

iRobot®



Investor Presentation – March 2019

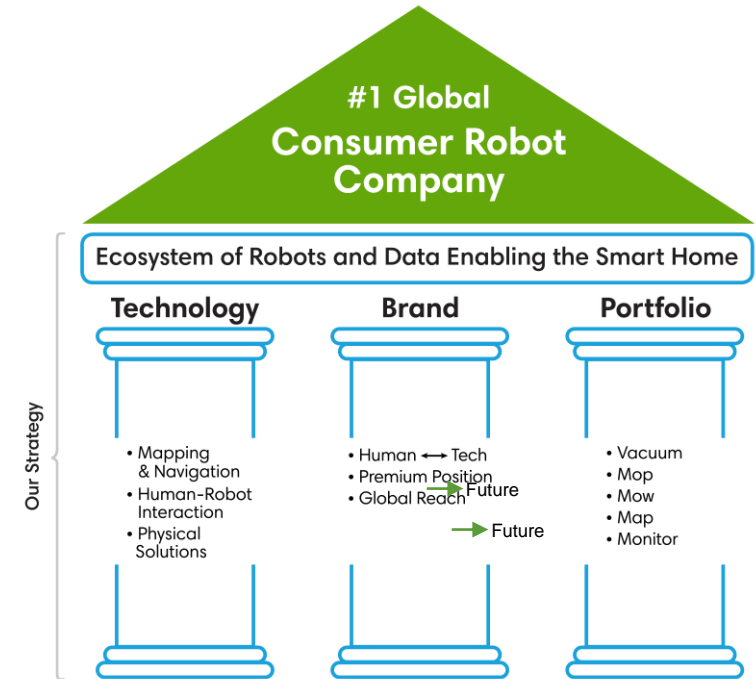
Forward Looking Statements

- 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

- **A Technology Leader** Focused on the Consumer as our Customer
- **Leading With:**
 - Products, Technology, Brand, Marketing
- **Driving Growth through:**
 - Increasing Global Household Penetration of Roomba
 - Diversifying into other Product Categories
 - Leveraging our Installed Base, Technology and Data Assets for Smart Home applications



More than 25 years of global robotic-technology market leadership



01

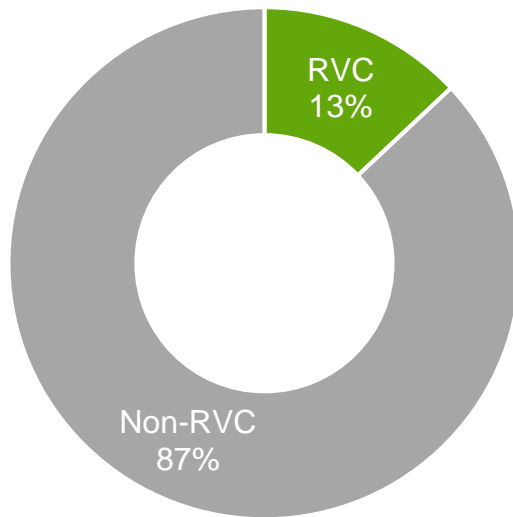
Roomba-Increasing Global Household Penetration



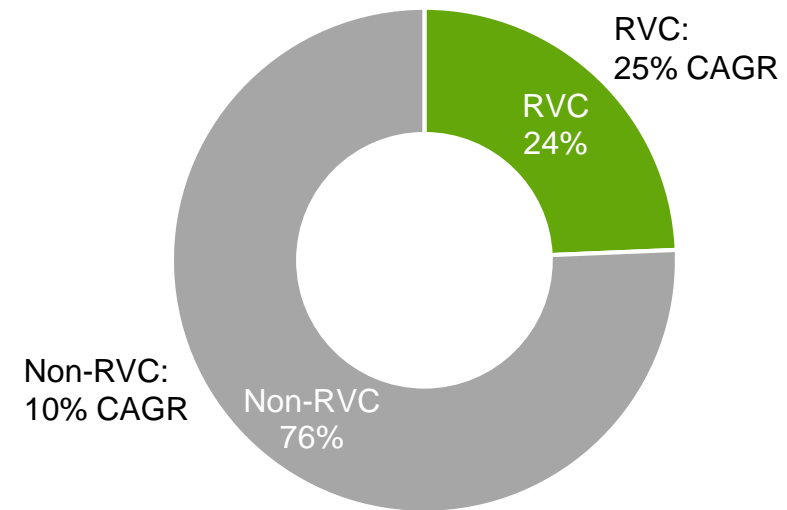
RVC Segment Continues to Grow: Now 24% of Total Vacuums

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

2012: ~\$5B Market



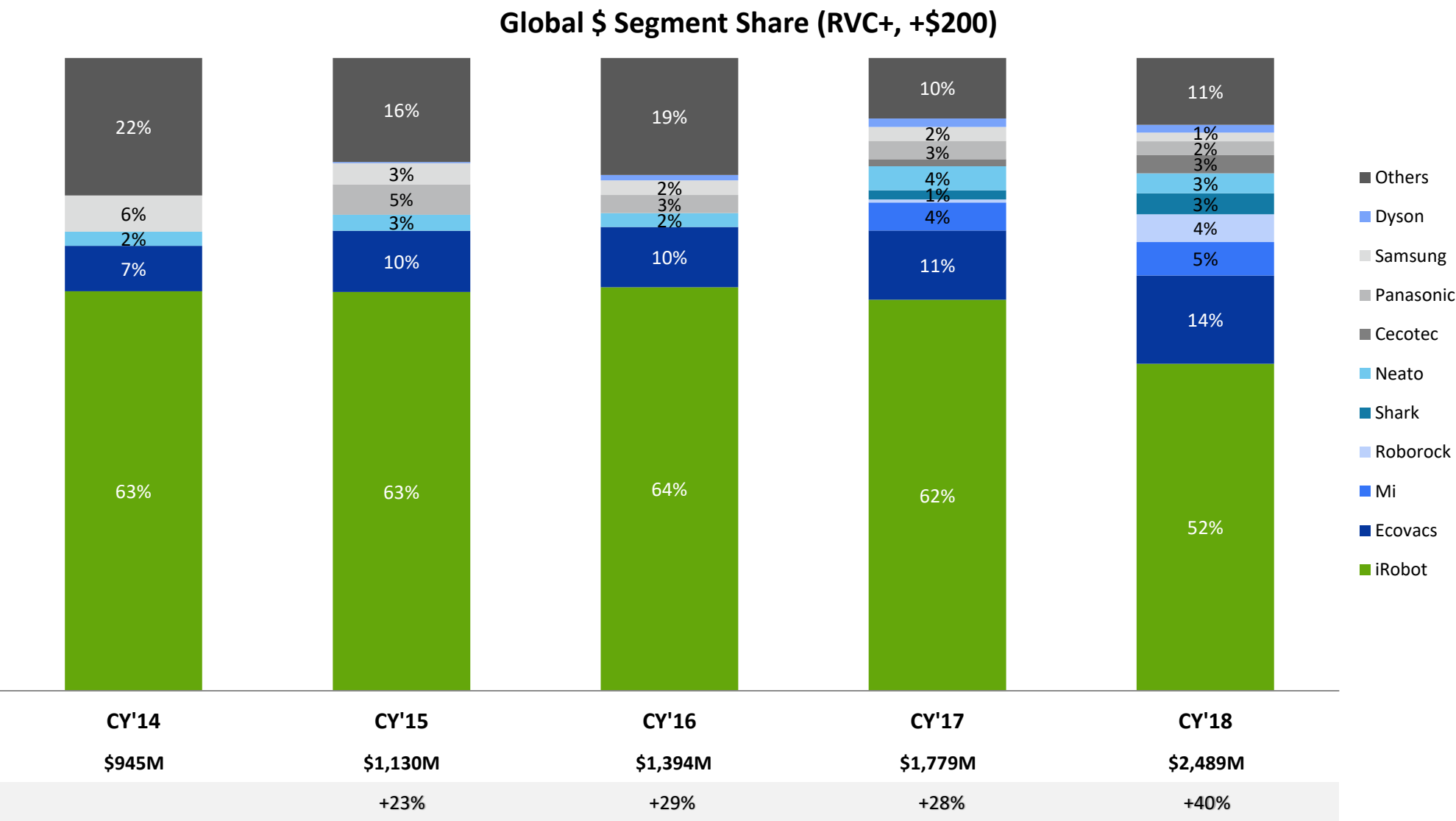
**2018: \$10B Market
12% CAGR**



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

• *Source: Global market size for Vacuum Cleaners >\$200 (NPD, GfK, and iRobot internal estimates).

Robotic Vacuum Segment: Global Retail \$ Share

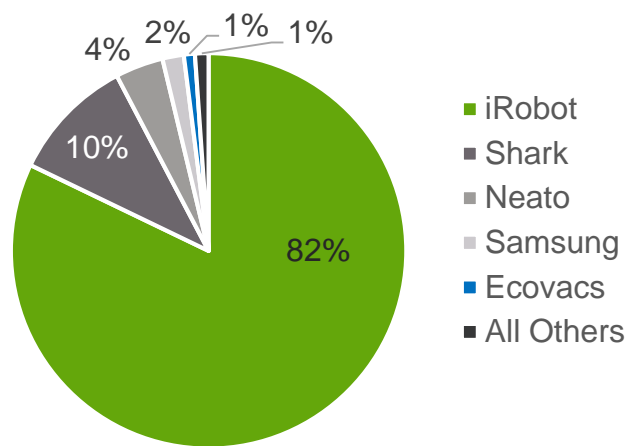


Source: 2014-2018 NPD, GfK, iRobot internal estimates, RVC+ >\$200 retail prices; incl. China Online
Note: Year-on-Year Exchange Rates are applied in this update

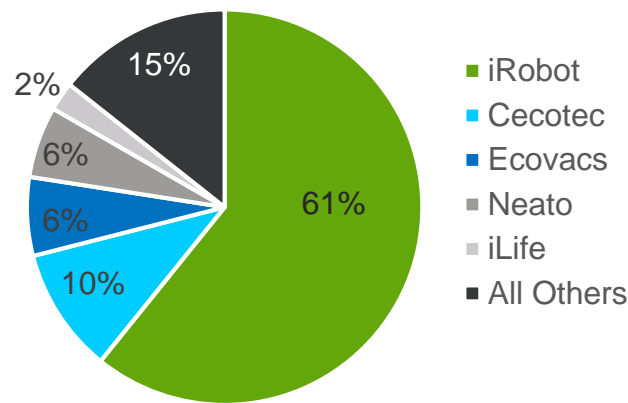


2018 Robotic Vacuum Segment: Global Retail \$ Share

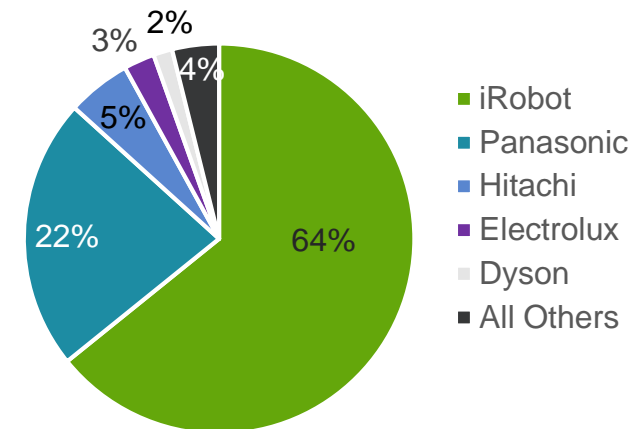
North America - \$809M



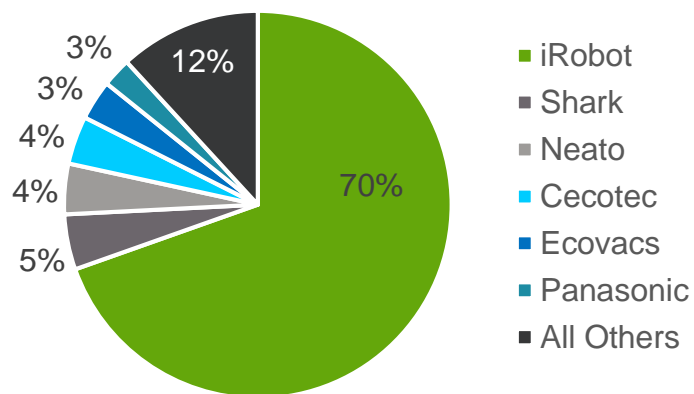
EMEA - \$706M



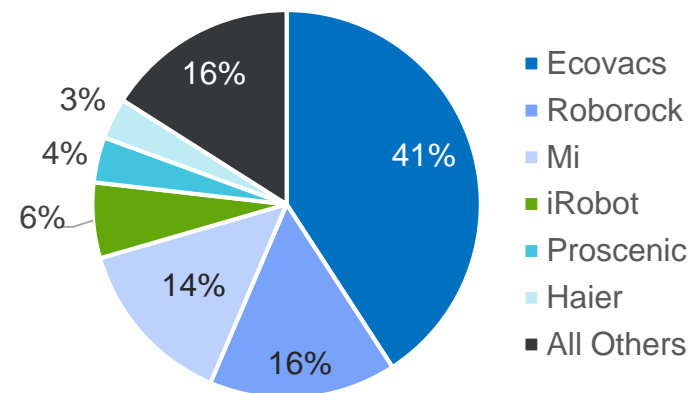
Japan - \$187M



Global (excl China) - \$1785M

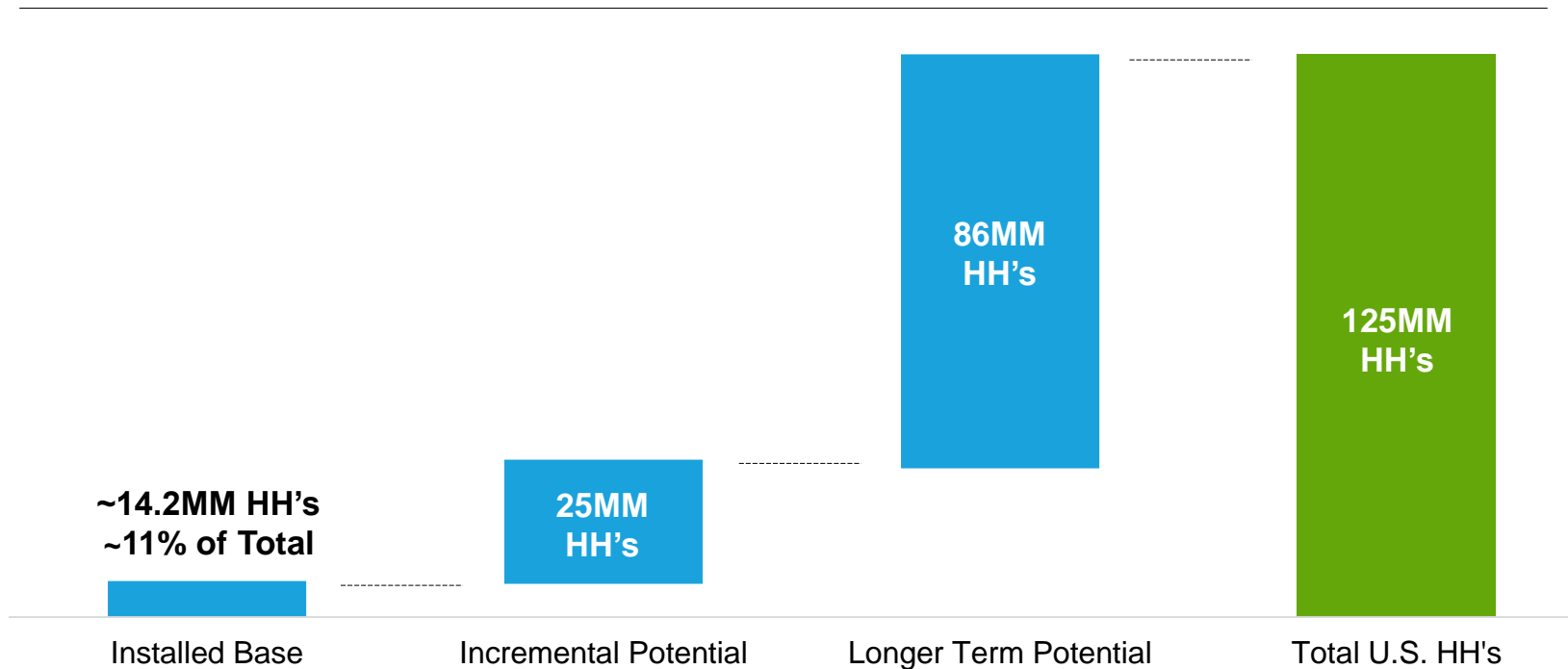


China - \$705M



Opportunity: Low Household Penetration

Immediate addressable market ~2X current installed base



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

Our Innovation Establishes New Bars for RVC Leadership



Roomba i7
\$799*



Roomba i7+
with Clean Base™
Automatic Dirt Disposal
\$1,099*

Imprint™ Smart Mapping



Advanced Cleaning
Performance



Clean Base™
Automatic Dirt Disposal

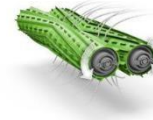


Roomba e5
\$449

iAdapt® 2.0 Navigation



AeroForce® Cleaning System
Virtually no Maintenance



Cloud Connectivity



Washable Bin



Roomba 675
\$299

Cloud Connectivity



Dual multi-surface brushes



Intelligent Navigation



Introduce Innovation in flagship product; Flow innovation across lower price point products

* Prices increased on 1/1/19 in U.S. only due to tariffs

New 2018 Product Launches



Roomba e5

Global rollout in 2019

Roomba i7+



Roomba® i7

The Roomba® advantage

- All the technology and benefits from Roomba 960

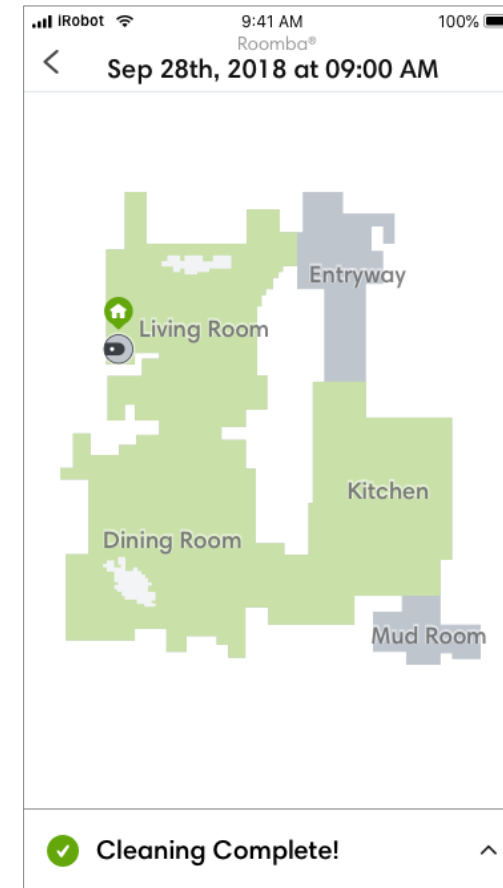
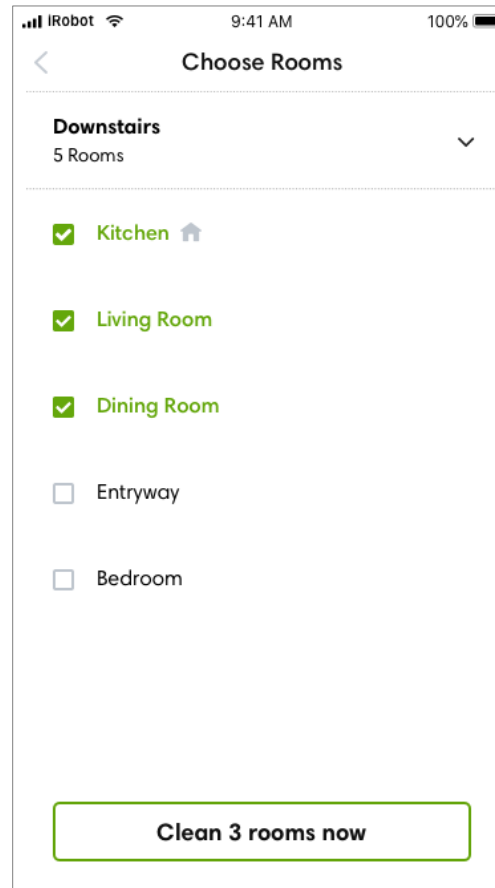
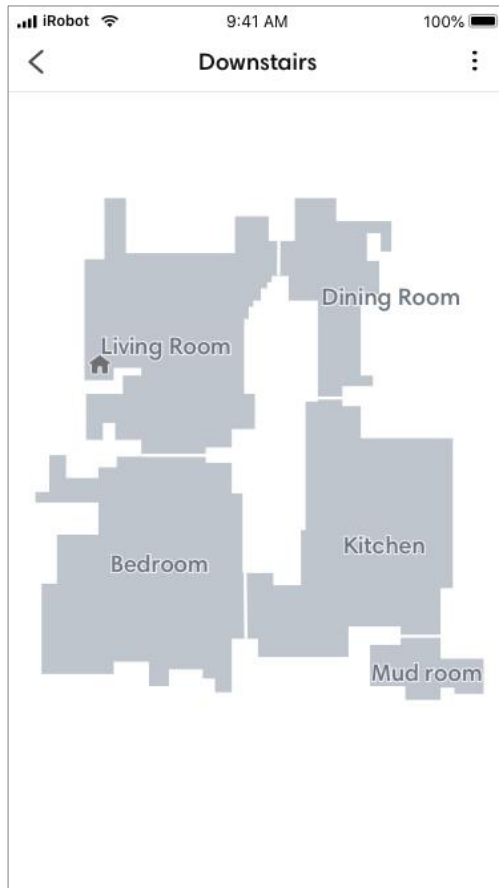


- iAdapt 3.0 with Imprint™ Smart Mapping Technology

- Learns, maps, and adapts to determine the best way to clean
- Knows your kitchen from your living room, allowing you to control which rooms are cleaned and when
- Recognizes upstairs from downstairs and knows which map to use



Room Labeling and Directed Room Cleaning



Clean Base™ Automatic Dirt Disposal

- Forget about vacuuming for weeks at a time
 - Automatically empties the robot's bin
 - Holds 30 bins of debris
- Automatically empties and recharges as needed, then continues cleaning - until the job is done
- Takes the dirty work out of vacuuming
 - Features enclosed bag for easy disposal without the cloud of dust



Innovation in automation

Roomba e5® Robot Vacuum

The Roomba® advantage

- AeroForce™ 3-Stage Cleaning System (including patented dual multi-surface rubber brushes)
- Washable Bin
- Wi-Fi® connected
- 90 minute runtime



High-end innovation at lower price point

iRobot

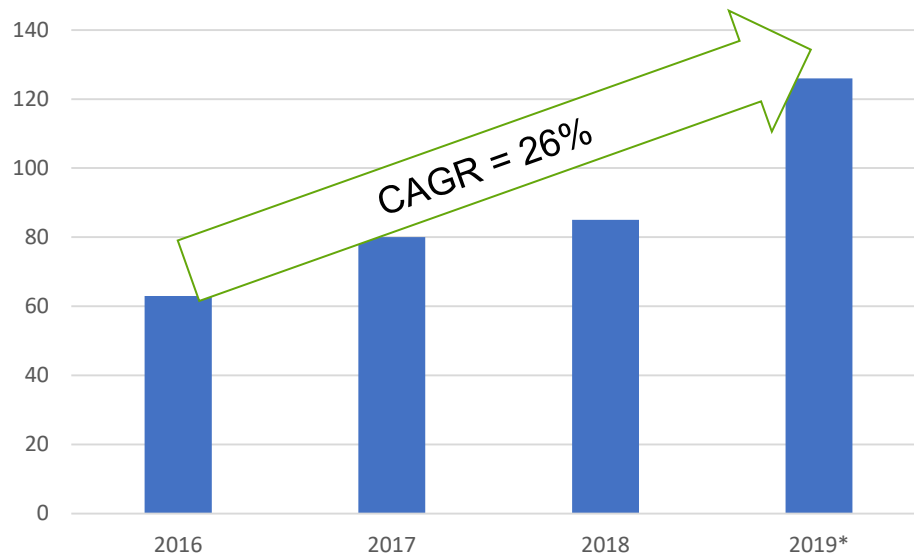
02

Diversifying Products



Braava Family - Developing a Second Revenue Stream

Global Braava Family Revenue Growth



*Based on FY2019 expectations provided 2/7/19



Driving global category growth through targeted advertising investment in 2019

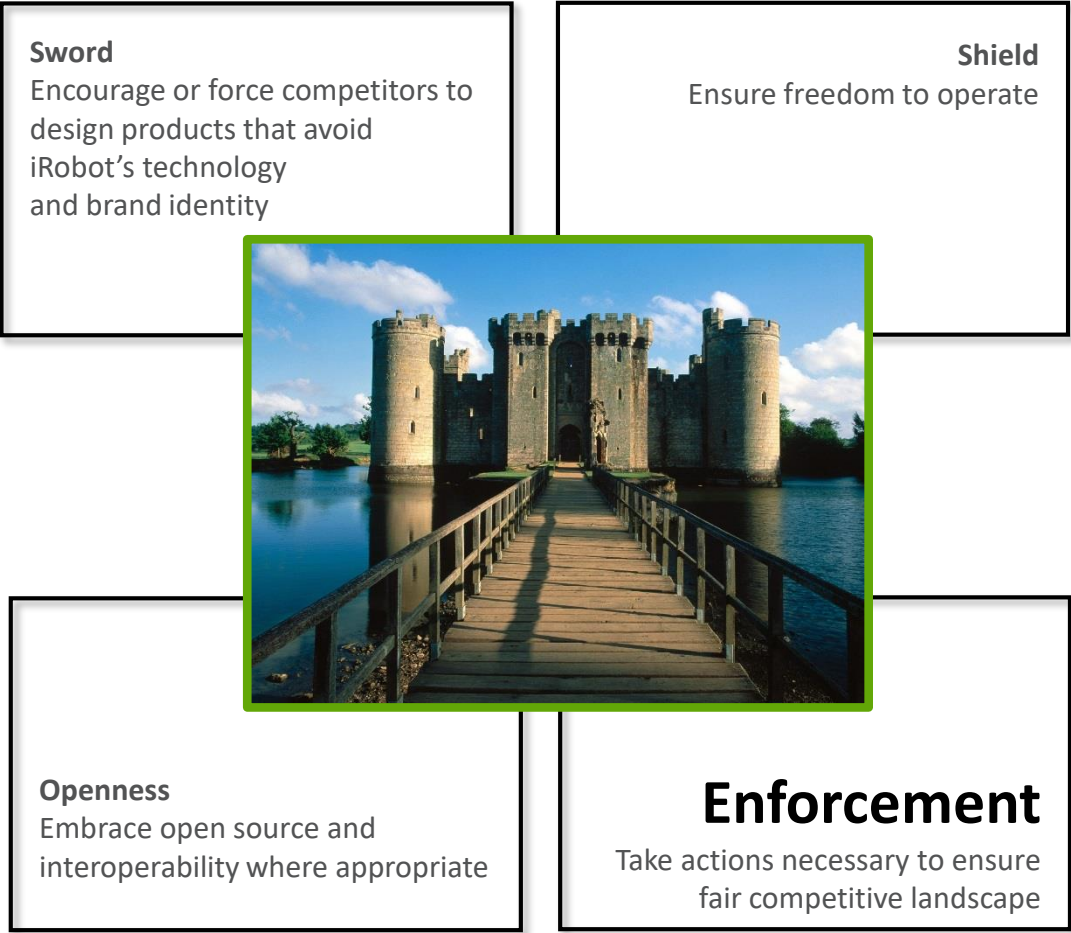
Terra™ t7 Robot Mower

- Newly-developed wire-free beacon system
 - No costly and labor-intensive boundary wires
- Imprint™ Smart Mapping Technology
 - Learns and maps yards
 - Intelligently navigates yards, cutting efficiently in straight, back-and-forth lines
- iRobot HOME App
 - Control precisely when the lawn is cut
 - Adjust the height of the grass



Reinventing Lawn Care!

Continue to Widen the Competitive Moat



IEEE Top 20 Patent Powerhouses Electronics - 2017

Rank	Company	Headquarters
1	Apple Inc.	US
2	Sonos Inc.	US
3	LG Electronics Inc.	South Korea
4	GoPro Inc.	US
5	iRobot Corp.	US
6	Dolby Laboratories Inc.	US
7	Sony Corp.	Japan
8	Canon	Japan
9	Koninklijke Philips NV	Netherlands
10	Hand Held Products Inc. (Honeywell Int'l.)	US
11	Goertek Inc.	China
12	Kimree Inc.	China
13	Samsung SDI Co.	South Korea
14	Panasonic Corp.	Japan
15	Hitachi Ltd.	Japan
16	Xerox Corp	US
17	Knowles Corp.	US
18	Fujifilm Holdings Corp.	Japan
19	Int'l Game Technology	UK
20	Schneider Electric	US

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



iRobot®

03

Leveraging our Assets for Smart Home Applications



Connected Products – Digital Strategy

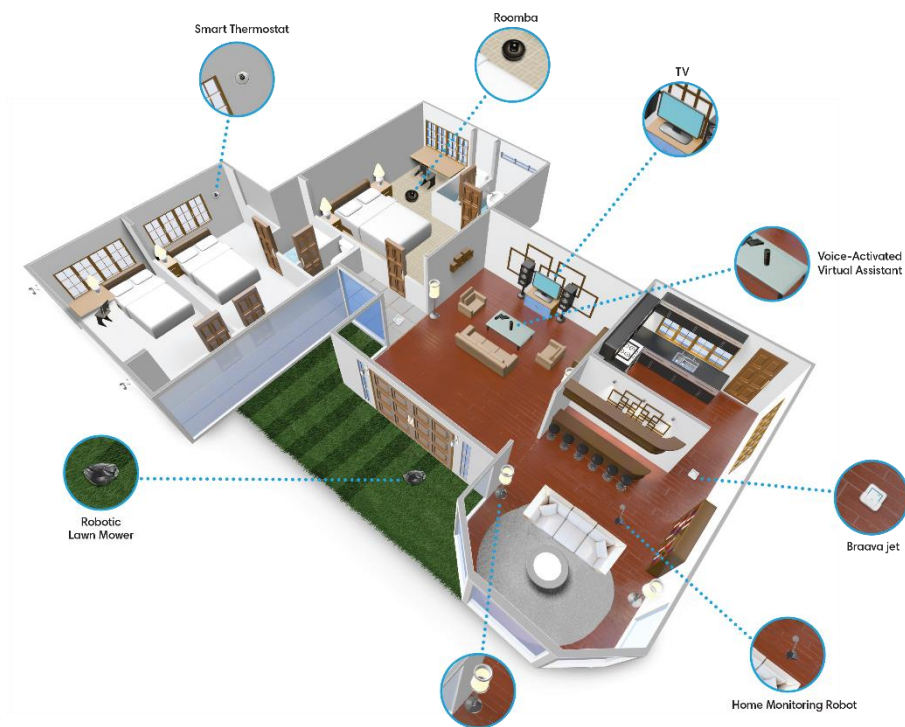
“Roomba then Braava”



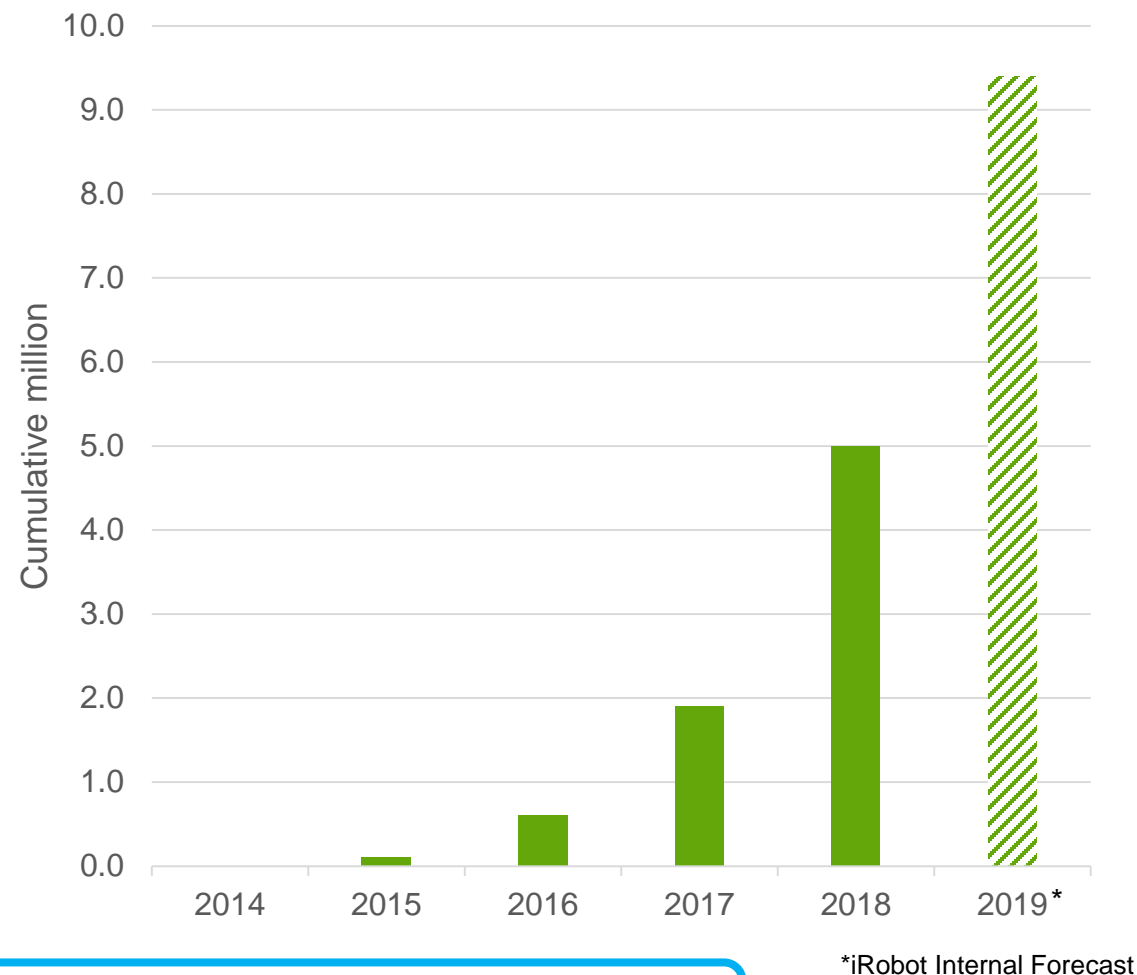
Robots working together deliver unique benefits;
Roomba i7 creates the map that makes this possible

Smart Home

iRobot is an Emerging Player
in IoT/Smart Home Market



Sales of iRobot Connected Robots



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.



04

Financial Outlook



Capital Allocation Strategy

R&D			
Core		Emerging	Future
Organic	Lower Risk	Medium Risk	Higher Risk
	Significant Revenue and Profit Contribution	Market Validation	Exploration
	Target R&D Investment: 65% - 70%	20% - 25%	5% - 10%
Inorganic	← Acquisitions →		
	← iRobot Ventures →		

Regular review to address industry and market evolution and company requirements



2019 Expectations: Key Messages

\$M	FY 18 Actual	FY 19 Expectations*
Revenue	1,093	1,280 - 1,310
YoY Growth	24%	17 - 20%
Gross Margin	51%	~48%
R&D	13%	12%
S&M	19%	19%
G&A	9%	8%
Op Margin	10%	8 - 9%
EPS	\$3.01	\$3.00 - \$3.25**

- Strong global growth continues – U.S. growth impacted slightly by tariffs
- Gross Margin decline driven by new products without scale and cost-optimization; manufacturing diversification
- Maintain investment in innovation and product development while beginning to get leverage
- Spending to support global rollout of new 2018 products; new 2019 products and mopping category
- Leverage G&A globally

Plan assumes tariffs of 10% throughout 2019

* Expectations provided 2/7/19

** Excluding discrete items



Updated 2020 Financial Targets

\$M, excluding EPS	FY 18 Actual		FY 19 Expectations*		FY 20 Targets
Revenue	1,093		1,280 - 1,310		~19% 3-year CAGR
YoY Growth	24%		17 - 20%		Mid-high teens
Gross Margin	51%		~48%		~48%
Operating Margin	10%		8 - 9%		10%
EPS	3.01		3.00 - 3.25		NA

Strong revenue growth expected through 2020 with increasing operating income



Summary

- 2018 – Exceeded increased expectations in Q4 and full-year
- 2019 – Growth diversification journey continues
 - Maintain unambiguous global product and brand leadership in RVC category; driving deeper household penetration of Roomba
 - Driving further adoption of mopping robots through targeted marketing investments
 - Introducing a new category of robot - Terra
- Launching additional new products mid-year
- Taking Steps to Diversify Supply Chain Inside and Outside of China
- Pursuing Opportunities to Leverage Assets for Smart Home applications

