



iteris[®]

Investor Presentation:
Artificial Intelligence in Agriculture
September 2018

NASDAQ: ITI

Safe Harbor Statement

- This presentation may contain forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include the potential growth of the markets in which we compete, the development status and planned availability of new products and features, and guidance provided on future revenue, gross margins and certain operating expenses. In fact, all statements that we make or incorporate by reference in the presentation, other than statements or characterizations of historical fact, are forward-looking statements. It should be clearly understood that these forward-looking statements, and our assumptions about the factors that influence them, are based on the limited information available to us at this date. Such information is subject to change, and we may not inform you when changes occur. We undertake no obligation to revise or update publicly any forward-looking statement to reflect future events or circumstances.
- Forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, our actual results could differ materially and adversely from those described in the statements you hear today as a result of various factors. We refer you to our Form 10-K for the year ended March 31, 2016, subsequent and forthcoming 10-Qs and other filings with the SEC, which discuss some of the important risk factors that could contribute to such differences or otherwise affect our business, results of operations and financial condition.
- For additional financial and statistical information, including the information disclosed in accordance with SEC Regulation G, please see the Investors section of our website.

Iteris At-a-Glance

- **\$102M+ total revenue for TTM ending Jun. 30, with \$50M total backlog**
- **Free cash flow from transportation segments funding SaaS initiatives**
- **400 Employees**
- **More than 15,000 Customers**
- **Strong IP – Over 75 Patents issued/pending**
- **HQ Santa Ana, CA**
- **NASDAQ: ITI**



Strategic Footprint in Large
and Dynamic Markets

\$4B-\$5B

Smart
Transportation

\$1B-\$2B

Digital
Agriculture

iteris®

Iteris Agriculture Opportunity




- **Highly-leveraged SaaS products: target GMs of 80%**
- **Interdisciplinary team of ~100 experts**
 - Software engineering, Data science, Meteorology, Agronomy, Hydrology, Epidemiology, Biology
- **ClearAg Patent portfolio (18 issued/36 pending)**
 - Pioneering the application of weather data, land surface modeling and machine learning techniques to agriculture
- **Leveraging \$25M+ of investments and development**
- **International, Multi-Channel Customer Base**

ClearAg®

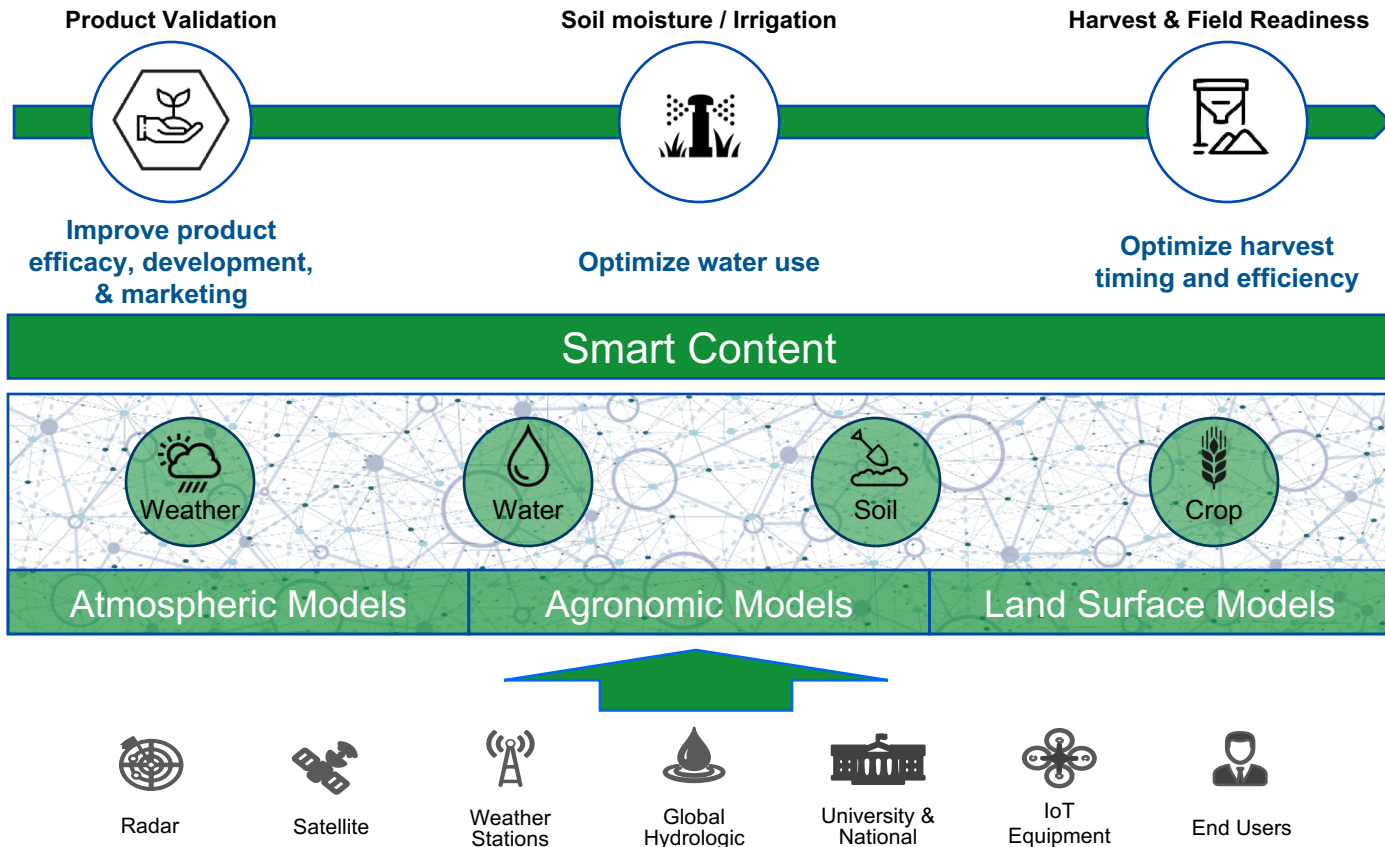
**Strong product
brand equity**

iteris®

Why Customers Need ClearAg[®]

Solution	TAM	Customer	Benefit
Product Validation 	\$235M	<ul style="list-style-type: none">• Seed Companies• Crop Protection• Integrated Food Companies	<ul style="list-style-type: none">• Reduce R&D costs and improve product performance• Reduce product liability exposure (risk management)• Manage regulatory compliance (e.g., product registration)• Enhance Supply Chain optimization• Enhance Marketing campaign ROI
Soil moisture / Irrigation 	\$735M	<ul style="list-style-type: none">• Irrigation Equipment Companies• Water Districts• Ag Service Providers	<ul style="list-style-type: none">• Optimize rate and timing of irrigation to increase yields and reduce water and energy costs• Optimize water applications in deficit irrigation situations• Improve forecasting and delivery of water to farms
Harvest & Field Readiness 	\$700M	<ul style="list-style-type: none">• Harvest Equipment Companies• Ag Service Providers• Grain/Food storage & processors	<ul style="list-style-type: none">• Reduce harvest logistics and drying costs• Enhance marketing activities for perishable crops• Improve harvest scheduling activities

ClearAg[®] Supports the Ag Value Chain



Where AI / ML are used in ClearAg®?

AI → Artificial Intelligence

ML → Machine Learning



Crop Modeling



Harvest Decision Support



Product Performance



Weather Forecasting



Field Accessibility

Neural Networks for Crop Modeling in ClearAg[®]

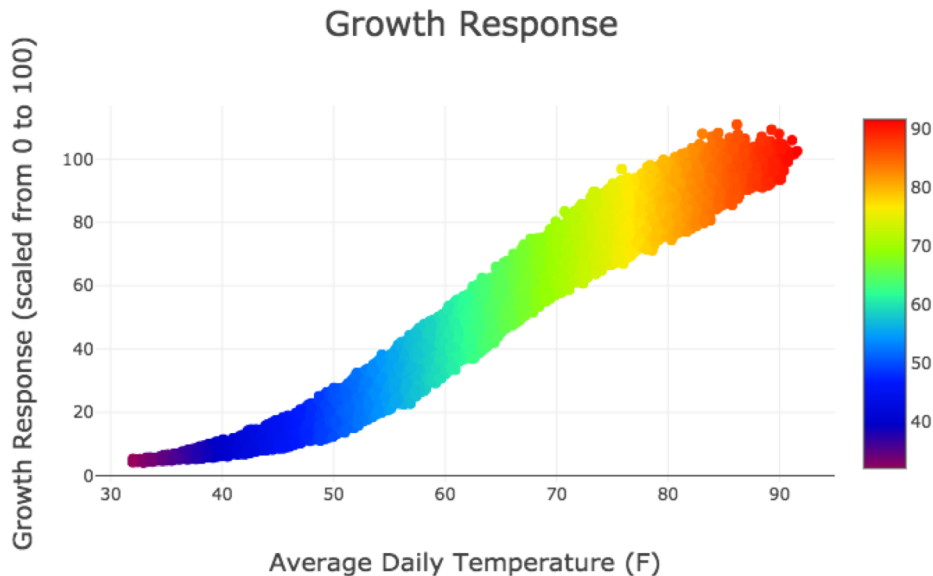
Why use AI for crop modeling?

- Plants are complex, & physical models generally overly simplistic
- Genetic adaptation for regional environments & farming practices exacerbates this problem

ClearAg's scientists have devised an AI-based algorithm for automatically building crop models from limited datasets.

- Algorithm can shed light on previously unknown factors that impact growth

Corn Growth



Neural Networks for Crop Modeling in ClearAg[®]

Why use AI for crop modeling?

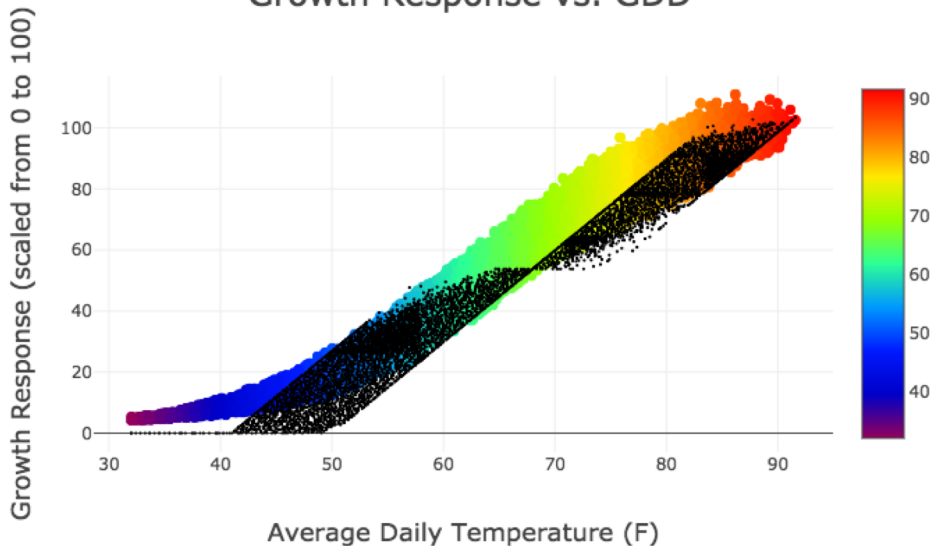
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Corn Growth

Growth Response vs. GDD



Neural Networks for Crop Modeling in ClearAg[®]

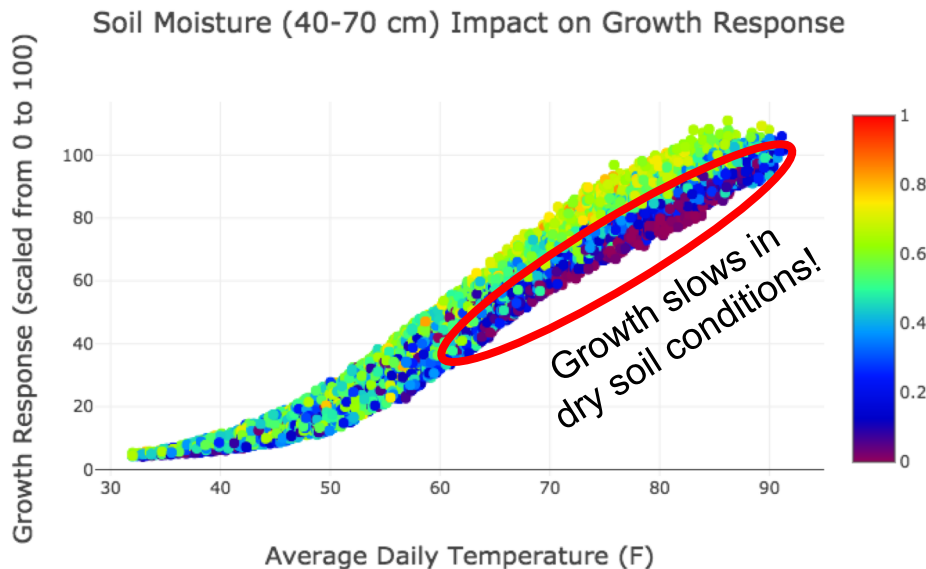
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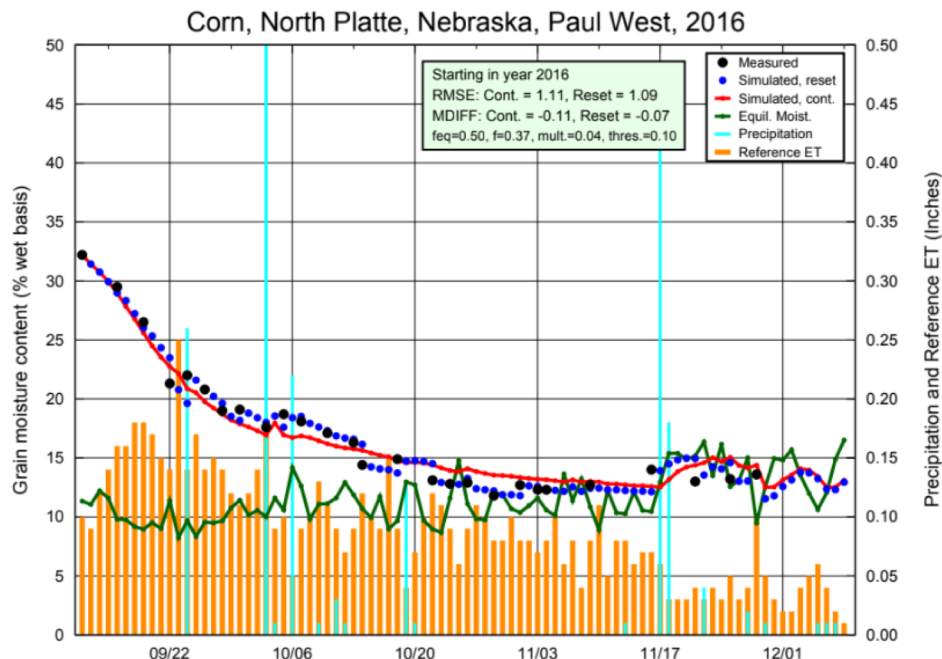


AI for Harvest Decision Support in ClearAg®

Most grains and oilseeds must be adequately dry for stable long-term storage.

The same AI-based algorithm also yields an in-field drydown model for the crop, helping producers to:

- Plan harvest timing for optimal moisture content
- Plan harvest equipment logistics
- Quantify the financial impacts of harvesting on different dates

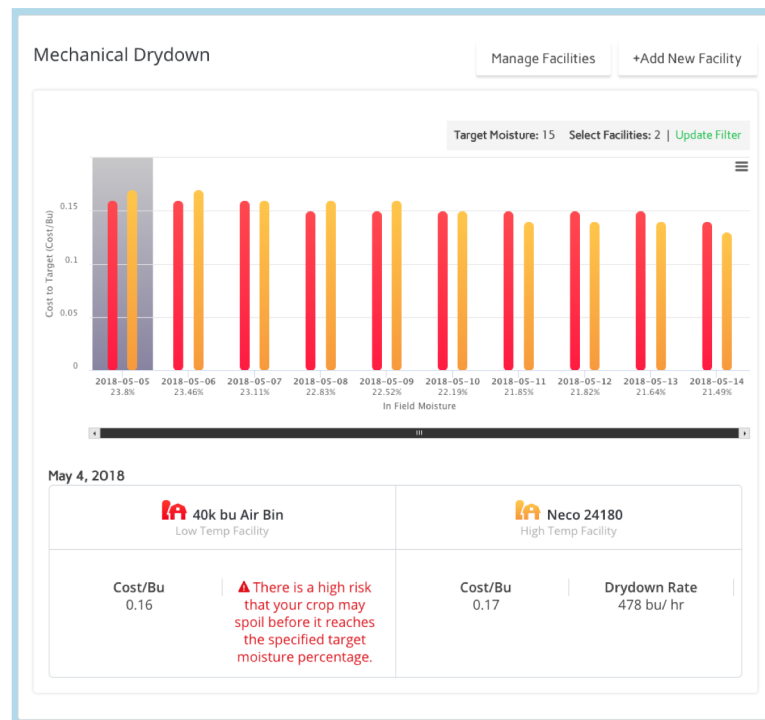


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Improving Product Performance Using ML

The performance of many eco-friendly crop protection products is highly dependent upon environmental conditions.

A better understanding of product - environment interactions can lead to:

- Improved product performance
- Reduced product application rates
- Reduced environmental impacts



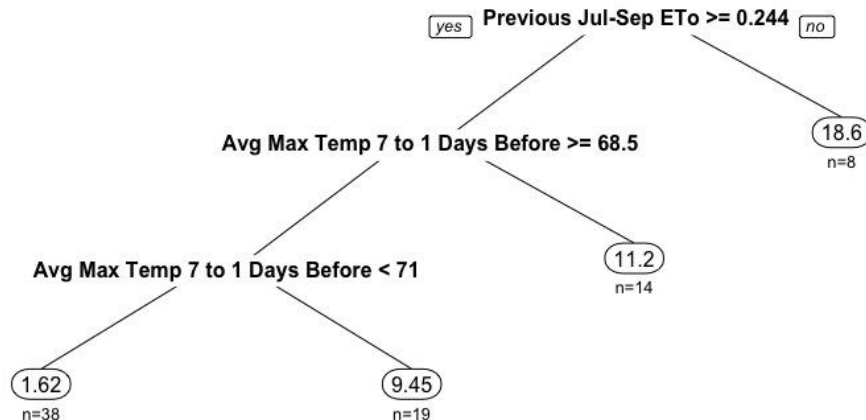
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Other AI/ML Applications in ClearAg[®]

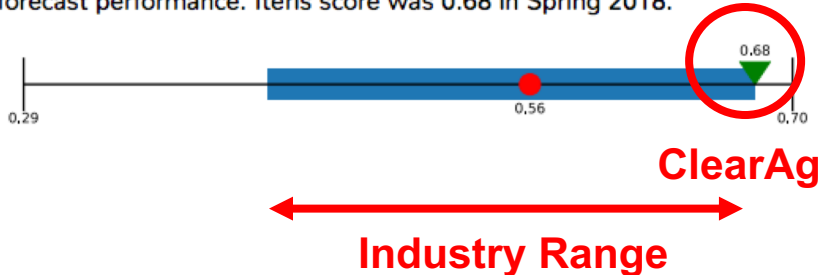
ClearAg boasts a highly-sophisticated weather analysis and forecasting infrastructure.

Machine Learning is applied to preferentially weight weather forecast models according to their real-time performance.

1 Day Out POP Brier Skill Score



The Brier Skill Score measures a Brier Score against a reference forecast. The reference forecast used here is a persistence forecast. A higher value represents better forecast performance. Iteris score was 0.68 in Spring 2018.



Field accessibility system uses neural networks to learn associations between modeled soil conditions and real-world data with respect to field accessibility.

International, Multi-Channel Customer Base

Seed & Crop Protection



Ag Software



Ag Services



ClearAg[®] Competitive Landscape

Solution		Competitors			
Product Validation				Internal Development	
Soil moisture / Irrigation					 
Harvest & Field Readiness			Farmers Practices		Internal Models
Basic Weather Content					 

Thank You!

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