

# SECOND QUARTER 2016 RESULTS

“Our second quarter performance reflects record revenue from new products of \$15.9 million, or 44% of total revenues, propelled by market demand for our Mobile and Office/VoIP products. Moreover, the new product contribution drove strong year-over-year and sequential non-GAAP gross margin growth. In the third quarter of 2016, we expect sequential revenue growth, led by the continued success of our new product initiatives and sequential improvement in the cordless segment. Our growth and long-term value propositions are now driven by our proven new product initiatives. We are achieving market leadership in Office/VoIP, and HDClear is rapidly gaining recognition as a key technology for voice activation and voice user interface across a range of IoT, audio and mobile devices.”

Ofer Elyakim, Chief Executive Officer

## FINANCIAL HIGHLIGHTS

**\$36.2M**  
REVENUES

**\$0.11**  
EPS NON-GAAP

**\$15.9M**  
NEW PRODUCT REVENUES

**44.2%**  
GROSS MARGINS NON-GAAP

## NEW PRODUCT HIGHLIGHTS

### HOME

- IoT revenues of \$1.3M, a year-over-year increase of 42%
- Home gateway revenues of \$2.6M, in line with guidance
- Signed a new leading Telco for Home Gateway and signed two new customers for smart home and smart city applications



### OFFICE

- Office/VoIP segment revenues of \$7.4M, a year-over-year increase of 42%
- Began volume shipments to a new tier 1 OEM

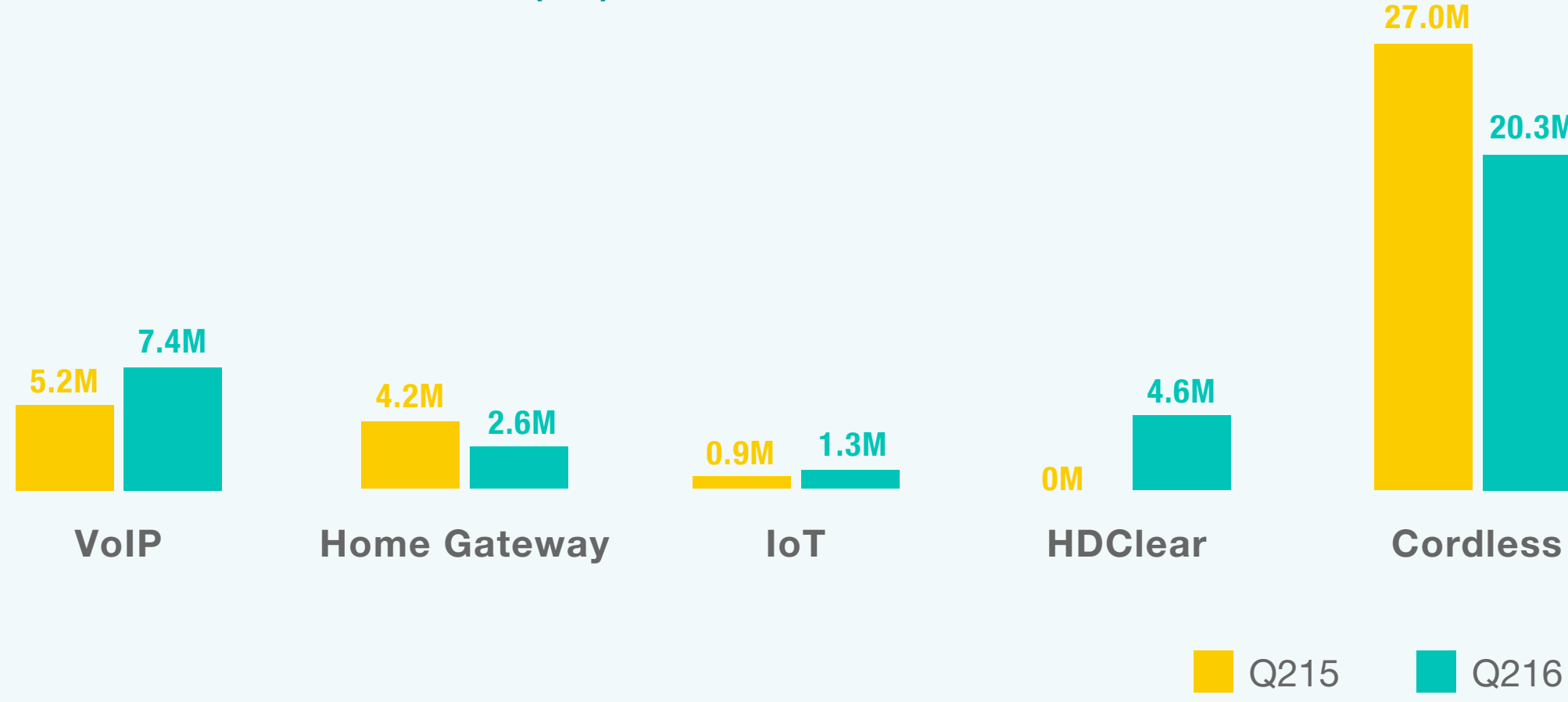


### MOBILE

- Mobile segment revenues of \$4.6M, 13% of total revenues
- Secured HDClear design win with a leading OEM for a non-smartphone applications



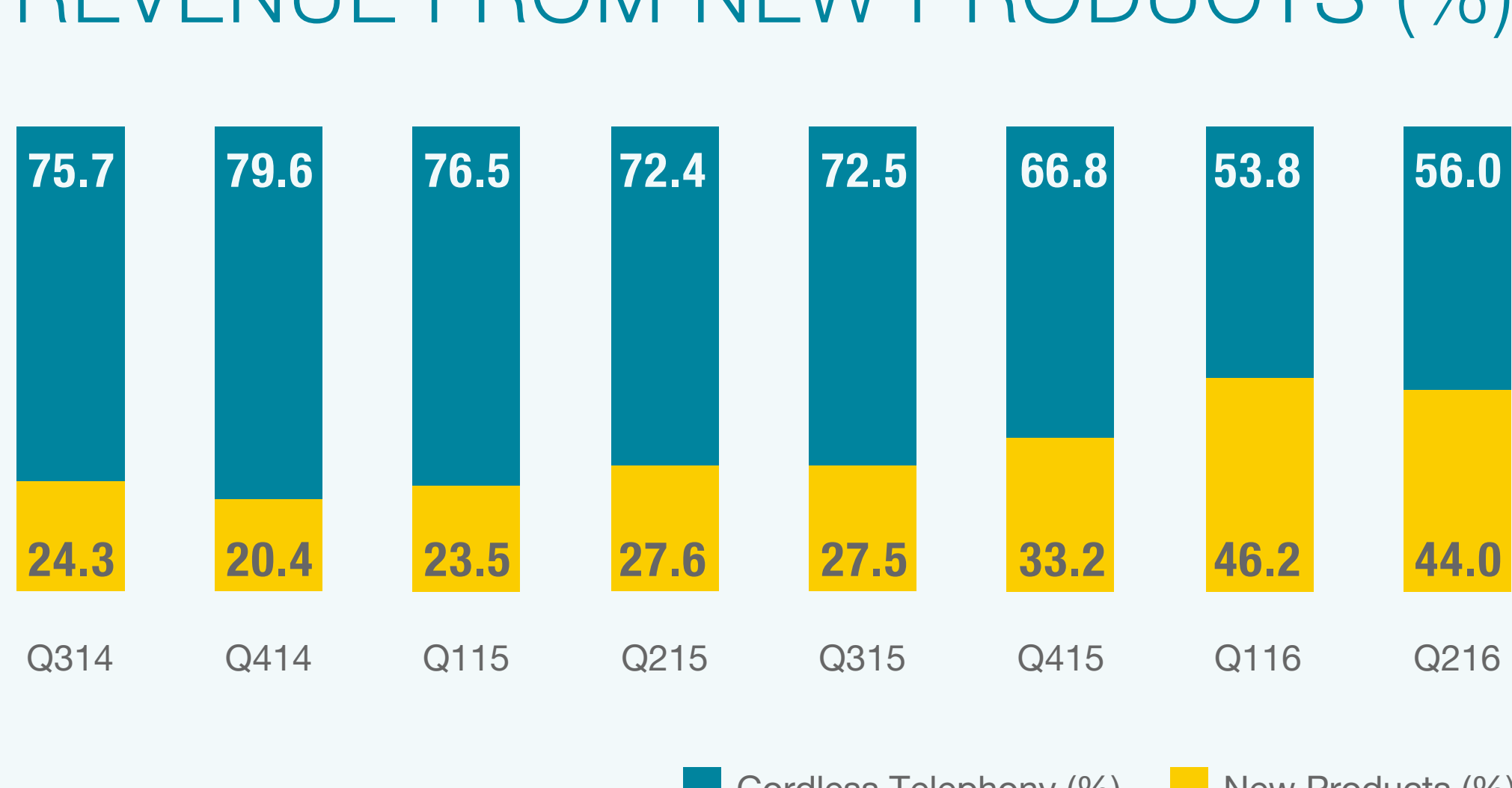
## REVENUES (\$)



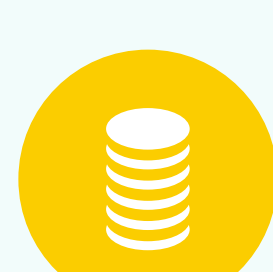
## GROSS MARGINS NON-GAAP



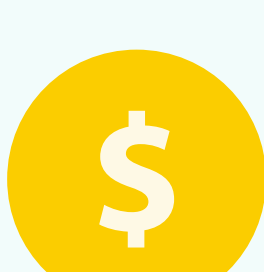
## REVENUE FROM NEW PRODUCTS (%)



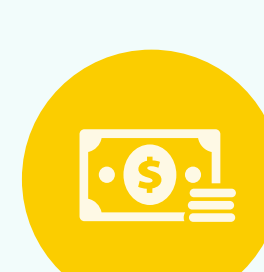
## FAST FACTS



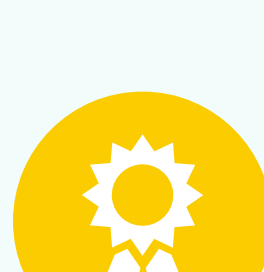
**\$1.3M**  
Q2 SHARE BUYBACK



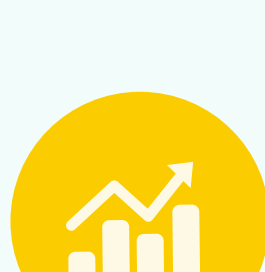
**\$123M**  
Q2 CASH



**\$9.0M**  
Q2 OPERATING CASH FLOW



**6.9%**  
OPERATING MARGIN NON-GAAP



**\$5.25**  
Q2 CASH PER SHARE