

THIRD QUARTER 2017 RESULTS

“We are very pleased with our third quarter results that were ahead of our guidance in almost every financial metric, including a sequential new products revenue growth of 9%. Our GAAP and non-GAAP gross margin improved to a ten-year high, reaching 46.7% and 46.9%, respectively. Moreover, we are very excited about the solid momentum in our SmartVoice segment, as evidenced by eight new product launches, including by some of the world’s leading brands in consumer electronics. In our Office/VoIP segment, we delivered another record quarter with revenues surpassing \$10 million for the first time.”

Ofer Elyakim, Chief Executive Officer

FINANCIAL HIGHLIGHTS

\$34.3M
REVENUES

\$0.10
EPS NON-GAAP

\$16.0M
NEW PRODUCT REVENUES

46.9%
GROSS MARGINS NON-GAAP

NEW PRODUCT HIGHLIGHTS

HOME

- IoT revenues of \$1.5M, a year over year increase of 24%
- Home Gateway revenues of \$3.1M, a year over year increase of 1%
- Howdens Joinery selected an IoT solution by Cloud of Things based on our ULE technology



OFFICE

- Office/VoIP segment revenues of \$10.1M, a year over year increase of 32%

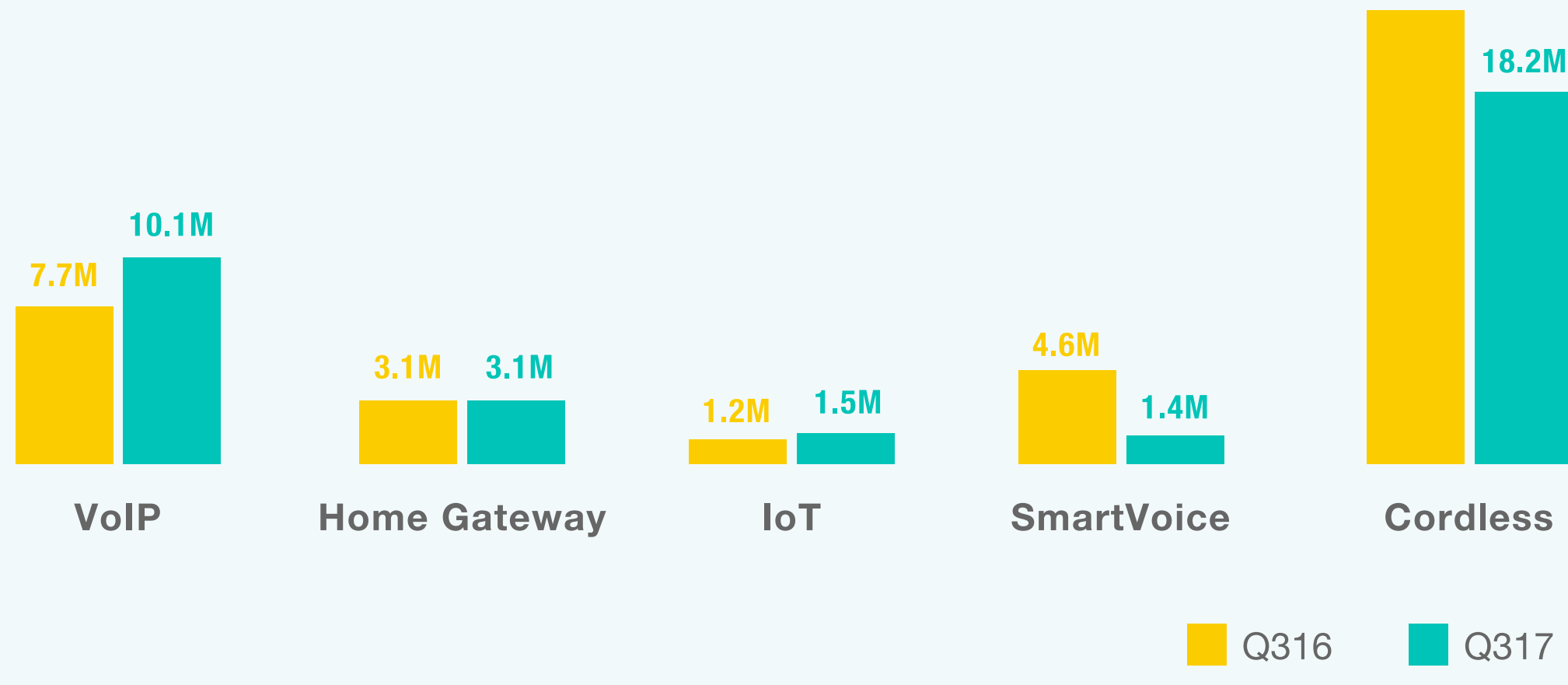


SmartVoice

- SmartVoice segment revenues of \$1.4M, a year over year decrease of 71%
- High volume design win in SmartVoice in a smartphone product by a leading mobile phone OEM
- GoPro selected our SmartVoice technology for its new Hero 6 black
- Four new smart speaker products by leading OEMs were launched that incorporate our SmartVoice technology for microphones beamforming and barge in
- A leading OEM selected our SmartVoice technology for its newly launched smart watch



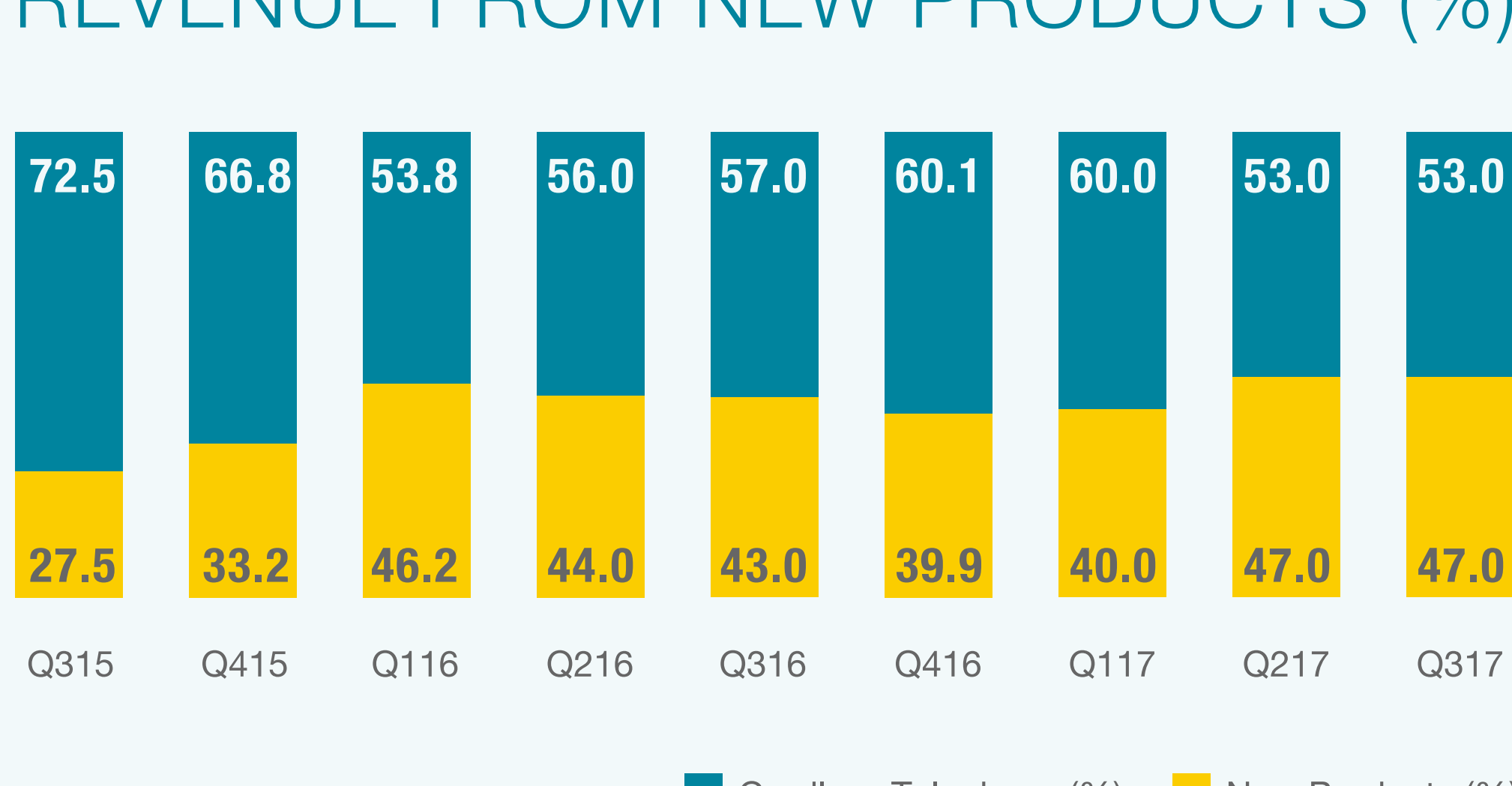
REVENUES (\$)



GROSS MARGINS NON-GAAP



REVENUE FROM NEW PRODUCTS (%)

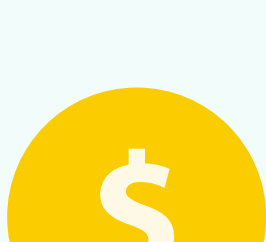


FAST FACTS



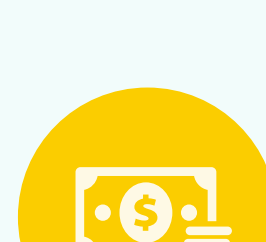
\$1.7M

Q3 SHARE BUYBACK



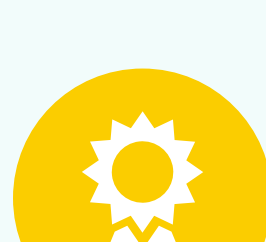
\$122.2M

Q3 CASH



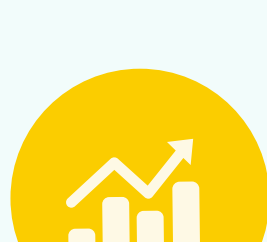
\$(1.7M)

Q3 OPERATING CASH FLOW



6.1%

OPERATING MARGIN NON-GAAP



\$5.26

Q3 CASH PER SHARE