502)	(4,019)	(13,963)
Non-GAAP Net Income	<u>\$ 30,061</u>	<u>\$ 21,701</u>	<u>\$ 38,069</u>	<u>\$ 32,869</u>	<u>\$ 122,700</u>
GAAP Net Income Per Diluted Share	\$ 0.71	\$ 0.37	\$ 1.12	\$ 0.88	\$ 3.07
Amortization of acquired intangible assets	0.17	0.17	0.17	0.17	0.69
Stock-based compensation	0.20	0.23	0.23	0.24	0.90
Net merger, acquisition and divestiture (income) expense <sup>1</sup>	-	-	-	-	-
IP litigation expense, net <sup>1</sup>	0.09	0.03	0.01	-	0.13
(Gain)/loss on strategic investments	0.01	(0.02)	-	-	(0.02)
Income tax effect	(0.14)	(0.01)	(0.19)	(0.14)	(0.49)
Non-GAAP Net Income Per Diluted Share	<u>\$ 1.04</u>	<u>\$ 0.77</u>	<u>\$ 1.34</u>	<u>\$ 1.15</u>	<u>\$ 4.28</u>
Number of shares used in diluted per share calculation	28,923	28,337	28,506	28,579	28,640
Stock-based compensation included in above figures:					
Cost of revenue	\$ 341	\$ 347	\$ 347	\$ 372	\$ 1,407
Research and development	1,689	1,794	1,910	2,101	7,494
Selling and marketing	738	750	544	810	2,842
General and administrative	<u>3,178</u>	<u>3,540</u>	<u>3,791</u>	<u>3,552</u>	<u>14,061</u>
Total	\$ 5,946	\$ 6,431	\$ 6,592	\$ 6,835	\$ 25,804
Section 301 Tariff Costs					
Section 301 tariff costs	\$ -	\$ -	\$ -	\$ 2,155	\$ 2,155
Impact of Section 301 tariff costs to gross and operating margin (GAAP & non-GAAP)	—%	—%	—%	(0.6)%	(0.2)%
Impact of Section 301 tariff costs to net income per diluted share (GAAP & non-GAAP)	\$ -	\$ -	\$ -	\$ (0.08)	\$ (0.08)

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<sup>1</sup> Net merger, acquisition and divestiture (income) expense and IP litigation, net are classified in General and Administrative

iRobot Corporation  
Historical Stock-based Compensation Expense

	For the three months ended				For the 12 months ended
	March 30, 2019	June 29, 2019	September 28, 2019	December 28, 2019	December 29, 2018
Stock-based compensation expense within:					
Cost of revenue	\$ 378	\$ 405	\$ 337	\$ 366	\$ 1,486
Research and development	2,379	2,547	1,703	2,557	9,186
Selling and marketing	802	916	747	857	3,323
General and administrative	3,305	3,726	1,497	1,221	9,749
Total	\$ 6,864	\$ 7,594	\$ 4,284	\$ 5,001	\$ 23,744

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	For the three months ended				For the 12 months ended
	March 31, 2018	June 30, 2018	September 29, 2018	December 29, 2018	December 29, 2018
Stock-based compensation expense within:					
Cost of revenue	\$ 341	\$ 347	\$ 347	\$ 372	\$ 1,407
Research and development	1,689	1,794	1,910	2,101	7,494
Selling and marketing	738	750	544	810	2,842
General and administrative	3,178	3,540	3,791	3,552	14,061
Total	\$ 5,946	\$ 6,431	\$ 6,592	\$ 6,835	\$ 25,804

\* Certain numbers may not total due to rounding

iRobot Corporation  
Supplemental Information  
(unaudited)

	For the three months ended				For the twelve months ended
	March 30, 2019	June 29, 2019	September 28, 2019	December 31, 2019	December 31, 2019
Revenue by Geography *					
Domestic	\$ 114,065	\$ 124,472	\$ 117,929	\$ 247,152	\$ 603,618
International	123,596	135,700	171,470	179,626	610,392
Total	<u>\$ 237,661</u>	<u>\$ 260,172</u>	<u>\$ 289,399</u>	<u>\$ 426,778</u>	<u>\$ 1,214,010</u>
Units shipped*					
Vacuum	764	935	975	1,730	4,403
Mopping	112	139	156	179	586
Total	<u>876</u>	<u>1,074</u>	<u>1,131</u>	<u>1,909</u>	<u>4,989</u>
Revenue by Product Category**					
Vacuum***	\$ 221	\$ 237	\$ 257	\$ 388	\$ 1,103
Mopping***	17	23	32	39	111
Total	<u>\$ 238</u>	<u>\$ 260</u>	<u>\$ 289</u>	<u>\$ 427</u>	<u>\$ 1,214</u>
Average gross selling prices for robot units	\$ 321	\$ 296	\$ 305	\$ 317	\$ 310
Section 301 tariff costs *	\$ 3,518	\$ 4,982	\$ 7,466	\$ 21,896	\$ 37,862
Section 301 tariff impact on gross and operating margin	(1.5)%	(1.9)%	(2.6)%	(5.1)%	(3.1)%
Days sales outstanding	21	32	53	31	
Days in inventory	140	123	149	56	
Headcount	1,072	1,120	1,132	1,128	

\* in thousands

\*\* in millions

\*\*\* includes accessory revenue

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	For the three months ended				For the twelve months ended
	March 31, 2018	June 30, 2018	September 29, 2018	December 29, 2018	December 29, 2018
Revenue by Geography *					
Domestic	\$ 106,862	\$ 111,526	\$ 127,240	\$ 215,368	\$ 560,995
International	110,206	114,791	137,294	169,297	531,589
Total	<u>\$ 217,068</u>	<u>\$ 226,317</u>	<u>\$ 264,534</u>	<u>\$ 384,665</u>	<u>\$ 1,092,584</u>
Units shipped*					
Vacuum	712	819	942	1,520	3,993
Mopping	103	134	145	162	544
Total	<u>815</u>	<u>953</u>	<u>1,087</u>	<u>1,682</u>	<u>4,537</u>
Revenue by Product Category**					
Vacuum***	\$ 201	\$ 204	\$ 242	\$ 361	\$ 1,008
Mopping***	16	22	23	24	85
Total	<u>\$ 217</u>	<u>\$ 226</u>	<u>\$ 265</u>	<u>\$ 385</u>	<u>\$ 1,093</u>
Average gross selling prices for robot units	\$ 309	\$ 285	\$ 276	\$ 304	\$ 294
Section 301 tariff costs *	\$ -	\$ -	\$ -	\$ 2,155	\$ 2,155
Section 301 tariff impact on gross and operating margin	—%	—%	—%	(0.6)%	(0.2)%
Days sales outstanding	29	30	38	38	
Days in inventory	101	97	113	76	
Headcount	954	982	1,003	1,032	

\* in thousands

\*\* in millions

\*\*\* includes accessory revenue