

**Iteris Key Financial Metrics**  
(in thousands - unaudited)

	<u><b>Q2-FY20</b></u>	<u><b>Q1-FY20</b></u>	<u><b>Q4-FY19</b></u>	<u><b>Q3-FY19</b></u>	<u><b>Q2-FY19</b></u>
<b><u>Transportation Systems</u></b>					
Backlog - non-GAAP	\$58,320	\$49,490	\$44,525	\$45,202	\$48,381
Revenue	\$14,031	\$12,359	\$12,939	\$11,333	\$12,359
<i>Gross margin %</i>	35.4%	33.7%	32.9%	34.2%	33.3%
Segment operating income	\$1,942	\$1,566	\$1,631	\$1,147	\$1,771
<i>% revenue</i>	13.8%	12.7%	12.6%	10.1%	14.3%
<b><u>Roadway Sensors</u></b>					
Backlog - non-GAAP	\$7,681	\$6,710	\$6,244	\$6,044	\$5,368
Revenue	\$12,555	\$12,808	\$11,421	\$10,234	\$10,977
<i>Gross margin %</i>	45.5%	42.3%	41.2%	40.2%	45.5%
Segment operating income	\$2,224	\$2,332	\$1,548	\$1,153	\$2,477
<i>% revenue</i>	17.7%	18.2%	13.6%	11.3%	22.6%
<b><u>Agriculture &amp; Weather Analytics</u></b>					
Backlog - non-GAAP	\$4,612	\$3,648	\$4,675	\$6,200	\$5,417
Revenue	\$1,296	\$1,440	\$1,731	\$1,573	\$1,081
<i>Gross margin %</i>	54.5%	57.2%	60.8%	57.4%	50.7%
Segment operating loss	(\$1,136)	(\$1,035)	(\$1,155)	(\$1,138)	(\$1,589)
<i>% revenue</i>	-87.7%	-71.9%	-66.7%	-72.3%	-147.0%
<b><u>Total Iteris</u></b>					
Backlog - non-GAAP	\$70,613	\$59,848	\$55,444	\$57,446	\$59,166
Revenue	\$27,882	\$26,607	\$26,091	\$23,140	\$24,417
<i>Gross margin %</i>	40.8%	39.1%	38.6%	38.4%	39.6%
Segment operating income	\$3,030	\$2,863	\$2,024	\$1,162	\$2,659
Corporate & other income (expense)	(\$4,615)	(\$4,278)	(\$4,489)	(\$3,668)	(\$4,055)
Acquisition costs	(\$766)	(\$156)	\$0	\$0	\$0
<b>Operating loss - GAAP</b>	<b>(\$2,351)</b>	<b>(\$1,571)</b>	<b>(\$2,465)</b>	<b>(\$2,506)</b>	<b>(\$1,396)</b>
<i>% revenue</i>	-8.4%	-5.9%	-9.4%	-10.8%	-5.7%

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<u><i>Non-GAAP Adjustments:</i></u>					
Stock-based compensation	\$654	\$602	\$601	\$530	\$503
Amortization	\$387	\$247	\$302	\$273	\$285
Depreciation	\$222	\$198	\$190	\$198	\$198
Acquisition costs	\$766	\$156	\$0	\$0	\$0
Total non-GAAP adjustments	<u>\$2,029</u>	<u>\$1,203</u>	<u>\$1,093</u>	<u>\$1,001</u>	<u>\$986</u>
<b>Operating income (loss) - non-GAAP</b>	<u><b>(\$322)</b></u>	<u><b>(\$368)</b></u>	<u><b>(\$1,372)</b></u>	<u><b>(\$1,505)</b></u>	<u><b>(\$410)</b></u>
<i>% revenue</i>	-1.2%	-1.4%	-5.3%	-6.5%	-1.7%
<u><b>Balance Sheet - key metrics</b></u>					
Cash and cash equivalents	\$29,468	\$35,423	\$9,006	\$10,903	\$9,909
Working capital	\$31,683	\$38,149	\$13,475	\$14,152	\$15,809
Deferred revenue	\$5,387	\$4,491	\$4,883	\$3,920	\$3,928
Debt	\$0	\$0	\$0	\$0	\$0
Weighted avg shares outstanding-basic	40,493	34,268	33,358	33,265	33,242
Weighted avg shares outstanding-diluted	40,493	34,268	33,358	33,265	33,242
<u><b>Cash Flow</b></u>					
Operating activities - provided (used)	\$25	(\$188)	\$1,676	\$1,145	(\$3,252)
Investing activities - provided (used)	(\$6,379)	(\$332)	(\$194)	(\$336)	(\$292)
Financing activities - provided (used)	\$399	\$26,937	\$5	\$185	\$6
<b>Increase/(decrease) in cash &amp; cash equivalents</b>	<u><b>(\$5,955)</b></u>	<u><b>\$26,417</b></u>	<u><b>\$1,487</b></u>	<u><b>\$994</b></u>	<u><b>(\$3,538)</b></u>