

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

iRobot Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:

 - (2) Aggregate number of securities to which transaction applies:

 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

 - (4) Proposed maximum aggregate value of transaction:

 - (5) Total fee paid:

- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:

 - (2) Form, Schedule or Registration Statement No.:

 - (3) Filing Party:

 - (4) Date Filed:

iRobot

iRobot

Driving Growth and Value for Shareholders

April 26, 2016

Certain statements made in this communication 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. Such forward-looking statements may be identified with words like “believe,” “may,” “could,” “would,” “might,” “should,” “expect,” “intend,” “plan,” “target,” “anticipate” and “continue,” the negative of these words, other terms of similar meaning or the use of future dates. This communication contains express or implied forward-looking statements relating to, among other things, iRobot’s expectations regarding future financial performance, future operating performance and growth, our strategic actions to continue revenue growth, demand for our robots, strategic investments to diversify Home revenue, the impact of the divestiture of our Defense & Security business, the impact of our strategic actions to enhance stockholder value, and anticipated revenue, earnings per share and Adjusted EBITDA for fiscal year 2016. 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. 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, our ability to enhance stockholder value through our strategic actions, including the sale of our Defense & Security business, general economic conditions, market acceptance of our products, 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 undertakes no obligation to update or revise the information contained in this communication, whether as a result of new information, future events or circumstances or otherwise. For additional disclosure regarding these and other risks faced by iRobot, see the disclosure contained in our public filings with the SEC.

iRobot Corporation (“iRobot”, or the “Company”) will hold its 2016 Annual Meeting of stockholders on May 25, 2016. The Company has filed with the Securities and Exchange Commission (the “SEC”) and mailed to its stockholders a definitive proxy statement and form of WHITE proxy card in connection with the 2016 Annual Meeting. The definitive proxy statement contains important information about the Company, the 2016 Annual Meeting and related matters.

COMPANY STOCKHOLDERS ARE STRONGLY ENCOURAGED TO READ THE DEFINITIVE PROXY STATEMENT, THE ACCOMPANYING WHITE PROXY CARD, AND ANY OTHER RELEVANT SOLICITATION MATERIALS WHEN THEY BECOME AVAILABLE BECAUSE THESE DOCUMENTS CONTAIN IMPORTANT INFORMATION.

The Company and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of the Company in connection with the matters to be considered at the 2016 Annual Meeting. Information regarding the Company’s directors and executive officers is contained in the Company’s annual report on Form 10-K filed with the SEC on February 19, 2016, and definitive proxy statement filed with the SEC on March 29, 2016.

The proxy statement and other relevant solicitation materials (when they become available), and any and all documents filed by the Company with the SEC, may be obtained by investors and security holders free of charge at the SEC’s web site at www.sec.gov. In addition, the Company’s filings with the SEC, including the proxy statement and other relevant solicitation materials (when they become available), may be obtained, without charge, from the Company by directing a request to the Company at 8 Crosby Drive, Bedford, MA 01730, Attention: Investor Relations. Such materials are also available at www.irobot.com.

- **iRobot is The Leader in Consumer Robotics**
 - Leading share of robotic vacuum market segment
 - Over the past five years, iRobot's consumer product revenue has grown 2.5x the rate of its peers
 - IP moat: 1,200+ patents & patents pending
 - Outstanding growth prospects
- **iRobot's Management and Board Have Thoughtfully and Proactively Transformed Business**
 - Acquisition of Evolution Robotics (2012), Roomba 880 (2013), Roomba 980 (2015), and Braava jet (2016)
 - Hired an investment bank to sell Defense & Security in 2014
 - Updated Board to add software and consumer technology products expertise
- **iRobot Has Superior Shareholder Returns Versus Its Peer Group, S&P 500, NASDAQ, and S&P Technology Hardware & Equipment Industry Indices Since 1/1/2013**
- **iRobot is Shareholder-Friendly, with World-Class Board and Corporate Governance Best Practices**
 - Have returned > \$100 million (including current ASR program) of excess capital since 2015
 - Refreshed Board composition: five independent directors added in last five years
 - Updated governance under leadership of new Lead Independent Director
- **Red Mountain Has Offered No New Ideas and Would Not Add Value to iRobot**
 - Before Red Mountain bought stock, iRobot was already executing on the items in Red Mountain's "plan"
 - Red Mountain has demonstrated a poor understanding of iRobot's business and market
 - Red Mountain rejected offer to add Lawrence Peiros to the Board and refused to settle unless Willem Mesdag is added to the Board. Willem Mesdag's demand for a Board seat appears to be personally-driven
 - Willem Mesdag brings no new operational or investment expertise

I	The Leader in Consumer Robotics	6
II	Management and Board Have Thoughtfully and Proactively Transformed Business, Driving Superior Shareholder Returns	15
III	Shareholder-Friendly with World-Class Board and Corporate Governance Best Practices	24
IV	Red Mountain Has Offered No New Ideas and Would Not Add Value	31
V	Recommendation: <u>VOTE</u> The WHITE Proxy Card FOR iRobot’s Highly-Qualified Nominees	37
VI	Appendix: Red Mountain’s Assertions Versus Reality	40

I. The Leader in Consumer Robotics





25
YEARS OF GLOBAL
ROBOTIC-TECHNOLOGY
MARKET LEADERSHIP



1,200+

PATENTS &
PATENTS PENDING



4x

NEAR-TERM U.S. HH
PENETRATION
POTENTIAL

Consumer Product Growth
(2009 – 2015)



GREATER REVENUE
GROWTH RATE
THAN PEERS

GREATER REVENUE
GROWTH RATE
THAN S&P 500

>60%

SHARE OF THE GLOBAL
ROBOTIC VACUUM
MARKET SEGMENT ⁽¹⁾



AWARD-WINNING
TECHNOLOGY &
PRODUCTS

The leading global consumer robotics company, focused on bringing practical, affordable robots to the connected home market

(1) Segment of Vacuum Market with retail prices over \$200.

Sustained Market Segment Leadership

Portfolio of Innovative Robots from Disciplined R&D Investment

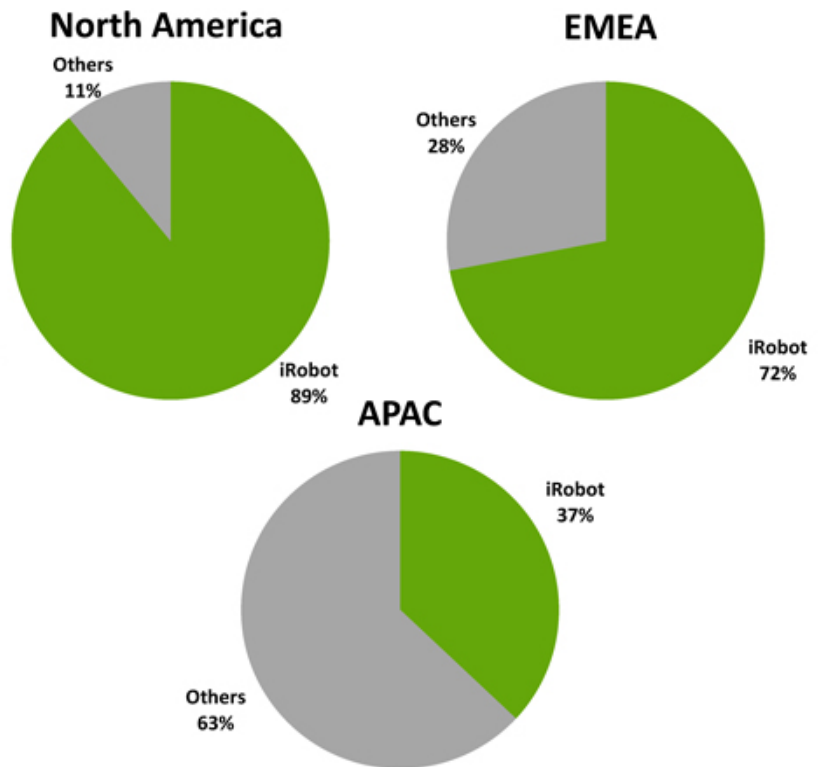
Software Development Widening iRobot's Competitive Moat

Actionable Near-Term Revenue Growth Opportunities

Strategic Focus to Achieve 3-Year Financial Targets



2015 Market Segment Leadership



iRobot has maintained > 60% global market share of RVC segment over last 4 years, despite increased competition

Source: 2015 NPD, GfK, and iRobot Internal data; Robotics Vacuum Cleaners >\$200 retail prices, includes China online.

Rigorous Process to Allocate Capital to R&D

- R&D is allocated against key technologies and specific product development within bounds of profitability targets
- New product opportunities assessed for revenue, margin, profitability, and return
- Expected cash flows are risk adjusted based upon each specific program’s characteristics
- Roadmaps designed to have regular new product introduction cadence
- Management and Board regularly review performance of major programs

SW Development Competitive Enabler

Roomba 880



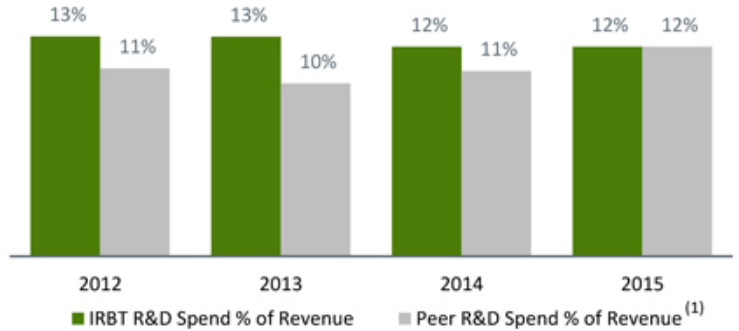
50,000 Lines of Code

Roomba 980



500,000 Lines of Code

Disciplined Investing in R&D



4x Increase in Software Developers to Enable Focus Shift to Consumer Market



Management has focused the Company’s R&D efforts to drive topline growth and build on iRobot’s history of industry-leading technology

Source: Company filings, Capital IQ.

(1) Peer set is comprised of 3D Systems, AeroVironment, Alphabet, Apple, Cognex, Dolby, Electrolux, Fitbit, Garmin, Intuitive Surgical, InvenSense, Koninklijke Philips, Logitech, Microsoft, Nautilus, Netgear, Plantronics, TiVo, Trimble Navigation, Universal Electronics, and Whirlpool.

Roomba



2002

Original Series

Autonomous vacuuming robot with cliff sensors



2007

500 Series

Improved battery life and easy scheduling



2011

700 Series

New cleaning system and touch screen UX



2013

800 Series

Debris extractors



2015

900 Series

Wi-Fi connected, iRobot app and vSLAM navigation

Wet Floor Care



2005

Scooba 300 Floor Scrubbing

Autonomous floor mopping robot capable of cleaning larger spaces



2011

Scooba 200 Floor Scrubbing

Discontinued due to shifting demand to Braava mopping and sweeping



2013

Braava 300 Mopping & Sweeping

Rebranded Mint product acquired from ER into a global sweeping solution



2016

Braava jet Mopping & Sweeping

Designed for bathrooms and high traffic areas, 3 cleaning methods, consumable pads

Next Growth Opportunities



Robotic Lawn Mower



Other Connected Home Products



Mapping Technologies (vSLAM) enabling Consumer IoT

More than 15 million home robots sold since 2002, each generation accelerating with advances in functionality

IEEE Top 10 Electronic Patent Powerhouses - 2015

Rank	Company	Headquarters
1	Apple Inc.	US
2	Canon Inc.	Japan
3	Sony Corp.	Japan
4	LG Electronics Inc.	South Korea
5	Xerox Corp.	US
6	iRobot	US
7	Koninklijke Philips NV	Netherlands
8	TCL Corp.	China
9	Hitachi Ltd.	Japan
10	Lightning Science Group Corp.	US

iRobot's focus on innovation- and technology-enabled features drives sustained market leadership

China

- 70% sales growth in 2015
- Market expected to grow at higher rate than U.S. and Japan



China RVC market in 5 years est. > \$1B annually

China presents a tremendous growth opportunity with the potential to be iRobot's largest market

Further RVC Adoption

- U.S.:
- Build upon successful 2015 marketing campaigns
- ROW:
- Export proven U.S. demand generation programs overseas



Drive further RVC HH penetration through targeted marketing campaigns

Wet Floor Care

- Leverage RVC success for wet expansion
- Trend towards hardwood floors
- Newly released Braava jet
- Mopping aligned with Asian consumer cleaning behavior



Global Wet Floor Care Market ~ \$3B annually

The market opportunity for wet floor care increases iRobot's TAM substantially

Source: Parthenon analysis; Global market size for vacuum cleaners with retail prices greater than \$200 (NPD, GfK, Euromonitor, HBU estimates & analysis); Global hard floor care market (mops, brooms, chemicals) (Mintel, HBU estimates & analysis).

	FY16	FY17	FY18
Home Revenue Growth (Excludes D&S Business)	12-13%	Mid Teens	High Teens
Opex % of Rev	38-39%	Leverage vs. PY	Leverage vs. PY
Adjusted EBITDA Margin	13-14%	14-15%	14-15%

Driving accelerated revenue growth; improving profitability

II. Management and Board Have Thoughtfully and Proactively Transformed Business, Driving Superior Shareholder Returns



**Defense Significant Value Driver
(2006 – 2011)**

**Critical
Transition Period
(2012)**

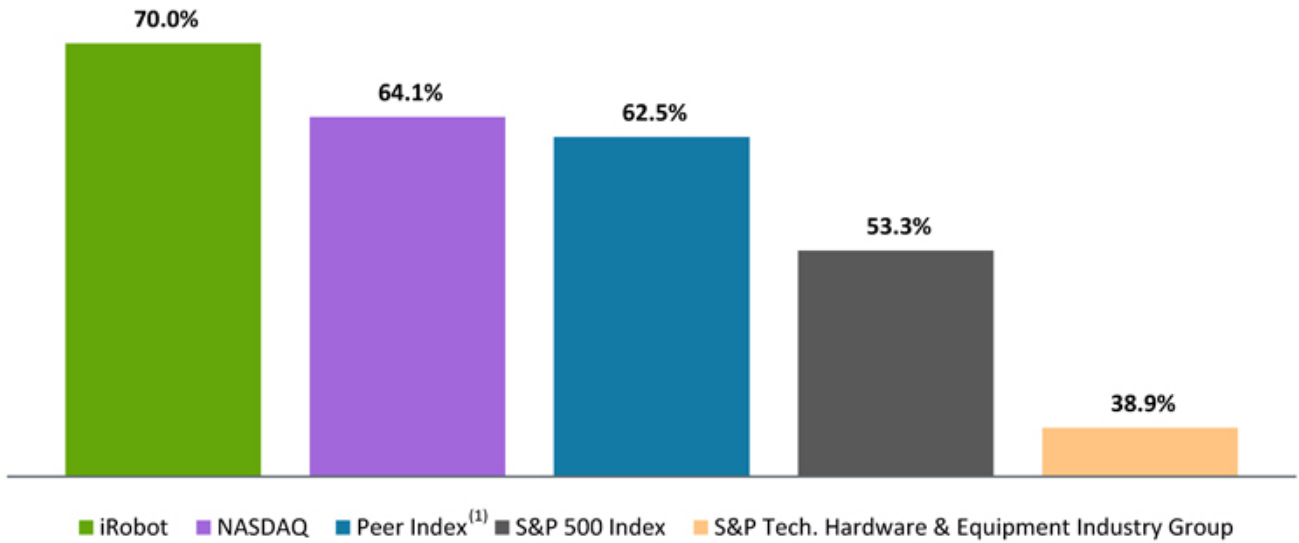
**Focus on Consumer
(2013 – 2015+)**

(\$ in millions)



Early recognition of a fundamental D&S business change allowed the Company to launch a critical strategy shift at the end of 2012, beginning a new phase of iRobot evolution

Source: Company filings, Company management.



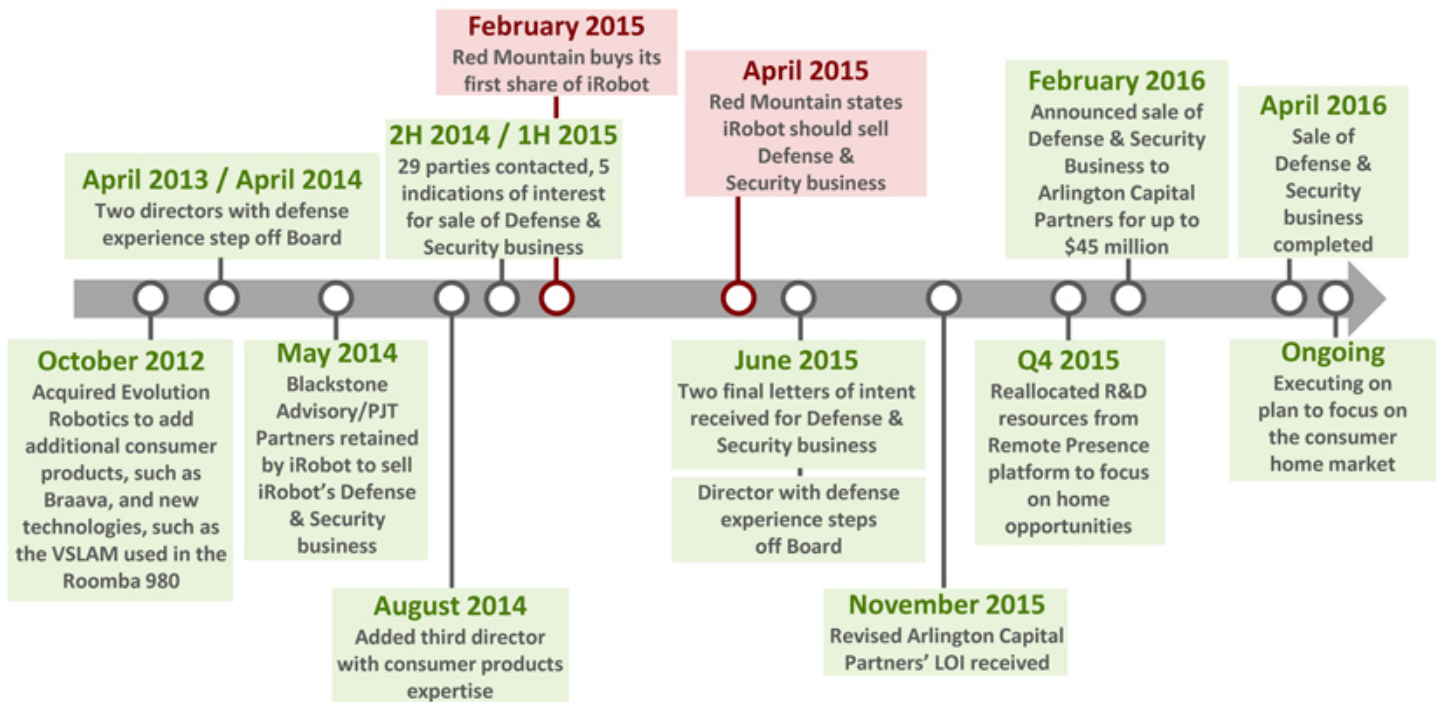
Despite the wind-down and sale of its Defense & Security business, iRobot has generated superior total shareholder returns, compared to its peers and the broader market over the past three years

Source: Capital IQ.

Note: Market data as of 1/1/2013 to 4/22/2016.

(1) Peer Index is equal weighted for its constituents. Peer Index is comprised of 3D Systems, AeroVironment, Alphabet, Apple, Cognex, Dolby, Electrolux, Garmin, Intuitive Surgical, InvenSense, Koninklijke Philips, Logitech, Microsoft, Nautilus, Netgear, Plantronics, TiVo, Trimble Navigation, Universal Electronics, and Whirlpool. Defense & Security peers excluded.

Since 2012, iRobot's Management and Board Have Led the Company's Strategic Transformation into the Leading Pure-Play Consumer Robotics Company



Management proactively implemented a plan to transition into the pure-play consumer robotics company

Source: iRobot management.

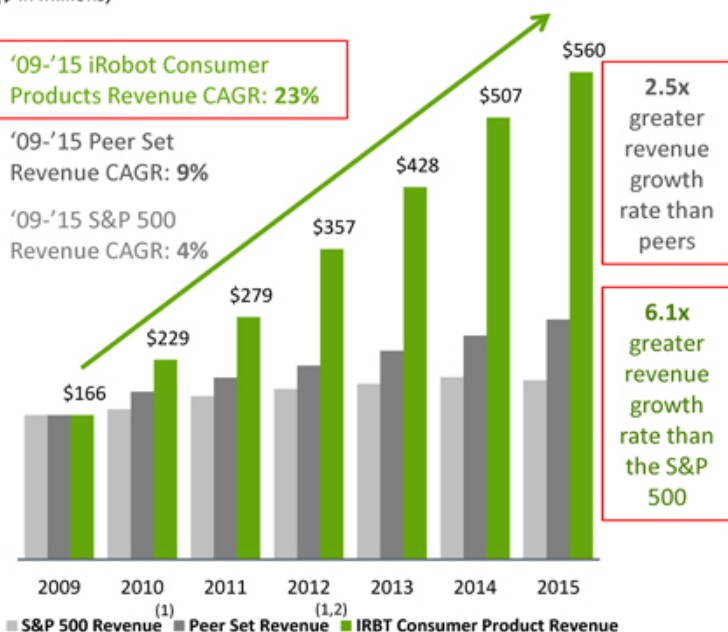
iRobot Consumer Products Revenue

(\$ in millions)

'09-'15 iRobot Consumer Products Revenue CAGR: 23%

'09-'15 Peer Set Revenue CAGR: 9%

'09-'15 S&P 500 Revenue CAGR: 4%



2.5x greater revenue growth rate than peers

6.1x greater revenue growth rate than the S&P 500

Strategic Actions

- Capitalizing on large and growing opportunity in the home robotics market
- Divested the declining Defense & Security business
- Reallocated Remote Presence R&D resources to home opportunities

“You have a long history of disciplined business triage in which you have refocused your limited resources on the opportunities with the highest commercial potential.”

–Willem Mesdag, Red Mountain Capital, 5/16/2015

iRobot Consumer Products revenue growth has dramatically outperformed revenue growth of peers and index companies since 2009

Source: iRobot Management, Company Filings, Capital IQ, Bloomberg.

(1) S&P 500 and Peer Set Revenue growth rates are applied to iRobot's 2009 revenue.

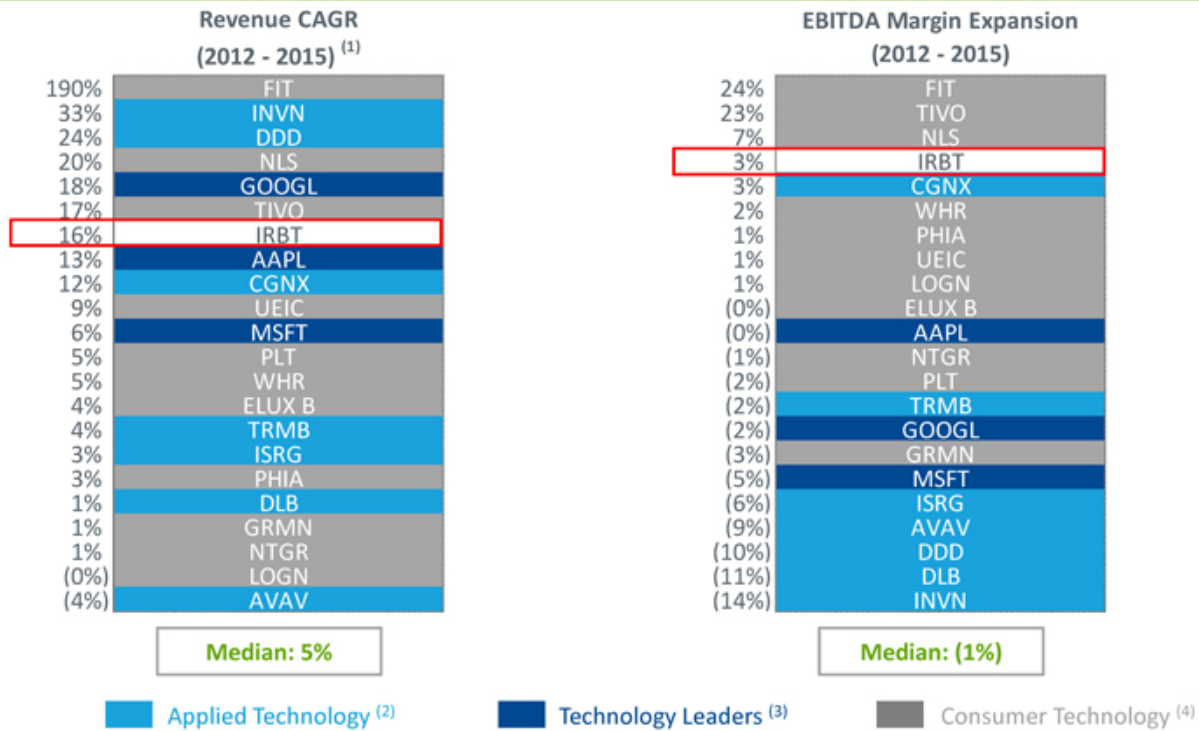
(2) Assumes median growth rate. Peer set is comprised of 3D Systems, AeroVironment, Alphabet, Apple, Cognex, Dolby, Electrolux, Fitbit, Garmin, Intuitive Surgical, InvenSense, Koninklijke Philips, Logitech, Microsoft, Nautilus, Netgear, Plantronics, TiVo, Trimble Navigation, Universal Electronics, and Whirlpool.

Year	Authorization	Plan Design	Outcome
2013	\$25M	Ability to Repurchase At Low Trading Values	\$0M, Floor Pricing Not Realized
2014	\$50M	Ability to Repurchase At Low Trading Values	\$0M, Floor Pricing Not Realized
2015	\$50M	Ability to Repurchase At Low Trading Values; Floor Elevated	\$37M; Elevated Trading Floor
2016 ⁽¹⁾	\$40M	Designed to Offset Dilution of New Equity	\$12M Prior to Termination 3/29/16
2016 ⁽²⁾	\$85M	Accelerated Share Repurchase	\$85M

iRobot's management and Board have a disciplined capital allocation process, which includes a regular review of internal investments, potential acquisitions, and the return of excess capital to shareholders

(1) Original 2016 Plan.
 (2) Revised 2016 Plan post D&S divestiture.

iRobot Has Outperformed Consumer and Applied Technology Peers on Key Operating Metrics



iRobot has far outperformed its peers on historical revenue growth and EBITDA margin improvements

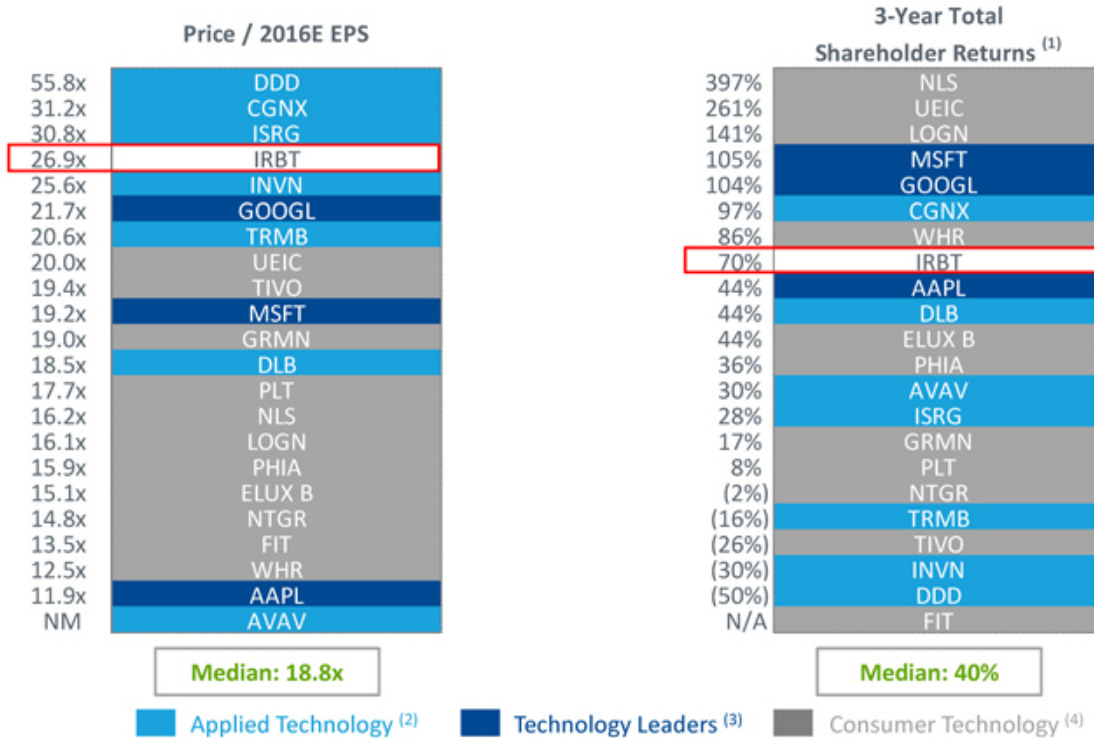
Source: Capital IQ, Company Filings.

(1) Revenue growth is consumer only.

(2) Applied Technology peer set includes 3D Systems, AeroVironment, Cognex, Dolby, Intuitive Surgical, InvenSense, and Trimble Navigation.

(3) Technology Leaders peer set includes Alphabet, Apple, and Microsoft.

(4) Consumer Technology peer set includes Electrolux, Fitbit, Garmin, Koninklijke Philips, Logitech, Nautilus, Netgear, Plantronics, TiVo, Universal Electronics, and Whirlpool.



iRobot's premium P/E multiple is based in part on shareholders' confidence in its long-term growth plans and ability to drive superior shareholders returns

Source: Capital IQ. Market data as of 4/22/2016.

(1) Shareholder returns calculated from 1/1/2013 – 4/22/2016.

(2) Applied Technology peer set includes 3D Systems, AeroVironment, Cognex, Dolby, Intuitive Surgical, InvenSense, and Trimble Navigation.

(3) Technology Leaders peer set includes Alphabet, Apple, and Microsoft.

(4) Consumer Technology peer set includes Electrolux, Fitbit, Garmin, Koninklijke Philips, Logitech, Nautilus, Netgear, Plantronics, Tivo, Universal Electronics, and Whirlpool.

	FY13	FY14	FY15	
Revenue	\$487M	\$557M	\$617M	13% CAGR
Gross Margin	45%	46%	47%	Quality, Scale & Process
Opex % of Rev.	39%	37%	37%	Opex Discipline
Adjusted EBITDA \$	\$62M	\$80M	\$92M	Continuous Profit Improvement
Adjusted EBITDA Margin	13%	14%	15%	
EPS	\$0.94	\$1.25	\$1.47	

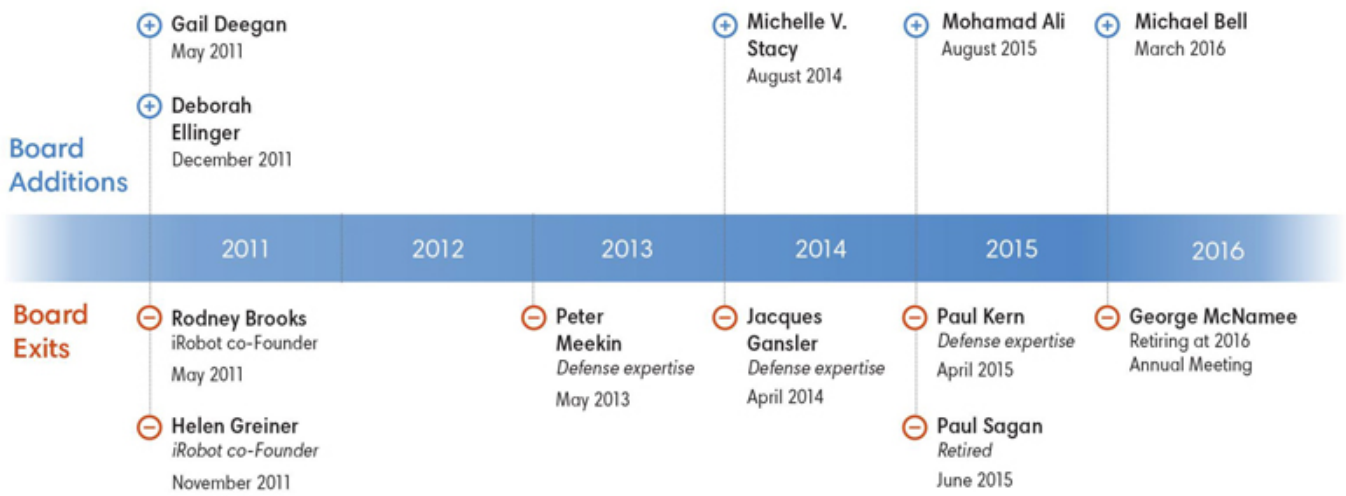
Delivered improved profitability through 2015; strategic investments planned for 2016

Note: Results include Defense and Security business.

III. Shareholder-Friendly with World-Class Board and Corporate Governance Best Practices



Board Additions: Consumer Technology, Software, and Finance Expertise



Board Exits: Founders, Early Board Members, and Defense Experts

As the Company has grown over the last five years and its business mix has shifted, iRobot has proactively refreshed the Board as part of its standard Board membership review process

Mohamad Ali



President and Chief Executive Officer
(Dec. 2014 - Present)



Former Chief Strategy Officer
(Sept. 2012 - Dec. 2014)



Vice President
(Mar. 2005 - Jul. 2009)

Professional Experience

Carbonite

- Took over Carbonite during a period of transition and reset its growth strategy
- Repositioned Carbonite for SMB opportunity, moving R&D and marketing to higher return on investment business
- Executed EVault acquisition, strengthening Carbonite's position at the high end of the SMB market

HP Inc.

- Extremely successful tenure as Chief Strategy Officer driving high shareholder returns

"We are enthusiastic about the recent appointment of Mohamad Ali to the board. Mr. Ali served as Chief Strategy Officer of Hewlett-Packard when HP separated its PC and printer business from its server, services and software business and returned over 50% of its free cash flow to shareholders. HP's share price more than doubled during his tenure. We expect Mr. Ali to bring relevant experience to the board and help to drive shareholder value."

– Red Mountain letter to its limited partners, 9/18/2015

Michael Bell



President and Chief Executive Officer
(Sept. 2015 – Present)



Former Vice President
(Jul. 2010 - Sept. 2015)



Former Vice President
(1991 – 2007)

Professional Experience

Silver Spring Networks

- Took over Silver Spring Networks to lead the Company's next phase of growth and innovation
- Accelerated Silver Spring Networks' innovation into smart utility networks, smart cities, and broader Internet of Things opportunities

Intel

- Led technology groups focused on new devices, mobility, and communications; determined which products and R&D efforts to pursue based on end-market opportunities and Intel's core strengths

- Helped lead Intel's development efforts in connected devices

Apple

- Made significant product decisions and contributions to the iMac, Apple TV, and iPhone programs

Mohamad Ali and Michael Bell each have a track record of creating shareholder value at consumer technology companies



Colin Angle

Chairman, CEO and Co-Founder of iRobot

Deep knowledge of iRobot technology, marketplace, competitive landscape, and growth opportunities as co-founder; brings over two decades of industry experience



Mohamad Ali

President and CEO of Carbonite, Inc.

Extensive vision and technology leadership in software, cloud infrastructure, and data analytics; significant experience with capital allocation in technology companies



Michael Bell

President and CEO of Silver Spring Networks

Pioneer of the Internet of Things, significant experience in R&D, technology innovation, and end-market expansion; developer of product strategies and tightly integrated hardware / software products; created the first ever consumer WiFi products (Apple AirPort)



Dr. Ronald Chwang

Chairman and President of iD Ventures America and Former CEO of Acer America

A Chinese native, Dr. Chwang brings experience in robotics, technology, manufacturing, supply chain, and business development, with particular depth in Asian-US supply chain and operations



iRobot's Board draws on decades of leadership and operating excellence at major consumer product and IoT companies



Gail Deegan

Former CFO of Houghton Mifflin, NYNEX New England and Eastern Enterprises

Deep experience with financial accounting matters for complex organizations, capital allocation, business transformation, and oversight of corporate governance requirements; extensive Board experience having served as a director for five public companies



Deborah Ellinger

Consumer Products Executive and former BCG Partner, with extensive investment management and board experience

Served as CEO of The Princeton Review, President of Restoration Hardware, and CEO of Wellness Pet Food – three private-equity backed companies which each yielded three to seven times return on capital



Andrea Geisser

Senior Advisor to Zephyr Management

Substantial experience in investment management, emerging markets, and company oversight; has served as an audit committee chair and compensation committee chair



Michelle Stacy

Former President of Keurig, Inc.

Deep consumer products and technology expertise and global brand-building experience; drove dramatic expansion at Keurig, growing revenues from \$493 million in 2008 to \$4.3 billion in 2013



iRobot's Board draws on decades of leadership and operating excellence at major consumer product and IoT companies

Key Board and Governance Information:

7 of 8	Number of Independent Directors
59	Average Age of Directors
12	Board Meetings Held in Fiscal 2015
6	Average Tenure of Independent Directors (in years)
43%	Independent Directors Added in the Last Three Years
✓	Proposed Annual Election of Directors ⁽¹⁾
✓	Proxy Access
✓	Majority Voting for Directors
✓	Proposed Elimination of Supermajority Voting Requirements ⁽²⁾
✓	Lead Independent Director
✓	Independent Directors Meet Without Management Present
✓	Director Stock Ownership Guidelines
✓	Code of Business Conduct and Ethics for Directors, Officers, and Employees
✓	Director Self-Evaluation Program
✓	Early Termination of Rights Agreement / Poison Pill

Note: All Board of Directors data excludes George McNamee, who will retire following the 2016 annual meeting.

(1) The Company is seeking shareholder approval at the 2016 annual meeting to declassify its Board of Directors.

(2) The Company is seeking shareholder approval at the 2016 annual meeting to eliminate supermajority voting requirements in its governing documents relating to removal of directors and amendments to the Company's certificate of incorporation and bylaws.

Experience										
Board Members	Public Co. Leadership	Public Co. Board Experience	Finance and Capital Management	Global Operating Experience	Consumer Products	Consumer Technology	Software / SaaS	Internet of Things	Robotics	Diversity
Colin Angle	☺	☺	☺	☺	☺	☺	☺	☺	☺	
Ronald Chwang	☺	☺	☺	☺	☺	☺		☺	☺	☺
Gail Deegan	☺	☺	☺		☺	☺	☺			☺
Deborah Ellinger	☺	☺	☺	☺	☺	☺				☺
Andrea Geisser		☺	☺	☺	☺	☺				
Michelle Stacy	☺	☺	☺	☺	☺	☺				☺
<i>Recently Appointed iRobot Board Members, Recommended for Election</i>										
Mohamad Ali	☺	☺	☺	☺	☺	☺	☺	☺		☺
Michael Bell	☺	☺	☺	☺	☺	☺	☺	☺		
<i>Red Mountain Nominees, Not Recommended for Election</i>										
Willem Mesdag		☺	☺		☺					
Lawrence Peiros	☺	☺	☺	☺	☺					

Red Mountain's proposed directors would not add meaningful new experience to the Board

(1) Added to Board in last two years.
 (2) Up for election at 2016 annual shareholder meeting.

IV. Red Mountain Has Offered No New Ideas and Would Not Add Value



Red Mountain Claim: iRobot is NOT a Technology Company

- Recommendation: Reduce R&D
- Recommendation: Use ALL cash and equal levels of borrowing to repurchase shares

Red Mountain's Current Investment Portfolio: No Technology Investments

Air Transport Services Group

• Air cargo transportation and related services to domestic and foreign air carriers



Deckers Outdoor Corporation

• Designs, markets, and distributes footwear and apparel



Destination XL

• Specialty retailer of big-and-tall clothing



Encore Capital Group

• Debt recovery solutions for consumer and property owners across a range of assets



Marlin Business Services Corp.

• Nationwide small ticket equipment lessor



Nature's Sunshine Products

• Multi-level marketer of vitamins and mineral supplements



Red Mountain has no technology-related expertise, resulting in a fundamental misunderstanding of the long-term value drivers of a consumer robotics company

RED MOUNTAIN

Four months after filing its 13D, Willem Mesdag says Red Mountain will sell its stake in iRobot (it did not)

Red Mountain commended the addition of Mohamad Ali to Board and, in fact, increased its stake

Willem Mesdag announces that Red Mountain will not accept new capital, not make new investments, and will return capital to its limited partners

Red Mountain announced a proxy fight when iRobot would not guarantee that Willem Mesdag would get a seat on the Board as part of a settlement

Red Mountain rejected the opportunity to mutually agree upon a director

Red Mountain refused to enter into short-term confidentiality agreement; insisted both Willem Mesdag and Lawrence Peiros be on the Board

Red Mountain rejected iRobot's offer to add Lawrence Peiros to the Board

Agreed to set up process through which Nominating and Corporate Governance Committee would evaluate Willem Mesdag and make recommendation in advance of deadline for submitting director nominees

Offered settlement of mutually agreed upon director

Repeatedly offered to enter into confidentiality agreements with Red Mountain

Offered to add Lawrence Peiros to the Board as part of settlement, after interviews with the Board

iRobot

Red Mountain refused multiple reasonable settlement proposals, insisting Willem Mesdag be appointed to the Board, without participating in the Company's well-established director vetting process

iRobot Board and Management Actions Over Past Five Years	Red Mountain's December 1, 2015 "Plan"
<ul style="list-style-type: none"> ✓ Executing a strategy focused on home robotics including the acquisition of Evolution Robotics (October 2012 – present) 	Focus On The High-Growth Consumer Robotics Business
<ul style="list-style-type: none"> ✓ Engaged PJT Partners to sell D&S business (almost one year before Red Mountain purchased a single share of iRobot stock) (May 2014) ✓ Sold D&S to Arlington Capital Partners for up to \$45 million (February 2016) 	Divest D&S Business
<ul style="list-style-type: none"> ✓ Executed multiple share repurchase programs (2013 – 2015) ✓ Expanded share repurchase program to \$100 million for 2016 (February 2016) ✓ Repurchased \$85 million of the \$100 million through an accelerated share repurchase program (March – April 2016) 	Return Capital To Shareholders
<ul style="list-style-type: none"> ✓ Refreshed the Board, adding 5 new directors since 2011 (2011 – present) ✓ Removed shareholder rights plan/poison pill before its expiration (April 2014) ✓ Recommended elimination of supermajority vote (March 2015) ✓ Approved bylaw amendments adopting proxy access and codifying a lead independent director; recommended shareholders adopt charter amendments at 2016 Annual Meeting to de-stagger the Board and eliminate supermajority voting requirements (March 2016) 	Refresh Board and Adopt Corporate Governance Best Practices

Besides the actions iRobot had already taken, Red Mountain has provided no operational plan to drive long-term value for iRobot shareholders

**RED MOUNTAIN****Fund Transition**

- Disclosed a plan to transition to closed-end fund structure, not accept new capital, not make new investments, and return capital to its limited partners as its seven pre-existing investments are realized (including iRobot)
- On March 18, 2016, CNBC reported that Red Mountain announced the transition due to "losses" at the fund

Red Mountain's Interests

- Red Mountain is under pressure to deliver improvements in its fund performance, which may impact its perspective on short-term expense reduction over long-term investment
- Original recommendations for iRobot included using all cash and an equal amount of borrowing to repurchase shares; this recommendation does not drive long-term shareholder value

Red Mountain's short-term perspective would impede the creation of long-term value for all shareholders

None of iRobot's equity research analysts cover any companies in Red Mountain's peer set

Companies in Red Mountain's Peer Set For iRobot

Companies:

Breville

CUCKOO
ELECTRONICS

Helen of Troy

TEMPUR+SEALY

ZOJIRUSHI

Products:



iRobot Reality



500,000 Lines of Code in Roomba 980



Mapping and Navigation Technologies (vSLAM) enabling Consumer IoT



4X Increase in Software Developers Over Four Years



1,200+

Patents & Patents Pending

Red Mountain's peer group excludes industry leaders in the connected home, consumer technology, robotics, software, and vision / mapping

iRobot's advanced technological innovation has enabled it to become the world's leading pure-play consumer robotics company

**V. Recommendation: VOTE The WHITE
Proxy Card FOR iRobot's
Highly-Qualified Nominees**



Sustained Market Segment Leadership

Portfolio of Innovative Robots from Disciplined R&D Investment

Software Development Widening iRobot's Competitive Moat

Actionable Near-Term Revenue Growth Opportunities

Strategic Focus to Achieve 3-Year Financial Targets





iRobot is The Leader in Consumer Robotics



iRobot's Management and Board Have Thoughtfully and Proactively Transformed Business



iRobot Has Superior Shareholder Returns Versus Its Peer Group, S&P 500, NASDAQ, and S&P Technology Hardware & Equipment Industry Indices Since 1/1/2013



iRobot is Shareholder-Friendly, with World-Class Board and Corporate Governance Best Practices



Red Mountain Has Offered No New Ideas and Would Not Add Value to iRobot

VOTE the White Proxy Card Today

VI. Appendix: Red Mountain's Assertions Versus Reality



Red Mountain's latest investor presentation presents views and analyses which are inconsistent with reality and misleading

Red Mountain's Assertion	Reality
<p>1 iRobot's Peer Set Should Include Companies That Make Coffee Makers, Crockpots, Grills, Hair Dryers, and Mattresses and <u>Exclude</u> Industry Leaders in the Connected Home, Consumer Technology, Robotics, Software, and Vision / Mapping</p>	<ul style="list-style-type: none"> • iRobot's products have over 500,000 lines of software code, VSLAM navigation, Internet of Things capabilities, and utilize 1,200+ proprietary patents and patents pending • Comparing a crockpot or mattress company to a fully autonomous robot firmly illustrates Red Mountain's <u>misunderstanding</u> of iRobot and its business
<p>2 iRobot Should Cut Operating Expenses / R&D by 50%</p>	<ul style="list-style-type: none"> • Red Mountain recommends cuts of up to \$31 million, which would severely impact iRobot's ability to undertake R&D • While R&D spending for a company that makes coffee machines and crockpots should be 3-4% of its revenue, 10-12% is more appropriate and vital for iRobot's long-term success • iRobot's R&D spending is in line with other consumer technology companies
<p>3 iRobot's Transition to Consumer Robotics Company Began When Red Mountain Suggested it in April 2015</p>	<ul style="list-style-type: none"> • Starting in <u>2011</u>, iRobot has proactively refreshed its BoD to emphasize consumer technology and software expertise • iRobot purchased Evolution Robotics in <u>October 2012</u> to begin its transition to consumer products • iRobot retained investment bankers in <u>May 2014</u> to sell the Defense & Security business; almost one year before Red Mountain purchase a single share of iRobot stock

Red Mountain's Assertion	Reality
<p>4 ROIC is Below iRobot's WACC</p>	<ul style="list-style-type: none"> • iRobot's ROIC across its current product line exceeds its cost of capital • The Company deploys capital only when potential ROIC is greater than WACC, as demonstrated by iRobot's cash-adjusted ROIC consistently exceeding WACC over time
<p>5 iRobot Has Poor Revenue Growth</p>	<ul style="list-style-type: none"> • iRobot consumer revenue growth is 2.5x greater than its peers, 3.5x greater than the NASDAQ, and 6.1x greater than the S&P 500
<p>6 iRobot Has Poor Shareholder Accountability and an Entrenched Board</p>	<ul style="list-style-type: none"> • iRobot has a long track record of strong shareholder accountability and has adopted best corporate governance practices to ensure accountability • iRobot has refreshed its Board composition, adding 5 new directors in the last 5 years for an average tenure of 6 years • All Board members other than the CEO are independent
<p>7 Red Mountain's Selected Measurement Period Includes the 2011 U.S. Military Spending Cuts and Ends in April 2015</p>	<ul style="list-style-type: none"> • Red Mountain has arbitrarily picked timeframes that tell the story they want to tell, instead of telling the real story • Red Mountain picked a starting point to include the negative impact of the 2011-12 US military spending cuts on iRobot's share price (affecting a business iRobot is no longer in) • Red Mountain picked an ending point that is already one year out of date, not giving iRobot credit for its shift to pure-play consumer robotics

Red Mountain's Assertion	Reality
<p>8 iRobot's Executive Compensation Is Not Aligned with Its TSR</p>	<ul style="list-style-type: none"> • Both ISS and Glass Lewis supported our say-on-pay proposal in 2015 • Performance awards are tied to minimum levels of operating income or earnings, in addition to other metrics, aligning compensation with profitability • Compensation committee has three new members on a 4-person committee and uses an outside expert consultant • Board maintains an ownership threshold for executives and the CEO; the CEO is in compliance
<p>9 iRobot Has Had Significant Management Turnover</p>	<ul style="list-style-type: none"> • iRobot leadership is comprised of both veterans and recent hires • Management changes such as the departure of Admiral Joseph Dyer in 2012 and COO Jeff Beck in 2013 were part of iRobot's shift to a consumer-focused company, which began three years before Red Mountain purchased a single share of iRobot stock
<p>10 iRobot Needs Additional Directors with Consumer Products Experience</p>	<ul style="list-style-type: none"> • All of iRobot's current Board members have expertise in consumer products <u>and</u> consumer technology • Red Mountain's nominee, Larry Peiros, has consumer products experience only from a single company over 32 years. Although Clorox is a global leader, it makes extremely low-tech products at low price points
<p>11 iRobot's Management Does Not Have a Plan</p>	<ul style="list-style-type: none"> • iRobot successfully executed on its 3-year plan of transitioning into the world's leading pure-play consumer robotics company • Red Mountain's 'plan' is rudimentary and offers no new ideas
<p>12 Willem Mesdag is a Successful Investor and Adds Value to His Portfolio Companies</p>	<ul style="list-style-type: none"> • Over the past three years, only one of Red Mountain's other six investments have outperformed the S&P 500 and NASDAQ • Red Mountain is looking for cost cuts at iRobot for short-term gain to try to salvage Red Mountain's fund performance • Red Mountain is winding down its fund and returning capital to investors