

iRobot[®]

**NDIA Disruptive
Technologies
Conference**

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Forward Looking Statements

- Certain statements made in this presentation that are not based on historical information are forward-looking statements which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.
- These statements are neither promises nor guarantees, but are subject to a variety of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those contemplated in these forward-looking statements.
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Disruptive Technologies Timeline



Massive disturbances occur with the introduction of disruptive technology. Life before and after a disruptive technology is fundamentally different.

Disruptive Technologies Timeline



Fire



60000BC



CROSSING THE CHASM

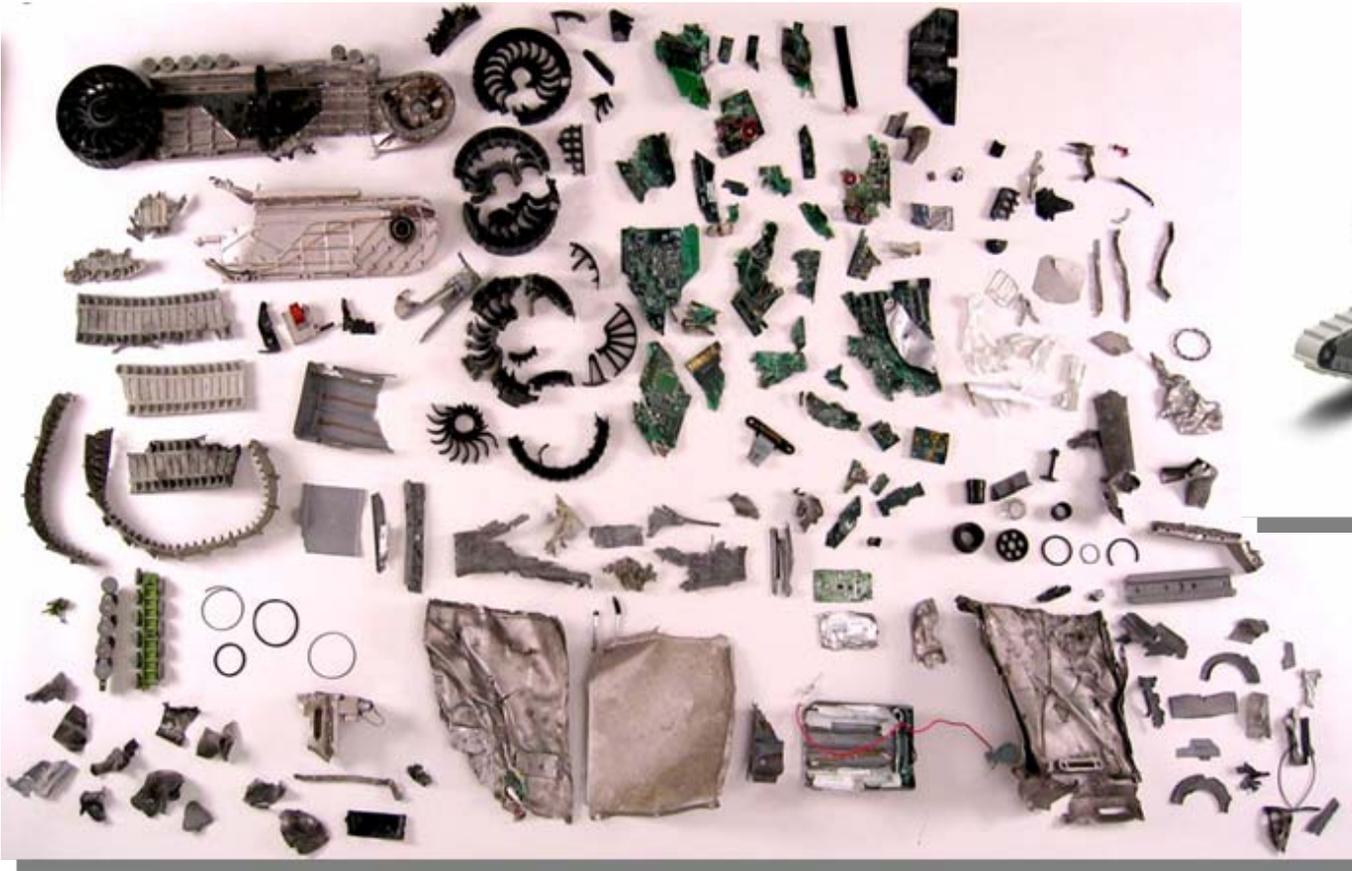
High-Tech Marketing Illusion

The Revised Technology Adoption Life Cycle



“Crossing the Chasm” by G. Moore, Harper Business Essentials





PackBot #129
Killed In Action
Iraq



iRobot® What We Do



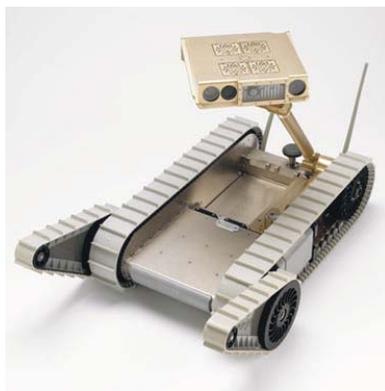
PackBot w/
Recon kit,
Afghanistan,
2003



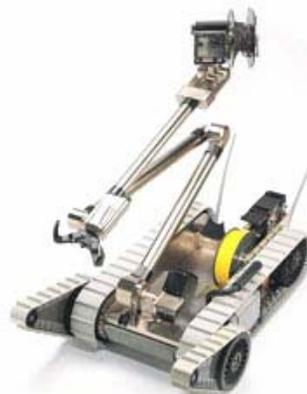
PackBot w/EOD kit, Iraq, 2006



PackBot w/Recon
kit



PackBot
w/Advanced
Recon kit



PackBot w/EOD kit



iRobot SUGV for
FCS Exp. 1.1,
WSMR 2007



iRobot Warrior
X700

Roomba®

VACUUMING ROBOT

- Introduced in 2002
- 2 million units sold
- 1% market penetration



Air Assault Expeditionary Force (AAEF) Experiment, Ft. Benning, GA 09 Dec 2005

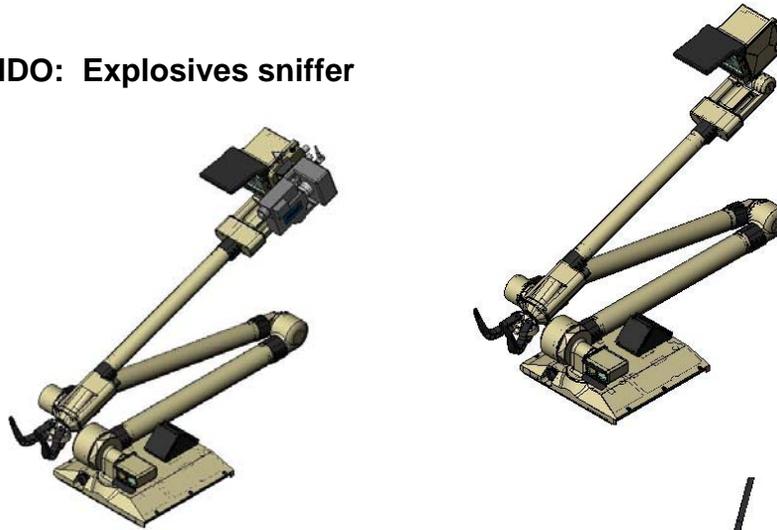
- **Scene: 09 Dec 2005 -- The experimental force commander and five of his team (from team leader to trooper) at Q&A session chaired by Gen William S. Wallace (new TRADOC 4 star)**
 - **First question: "Captain, of all the new technologies and capabilities you've used during this AAEF experiment, which one single piece would you deploy today?"**
 - **Answer: "Sir, the Packbot (Explorer.)"**



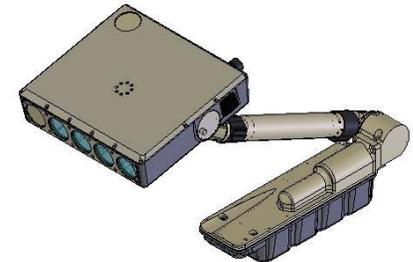
PackBot: Digital Modular Architecture

EOD: Explosive Ordnance Disposal

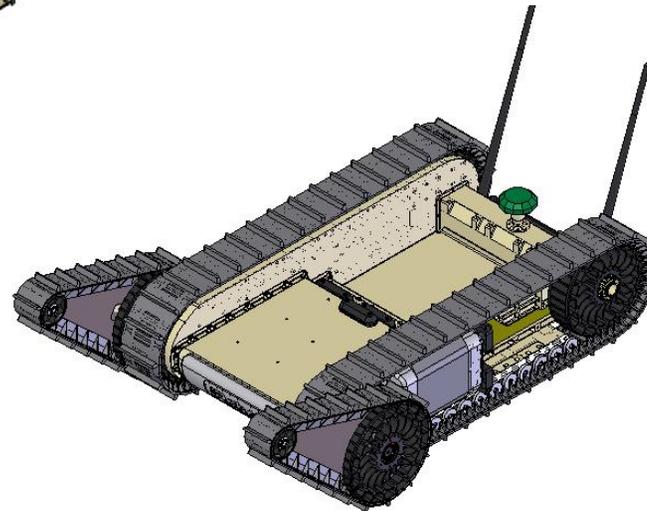
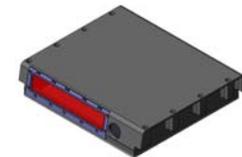
FIDO: Explosives sniffer



Explorer: Recon & Surveillance



Scout: Recon & Surveillance



PackBot: Modular Chassis



Digital Architecture & Systems Integration

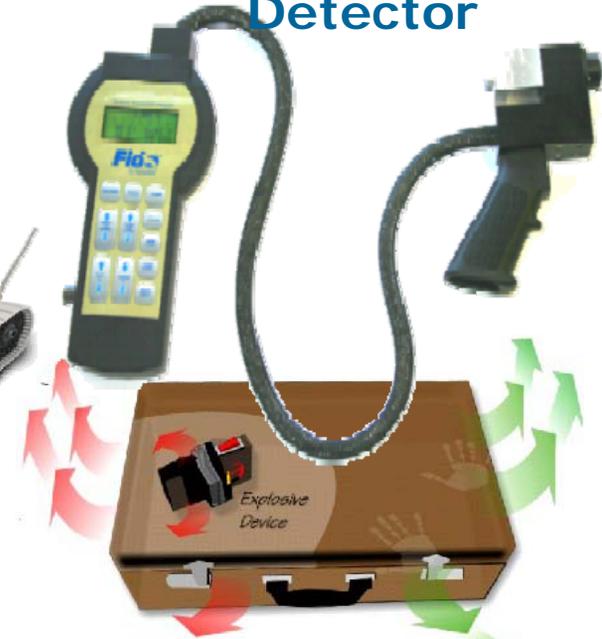




Nomadics FIDO + iRobot PackBot



Fido™
Explosives
Detector



iRobot®

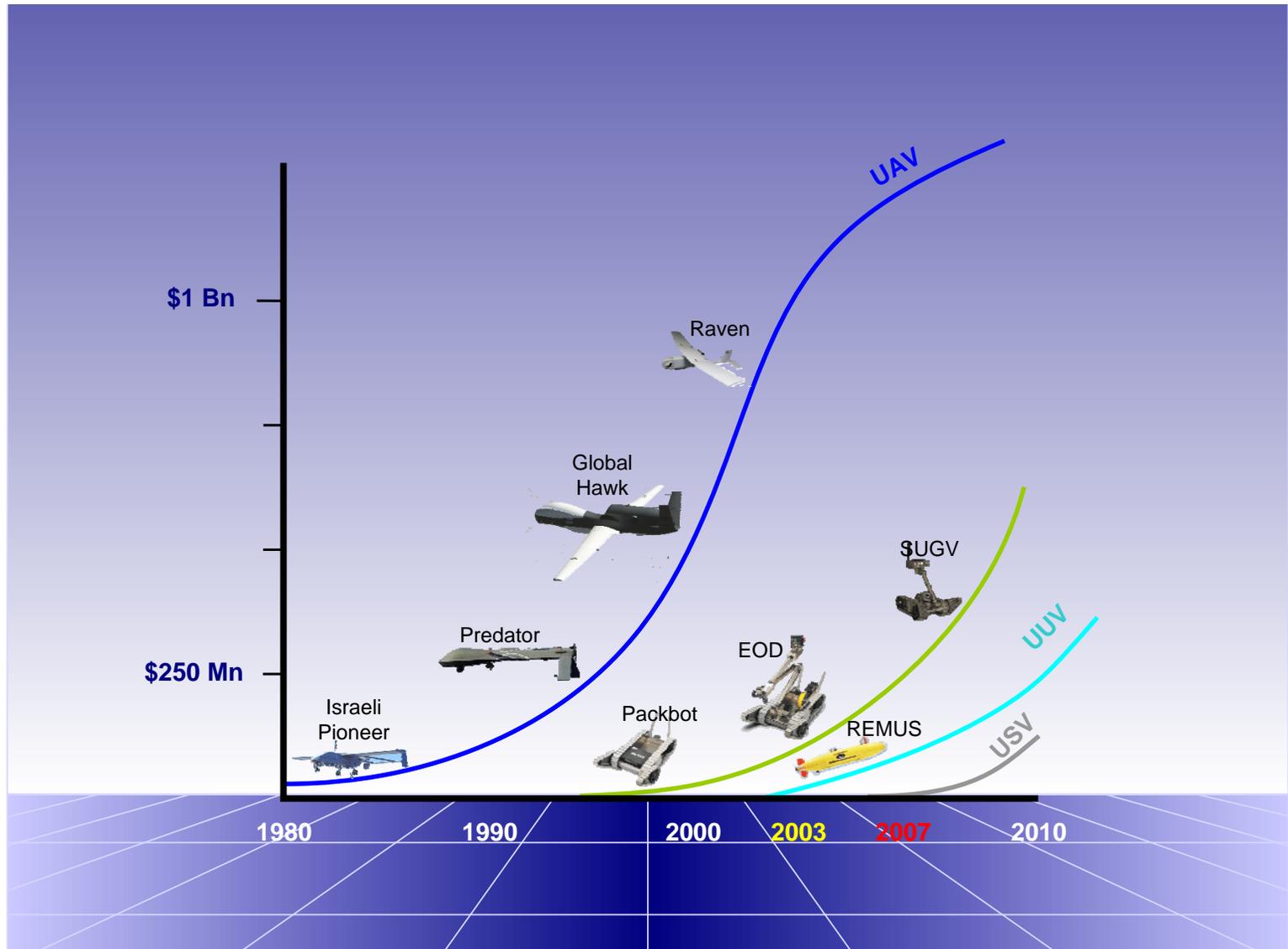
SAFETY FROM STANDOFF:
PackBot carries the sensor to
the vehicles, so Soldiers
aren't exposed.

THE DETECTION OPPORTUNITY:
Explosives leave invisible traces of
vapors which FIDO can sniff and detect.

“FIDO was able to detect explosives 80 feet away. This allowed separation of the Soldiers and dog from the bomb, thus saving lives. . . .”



Market Maturation of Unmanned Military Vehicles



Computers 1978 = Robots 2001

- Locked away from public
 - too dangerous for computers
- Used inside large companies
- Operational use in military
- First few “home” computers
 - in the form of games
- Computer hacking clubs
- How-to-build-your-own books
- Undergraduate majors appearing
- First mass market “serious” home computer attempts

- Locked away from public
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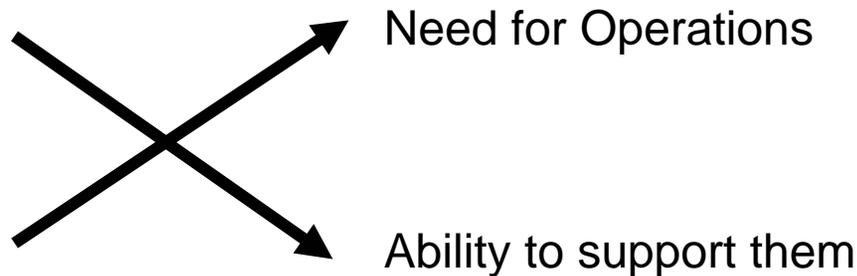


Military Engagement – The World is a More Dangerous Place

- High tempo military operations and a dramatically lower tolerance for casualties and POW's.
- U.S. volunteer force resources are being stretched



We have over 350,000 SOLDIERS overseas in 120 countries

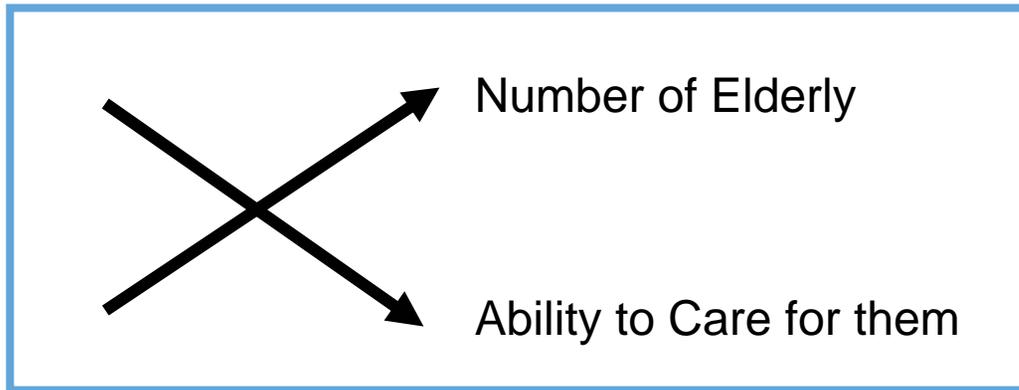


- **The US cannot afford to spend our way out of this problem using current technology and doctrine**

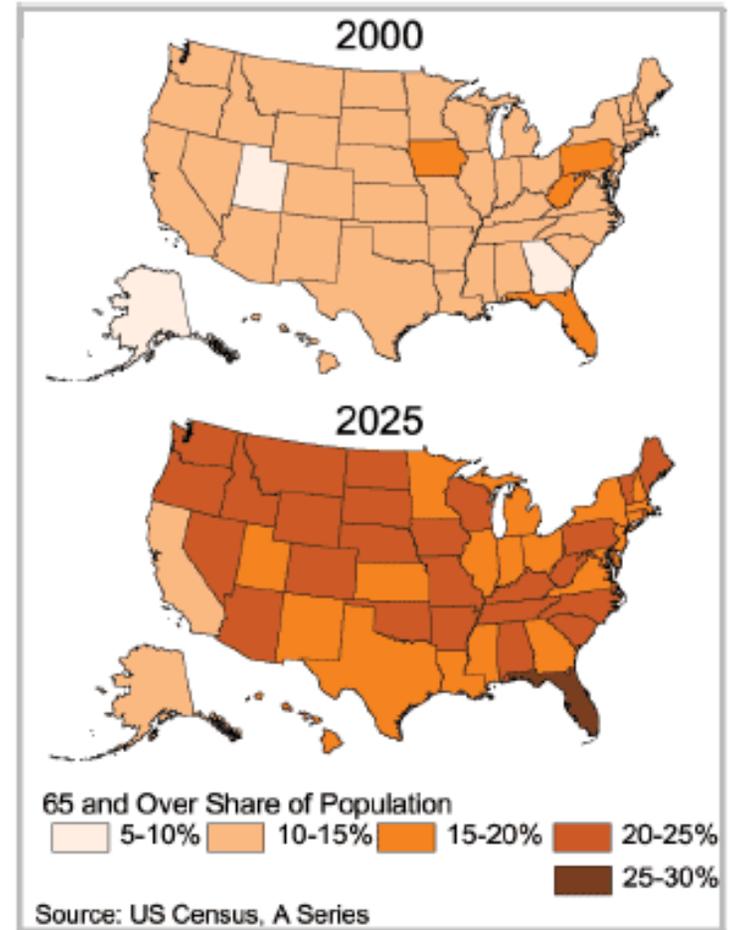


Long Term Driver

- Our current ability to care for the elderly is barely adequate and in decline
- A massive increase in the number of elderly people is imminent

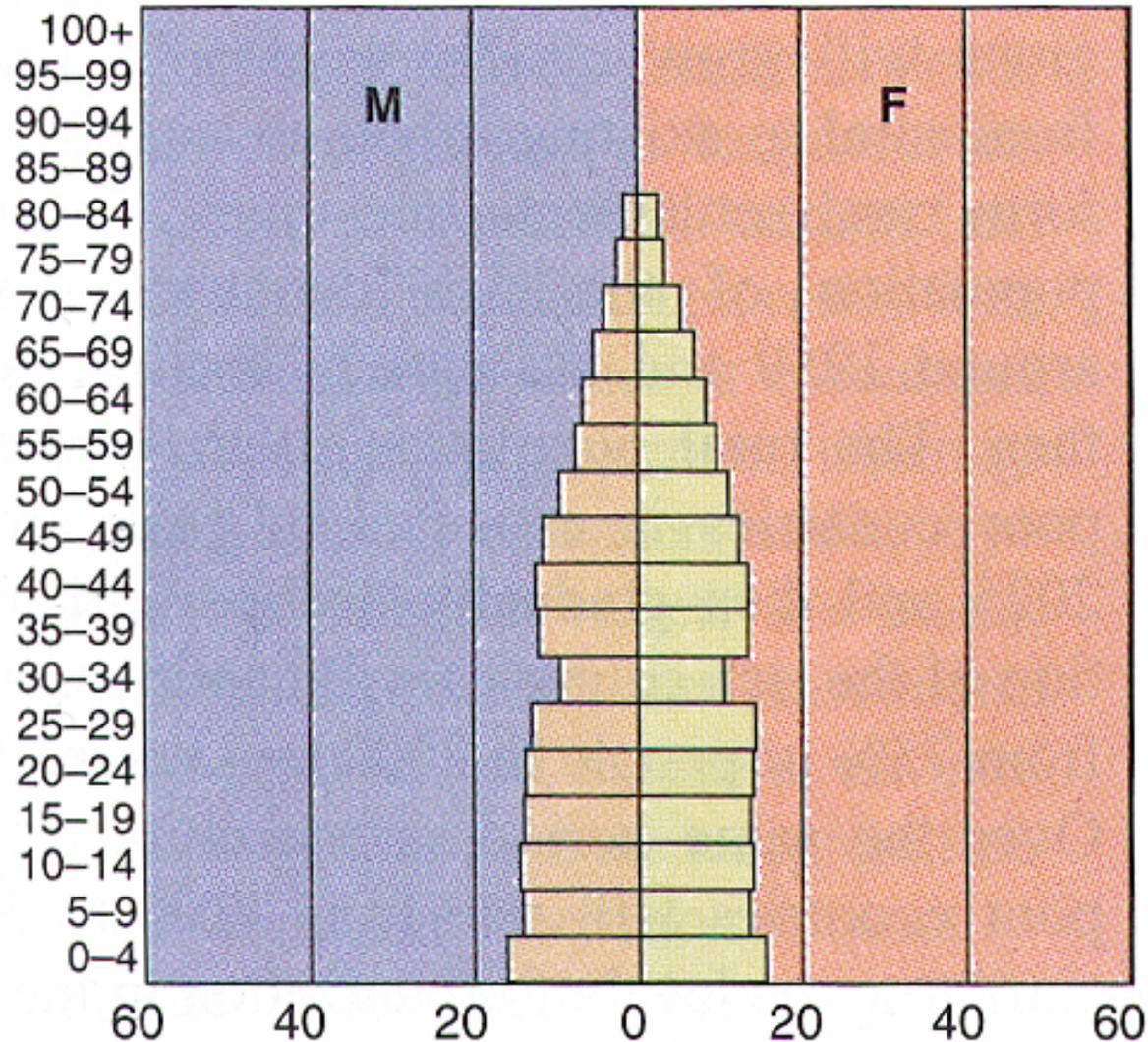


- **We cannot simply spend our way to a solution.**



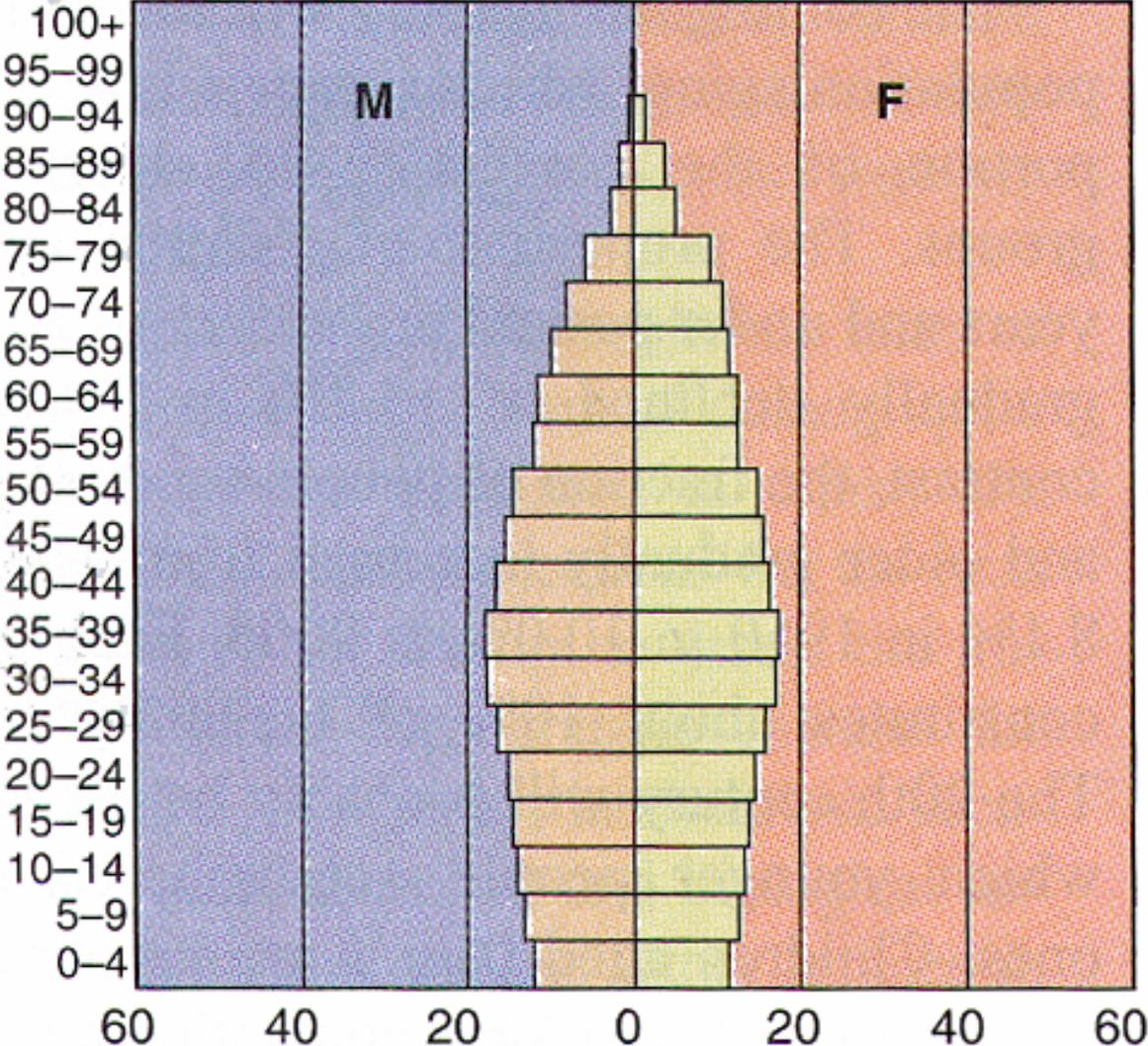
Europe - 1950

(Population: 349.8 million)



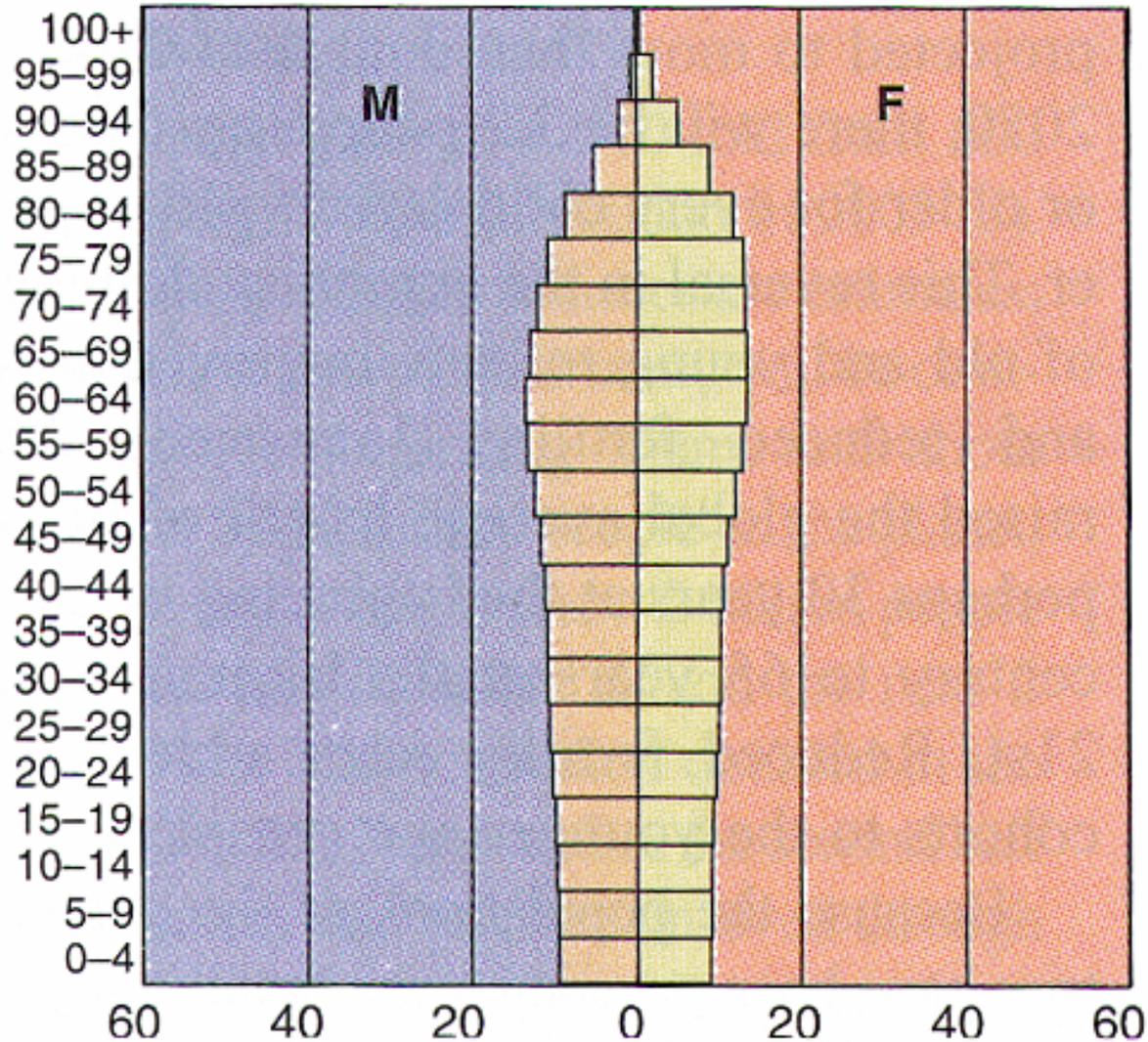
Europe - 2000

(Population: 451.4 million)

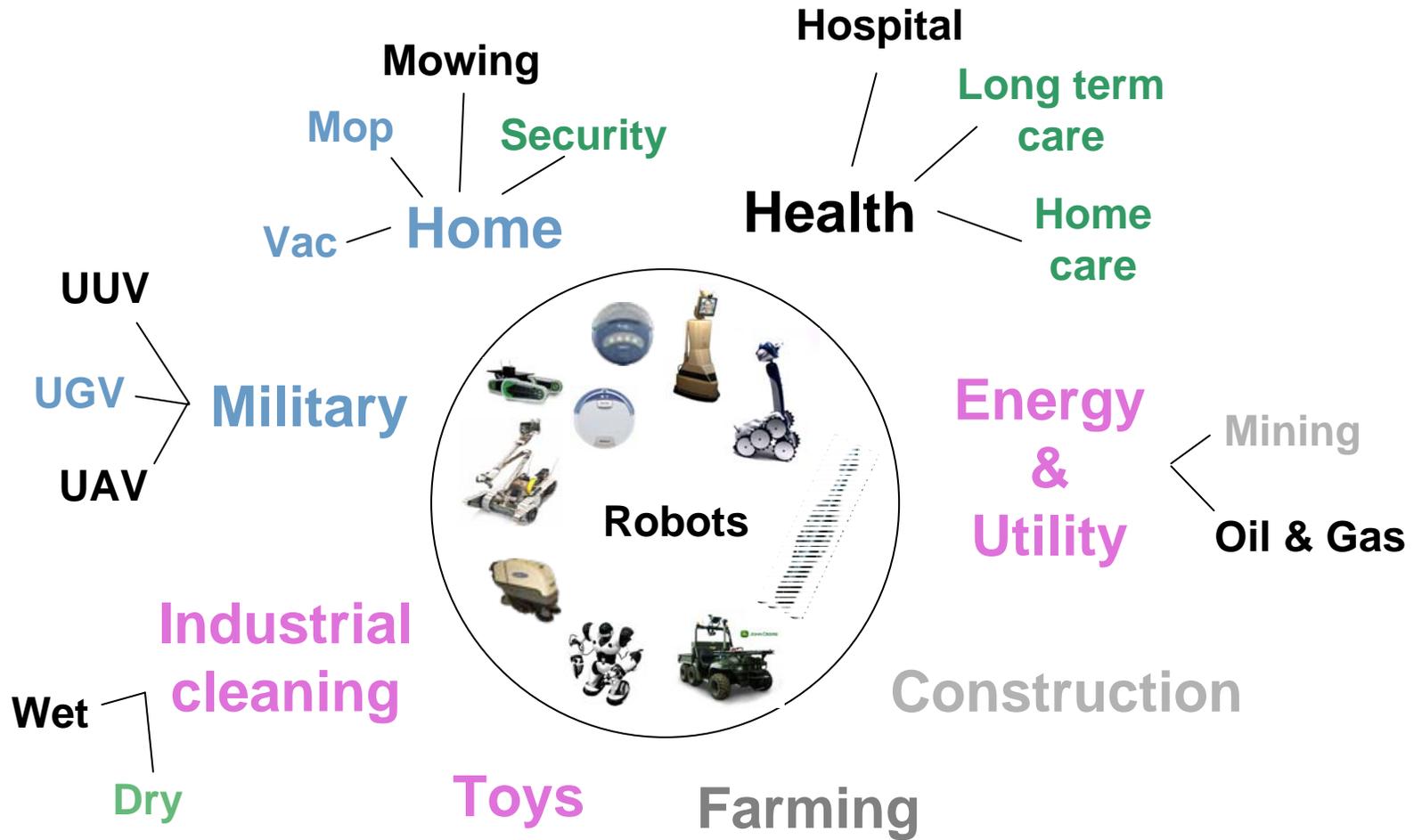


Europe - 2050

(Population: 401 million)



The Robot Industry



Soldiers will find more missions for robots than expected



Consequences

- *Potential to completely change the world's labor markets from the way they have developed over the last 50 years*
 - change the need for low-cost labor migration
 - change the face of out sourcing
 - significantly impact the labor requirements for elder-care in societies with changing demographics
 - **CHANGE THE WAY THE MILITARY OPERATES**
- *Potential to create an economic tsunami that rivals or surpasses the silicon valley experience*



iRobot[®]

THANK YOU!

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