

Iteris Key Financial Metrics
(in thousands - unaudited)

	<u>Q3-FY20</u>	<u>Q2-FY20</u>	<u>Q1-FY20</u>	<u>Q4-FY19</u>	<u>Q3-FY19</u>
<u>Transportation Systems</u>					
Backlog - non-GAAP	\$56,050	\$58,320	\$49,490	\$44,525	\$45,202
Revenue	\$15,314	\$14,031	\$12,359	\$12,939	\$11,333
<i>Gross margin %</i>	36.0%	35.4%	33.7%	32.9%	34.2%
Segment operating income	\$2,669	\$1,942	\$1,566	\$1,631	\$1,147
<i>% revenue</i>	17.4%	13.8%	12.7%	12.6%	10.1%
<u>Roadway Sensors</u>					
Backlog - non-GAAP	\$6,690	\$7,681	\$6,710	\$6,244	\$6,044
Revenue	\$11,423	\$12,555	\$12,808	\$11,421	\$10,234
<i>Gross margin %</i>	44.8%	45.5%	42.3%	41.2%	40.2%
Segment operating income	\$1,487	\$2,224	\$2,332	\$1,548	\$1,153
<i>% revenue</i>	13.0%	17.7%	18.2%	13.6%	11.3%
<u>Agriculture & Weather Analytics</u>					
Backlog - non-GAAP	\$6,630	\$4,612	\$3,648	\$4,675	\$6,200
Revenue	\$1,996	\$1,296	\$1,440	\$1,731	\$1,573
<i>Gross margin %</i>	65.4%	54.5%	57.2%	60.8%	57.4%
Segment operating loss	(\$816)	(\$1,136)	(\$1,035)	(\$1,155)	(\$1,138)
<i>% revenue</i>	-40.9%	-87.7%	-71.9%	-66.7%	-72.3%
<u>Total Iteris</u>					
Backlog - non-GAAP	\$69,370	\$70,613	\$59,848	\$55,444	\$57,446
Revenue	\$28,733	\$27,882	\$26,607	\$26,091	\$23,140
<i>Gross margin %</i>	41.5%	40.8%	39.1%	38.6%	38.4%
Segment operating income	\$3,340	\$3,030	\$2,863	\$2,024	\$1,162
Corporate & other income (expense)	(\$5,111)	(\$4,615)	(\$4,278)	(\$4,489)	(\$3,668)
Acquisition costs	(\$398)	(\$766)	(\$156)	\$0	\$0
Operating loss - GAAP	(\$2,169)	(\$2,351)	(\$1,571)	(\$2,465)	(\$2,506)
<i>% revenue</i>	-7.5%	-8.4%	-5.9%	-9.4%	-10.8%
<u>Non-GAAP Adjustments:</u>					
Stock-based compensation	\$778	\$654	\$602	\$601	\$530
Amortization	\$424	\$387	\$247	\$302	\$273
Depreciation	\$214	\$222	\$198	\$190	\$198
Acquisition costs	\$118	\$766	\$156	\$0	\$0
Management restructuring	\$553	\$0	\$0	\$0	\$0

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Total non-GAAP adjustments	\$2,087	\$2,029	\$1,203	\$1,093	\$1,001
Operating income (loss) - non-GAAP	(\$82)	(\$322)	(\$368)	(\$1,372)	(\$1,505)
<i>% revenue</i>	-0.3%	-1.2%	-1.4%	-5.3%	-6.5%
<u>Balance Sheet - key metrics</u>					
Cash and cash equivalents	\$27,352	\$29,468	\$35,423	\$9,006	\$10,903
Working capital	\$30,227	\$31,683	\$38,149	\$13,475	\$14,152
Deferred revenue	\$5,392	\$5,387	\$4,491	\$4,883	\$3,920
Debt	\$0	\$0	\$0	\$0	\$0
Weighted avg shares outstanding-basic	40,593	40,493	34,268	33,358	33,265
Weighted avg shares outstanding-diluted	40,593	40,493	34,268	33,358	33,265
<u>Cash Flow</u>					
Operating activities - provided (used)	(\$2,198)	\$25	(\$188)	\$1,676	\$1,145
Investing activities - provided (used)	\$217	(\$6,379)	(\$332)	(\$194)	(\$336)
Financing activities - provided (used)	(\$135)	\$399	\$26,937	\$5	\$185
Increase/(decrease) in cash & cash equivalents	(\$2,116)	(\$5,955)	\$26,417	\$1,487	\$994