Iteris Supplemental Financial Metrics (in thousands - unaudited)

	Q1-FY21	Q4-FY20	Q3-FY20	Q2-FY20	Q1-FY20
<u>Transportation Systems</u>					
Backlog - non-GAAP	\$59,563	\$53,352	\$56,050	\$58,320	\$49,490
Revenue	\$14,764	\$16,329	\$15,314	\$14,031	\$12,359
Gross margin %	34.0%	44.6%	36.0%	35.4%	33.7%
Segment operating income	\$2,264	\$4,379	\$2,669	\$1,942	\$1,566
% revenue	15.3%	26.8%	17.4%	13.8%	12.7%
Roadway Sensors					
Backlog - non-GAAP	\$8,293	\$8,695	\$6,690	\$7,681	\$6,710
Revenue	\$13,236	\$12,584	\$11,423	\$12,555	\$12,808
Gross margin %	44.2%	43.2%	44.8%	45.5%	42.3%
Segment operating income	\$3,111	\$1,744	\$1,487	\$2,224	\$2,332
% revenue	23.5%	13.9%	13.0%	17.7%	18.2%
Total Iteris					
Backlog - non-GAAP	\$67,856	\$62,047	\$62,740	\$66,001	\$56,200
Revenue	\$28,000	\$28,913	\$26,737	\$26,586	\$25,167
Gross margin %	38.8%	40.6%	39.8%	40.2%	38.1%
Segment operating income	\$5,375	\$6,123	\$4,156	\$4,166	\$3,898
Corporate expenses	(\$4,993)	(\$4,945)	(\$5,391)	(\$4,615)	(\$4,280)
Interest & other income	\$70	\$227	\$110	\$163	\$25
	ćo	(\$198)	(\$118)	(\$766)	(\$156)
Acquisition costs	\$0	(5130)	(5110)	(3700)	(5130)
Acquisition costs Income tax expense	\$0 (\$34)	(\$198)	(\$118)	(\$700)	(\$130)
•					
Income tax expense	(\$34)	(\$125)	(\$9)	(\$1)	(\$24)
Income tax expense Net income (loss) from continuing operations	(\$34) \$418	(\$125) \$1,082	(\$9) (\$1,252)	(\$1) (\$1,053)	(\$24) (\$537)
Income tax expense Net income (loss) from continuing operations % revenue	(\$34) \$418	(\$125) \$1,082	(\$9) (\$1,252)	(\$1) (\$1,053)	(\$24) (\$537)
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments:	(\$34) \$418 1.5%	(\$125) \$1,082 3.7%	(\$9) (\$1,252) -4.7%	(\$1) (\$1,053) -4.0%	(\$24) (\$537) -2.1%
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense	(\$34) \$418 1.5%	(\$125) \$1,082 3.7% \$125	(\$9) (\$1,252) -4.7%	(\$1) (\$1,053) -4.0%	(\$24) (\$537) -2.1% \$24
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation	(\$34) \$418 1.5% \$34 \$664	(\$125) \$1,082 3.7% \$125 \$731	(\$9) (\$1,252) -4.7% \$9 \$685	(\$1) (\$1,053) -4.0% \$1 \$566	(\$24) (\$537) -2.1% \$24 \$514
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization	(\$34) \$418 1.5% \$34 \$664 \$361	(\$125) \$1,082 3.7% \$125 \$731 \$382	(\$9) (\$1,252) -4.7% \$9 \$685 \$373	(\$1) (\$1,053) -4.0% \$1 \$566 \$337	(\$24) (\$537) -2.1% \$24 \$514 \$163
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization Depreciation	(\$34) \$418 1.5% \$34 \$664 \$361 \$185	\$1,082 3.7% \$125 \$731 \$382 \$193	(\$9) (\$1,252) -4.7% \$9 \$685 \$373 \$197	(\$1) (\$1,053) -4.0% \$1 \$566 \$337 \$204	(\$24) (\$537) -2.1% \$24 \$514 \$163 \$177
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization Depreciation Acquisition costs	\$418 1.5% \$34 \$664 \$361 \$185 \$0	\$1,082 3.7% \$125 \$731 \$382 \$193 \$197	(\$9) (\$1,252) -4.7% \$9 \$685 \$373 \$197 \$118	(\$1) (\$1,053) -4.0% \$1 \$566 \$337 \$204 \$766	(\$24) (\$537) -2.1% \$24 \$514 \$163 \$177 \$156
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization Depreciation Acquisition costs Restructuring	\$418 1.5% \$34 \$664 \$361 \$185 \$0 \$619	\$1,082 3.7% \$125 \$731 \$382 \$193 \$197 \$0	(\$9) (\$1,252) -4.7% \$9 \$685 \$373 \$197 \$118 \$553	(\$1) (\$1,053) -4.0% \$1 \$566 \$337 \$204 \$766 \$0	\$24 \$537) -2.1% \$24 \$514 \$163 \$177 \$156 \$0
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization Depreciation Acquisition costs Restructuring Total non-GAAP adjustments	\$418 1.5% \$34 \$664 \$361 \$185 \$0 \$619	\$1,082 \$1,082 3.7% \$125 \$731 \$382 \$193 \$197 \$0 \$1,628	(\$9) (\$1,252) -4.7% \$9 \$685 \$373 \$197 \$118 \$553 \$1,935	(\$1) (\$1,053) -4.0% \$1 \$566 \$337 \$204 \$766 \$0 \$1,874	\$24 \$537) -2.1% \$24 \$514 \$163 \$177 \$156 \$0 \$1,034
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization Depreciation Acquisition costs Restructuring Total non-GAAP adjustments Adjusted EBITDA from continuing operations	\$418 1.5% \$34 \$664 \$361 \$185 \$0 \$619 \$1,863	\$1,082 3.7% \$125 \$731 \$382 \$193 \$197 \$0 \$1,628	(\$9) (\$1,252) -4.7% \$9 \$685 \$373 \$197 \$118 \$553 \$1,935	(\$1) (\$1,053) -4.0% \$1 \$566 \$337 \$204 \$766 \$0 \$1,874	\$24 \$537) -2.1% \$24 \$514 \$163 \$177 \$156 \$0 \$1,034
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization Depreciation Acquisition costs Restructuring Total non-GAAP adjustments Adjusted EBITDA from continuing operations % revenue	\$418 1.5% \$34 \$664 \$361 \$185 \$0 \$619 \$1,863	\$1,082 3.7% \$125 \$731 \$382 \$193 \$197 \$0 \$1,628	(\$9) (\$1,252) -4.7% \$9 \$685 \$373 \$197 \$118 \$553 \$1,935	(\$1) (\$1,053) -4.0% \$1 \$566 \$337 \$204 \$766 \$0 \$1,874	\$24 \$537) -2.1% \$24 \$514 \$163 \$177 \$156 \$0 \$1,034
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization Depreciation Acquisition costs Restructuring Total non-GAAP adjustments Adjusted EBITDA from continuing operations % revenue Balance Sheet - key metrics	\$418 1.5% \$34 \$664 \$361 \$185 \$0 \$619 \$1,863 \$2,281	\$1,082 3.7% \$125 \$731 \$382 \$193 \$197 \$0 \$1,628 \$2,710	(\$9) (\$1,252) -4.7% \$9 \$685 \$373 \$197 \$118 \$553 \$1,935 \$683 2.6%	(\$1) (\$1,053) -4.0% \$1 \$566 \$337 \$204 \$766 \$0 \$1,874 \$821 3.1%	\$24 \$537) -2.1% \$24 \$514 \$163 \$177 \$156 \$0 \$1,034 \$497 2.0%
Income tax expense Net income (loss) from continuing operations % revenue Non-GAAP Adjustments: Income tax expense Stock-based compensation Amortization Depreciation Acquisition costs Restructuring Total non-GAAP adjustments Adjusted EBITDA from continuing operations % revenue Balance Sheet - key metrics Cash and short-term investments	\$418 1.5% \$34 \$664 \$361 \$185 \$0 \$619 \$1,863 \$2,281 8.1%	(\$125) \$1,082 3.7% \$125 \$731 \$382 \$193 \$197 \$0 \$1,628 \$2,710 9.4%	(\$9) (\$1,252) -4.7% \$9 \$685 \$373 \$197 \$118 \$553 \$1,935 \$683 2.6%	(\$1) (\$1,053) -4.0% \$1 \$566 \$337 \$204 \$766 \$0 \$1,874 \$821 3.1%	(\$24) (\$537) -2.1% \$24 \$514 \$163 \$177 \$156 \$0 \$1,034 \$497 2.0%

Iteris Supplemental Financial Metrics (in thousands - unaudited)

	<u>Q1-FY21</u>	Q4-FY20	Q3-FY20	Q2-FY20	Q1-FY20
Weighted avg shares outstanding-basic	40,732	40,662	40,593	40,493	34,268
Weighted avg shares outstanding-diluted	41,507	41,659	40,593	40,493	34,268
<u>Cash Flow</u>					
Operating activities - provided (used)	(\$302)	(\$1,406)	(\$2,198)	\$25	(\$188)
Investing activities - provided (used)	\$8,982	(\$188)	(\$115)	(\$6,047)	(\$332)
Financing activities - provided (used)	\$61	\$161	\$197	\$67	\$26,937
Increase/(decrease) in					
cash & short-term investments	\$8,741	(\$1,433)	(\$2,116)	(\$5,955)	\$26,417