

iROBOT CORPORATION
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	December 28, 2019	December 29, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 239,392	\$ 130,373
Short term investments	17,032	31,605
Accounts receivable, net	146,161	162,166
Inventory	157,347	164,633
Other current assets	34,285	25,660
Total current assets	594,217	514,437
Property and equipment, net	75,988	57,026
Operating lease right-of-use assets	47,478	—
Deferred tax assets	41,791	36,979
Goodwill	118,732	118,896
Intangible assets, net	12,352	24,273
Other assets	30,195	15,350
Total assets	\$ 920,753	\$ 766,961
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 116,185	\$ 136,742
Accrued expenses	81,768	71,259
Deferred revenue and customer advances	4,549	5,756
Total current liabilities	202,502	213,757
Operating lease liabilities	54,928	—
Deferred tax liabilities	912	4,005
Other long-term liabilities	10,342	13,877
Total long-term liabilities	66,182	17,882
Total liabilities	268,684	231,639
Commitments and contingencies (Note 15)		
Preferred stock, 5,000 shares authorized and none outstanding	—	—
Common stock, \$0.01 par value; 100,000 shares authorized; 28,352 and 27,788 shares issued and outstanding, respectively	284	278
Additional paid-in capital	196,455	172,771
Retained earnings	452,321	367,021
Accumulated other comprehensive income (loss)	3,009	(4,748)
Total stockholders' equity	652,069	535,322
Total liabilities and stockholders' equity	\$ 920,753	\$ 766,961

See accompanying Notes to Consolidated Financial Statements

iROBOT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts)

	Fiscal Year Ended		
	December 28, 2019	December 29, 2018	December 30, 2017
Revenue	\$ 1,214,010	\$ 1,092,584	\$ 883,911
Cost of revenue:			
Cost of product revenue	658,362	518,612	438,114
Amortization of acquired intangible assets	11,721	18,544	12,638
Total cost of revenue	670,083	537,156	450,752
Gross profit	543,927	555,428	433,159
Operating expenses:			
Research and development	141,607	140,629	113,149
Selling and marketing	231,548	210,411	162,110
General and administrative	83,103	97,501	84,771
Amortization of acquired intangible assets	1,051	1,065	439
Total operating expenses	457,309	449,606	360,469
Operating income	86,618	105,822	72,690
Other income, net	12,215	2,800	3,676
Income before income taxes	98,833	108,622	76,366
Income tax expense	13,533	20,630	25,402
Net income	\$ 85,300	\$ 87,992	\$ 50,964
Net income per share:			
Basic	\$ 3.04	\$ 3.18	\$ 1.85
Diluted	\$ 2.97	\$ 3.07	\$ 1.77
Number of shares used in per share calculations:			
Basic	28,097	27,692	27,611
Diluted	28,735	28,640	28,753

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iROBOT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Fiscal Year Ended		
	December 28, 2019	December 29, 2018	December 30, 2017
Cash flows from operating activities:			
Net income	\$ 85,300	\$ 87,992	\$ 50,964
Adjustments to reconcile net income to net cash provided by operating activities, net of the effects of acquisitions:			
Depreciation and amortization	37,159	36,574	25,499
Gain on sale of equity investment	(8,439)	—	—
Gain on business acquisition	—	—	(2,243)
Stock-based compensation	23,744	25,804	19,751
Deferred income taxes, net	(11,118)	(10,848)	(999)
Other	7,267	1,837	864
Changes in operating assets and liabilities — (use) source			
Accounts receivable	13,064	(23,920)	(53,251)
Inventory	7,307	(58,546)	(1,470)
Other assets	(3,310)	(8,533)	(10,562)
Accounts payable	(20,536)	22,470	17,457
Accrued expenses and other liabilities	(386)	(1,145)	30,305
Net cash provided by operating activities	130,052	71,685	76,315
Cash flows from investing activities:			
Additions of property and equipment	(35,337)	(32,422)	(23,371)
Change in other assets	(5,436)	(2,363)	(1,542)
Proceeds from sale of equity investments	9,787	856	1,267
Cash paid for business acquisitions, net of cash acquired	(2,817)	—	(148,765)
Purchases of investments	—	(6,438)	(10,578)
Sales and maturities of investments	12,880	14,000	13,066
Net cash used in investing activities	(20,923)	(26,367)	(169,923)
Cash flows from financing activities:			
Proceeds from employee stock plans	7,147	10,366	10,573
Income tax withholding payment associated with restricted stock vesting	(7,277)	(3,532)	(2,983)
Stock repurchases	—	(50,000)	—
Net cash (used in) provided by financing activities	(130)	(43,166)	7,590
Effect of exchange rate changes on cash and cash equivalents	20	(414)	130
Net increase (decrease) in cash and cash equivalents	109,019	1,738	(85,888)
Cash and cash equivalents, at beginning of period	130,373	128,635	214,523
Cash and cash equivalents, at end of period	\$ 239,392	\$ 130,373	\$ 128,635
Supplemental disclosure of cash flow information			
Cash paid for income taxes	\$ 22,582	\$ 39,517	\$ 25,879

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