

Iteris Supplemental Financial Metrics
(in thousands - unaudited)

	<u>Q3-FY21</u>	<u>Q2-FY21</u>	<u>Q1-FY21</u>	<u>Q4-FY20</u>	<u>Q3-FY20</u>
<u>Transportation Systems</u>					
Backlog - non-GAAP	\$63,970	\$61,917	\$59,563	\$53,352	\$56,050
Revenue	\$14,107	\$14,966	\$14,764	\$16,329	\$15,314
Gross margin %	38.1%	33.5%	34.0%	44.6%	36.0%
Segment operating income	\$1,979	\$2,295	\$2,264	\$4,379	\$2,669
% revenue	14.0%	15.3%	15.3%	26.8%	17.4%
<u>Roadway Sensors</u>					
Backlog - non-GAAP	\$12,880	\$11,194	\$8,293	\$8,695	\$6,690
Revenue	\$14,063	\$14,290	\$13,236	\$12,584	\$11,423
Gross margin %	44.7%	44.4%	44.2%	43.2%	44.8%
Segment operating income	\$2,702	\$3,083	\$3,111	\$1,744	\$1,487
% revenue	19.2%	21.6%	23.5%	13.9%	13.0%
<u>Total Iteris</u>					
Backlog - non-GAAP	\$76,850	\$73,111	\$67,856	\$62,047	\$62,740
Revenue	\$28,170	\$29,256	\$28,000	\$28,913	\$26,737
Gross margin %	41.4%	38.8%	38.8%	40.6%	39.8%
Segment operating income	\$4,681	\$5,378	\$5,375	\$6,123	\$4,156
Corporate expenses	(\$4,329)	(\$4,400)	(\$4,144)	(\$4,715)	(\$4,608)
Amortization of intangible assets	(\$376)	(\$230)	(\$230)	(\$230)	(\$230)
Restructuring charges & executive severance and transition costs	\$0	\$0	(\$619)	\$0	(\$553)
AGI Acquisition costs	(\$285)	\$0	\$0	(\$22)	(\$71)
Operating income (loss) from continuing operations	(\$309)	\$748	\$382	\$1,156	(\$1,306)
% revenue	-1.1%	2.6%	1.4%	4.0%	-4.9%
<u>Adjusted EBITDA</u>					
Net income (loss) from continuing operations	(\$261)	\$719	\$418	\$1,082	(\$1,252)
Income tax expense	(\$7)	\$28	\$34	\$125	\$9
Depreciation expense	\$183	\$182	\$185	\$196	\$197
Amortization expense	\$512	\$363	\$361	\$382	\$373
Stock-based compensation	\$740	\$667	\$664	\$715	\$561
Restructuring charges & executive severance and transition costs	\$0	\$0	\$619	\$0	\$553
Acquisition costs	\$285	\$0	\$0	\$22	\$71
Total adjustments	\$1,713	\$1,240	\$1,863	\$1,440	\$1,764
Adjusted EBITDA	\$1,452	\$1,959	\$2,281	\$2,522	\$512
% revenue	5.2%	6.7%	8.1%	8.7%	1.9%
<u>Balance Sheet - key metrics</u>					
Cash and short-term investments	\$22,801	\$37,933	\$34,660	\$25,919	\$27,352
Working capital	\$33,443	\$46,451	\$44,107	\$33,866	\$31,784
Deferred revenue	\$8,265	\$5,003	\$5,732	\$4,413	\$4,564
Debt	\$0	\$0	\$0	\$0	\$0