

# FIRST QUARTER 2018 RESULTS

“With Office/VoIP, SmartVoice and SmartHome revenues representing 50% of our business, we are now at the inflection point where our growth initiatives will define our future and more than offset the secular decline of the cordless telephony market, thereby accelerating overall growth for the company. These initiatives collectively grew at 26% year-over-year, and combined with our solid and growing engagement pipeline, we are well positioned for long term sustainable growth in each of these product categories. Our improved mix of innovative, differentiated products coupled with operational efficiencies drove our non-GAAP gross margin improvement of 490 bps to 49.1% and a return to non-GAAP profitability.”

Ofer Elyakim, Chief Executive Officer

## FINANCIAL HIGHLIGHTS

**\$28.1M**  
REVENUES

**\$0.01**  
EPS NON-GAAP

**\$14.0M**  
NEW PRODUCT REVENUES

**49.1%**  
GROSS MARGINS NON-GAAP

## NEW PRODUCT HIGHLIGHTS

### SmartHome

- SmartHome revenues of \$4.1M, a year over year decrease of 2%
- Leading Tier1 European service provider launching a SmartHome service based on our ULE technology in late 2018
- Launched our new DHAN-J ULE module for industrial IoT and smart building applications
- SGW Global launched a line of truly wireless Alexa-integrated voice activated products based on our ULE and SmartVoice SoCs



### OFFICE

- Office/VoIP segment revenues of \$8.4M, a year over year increase of 27%
- Avaya launched its new J100 IP phone series based on our DVF9929/19 SoCs.
- Cisco launched its new multi-platform ATA products based on our DVF9929 SoCs.
- Polycom launched Obi2182, a top-line IP phone, based on our DVF9919 SoCs

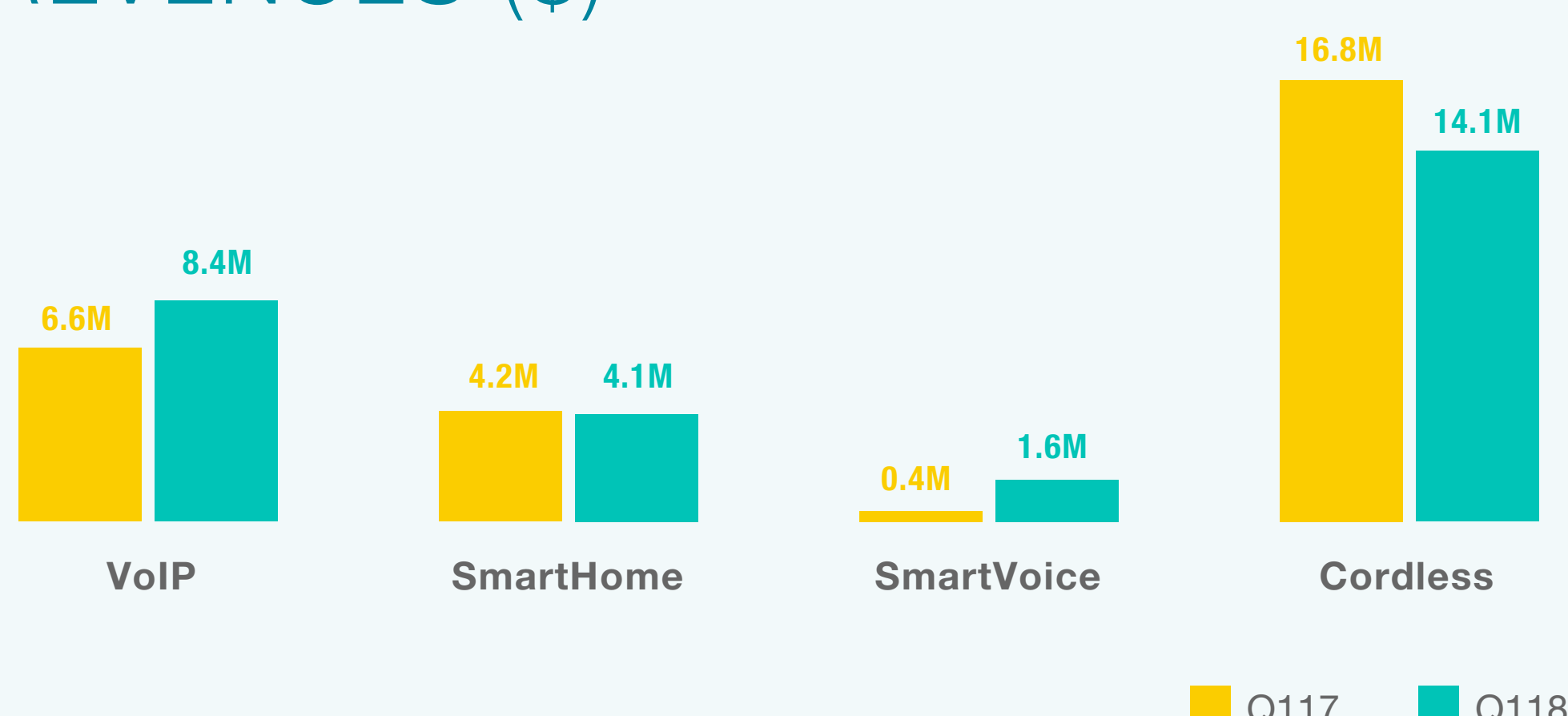


### SmartVoice

- SmartVoice segment revenues of \$1.6M, a year over year increase of 316%
- Two Chinese smartphone OEMs selected our SmartVoice SoC for their new smartphone models.
- A leading Japanese Mobile OEM launched a series of tablet products based on our SmartVoice SoC.
- A leading European audio consumer brand selected our SmartVoice solution for its new smart speaker product



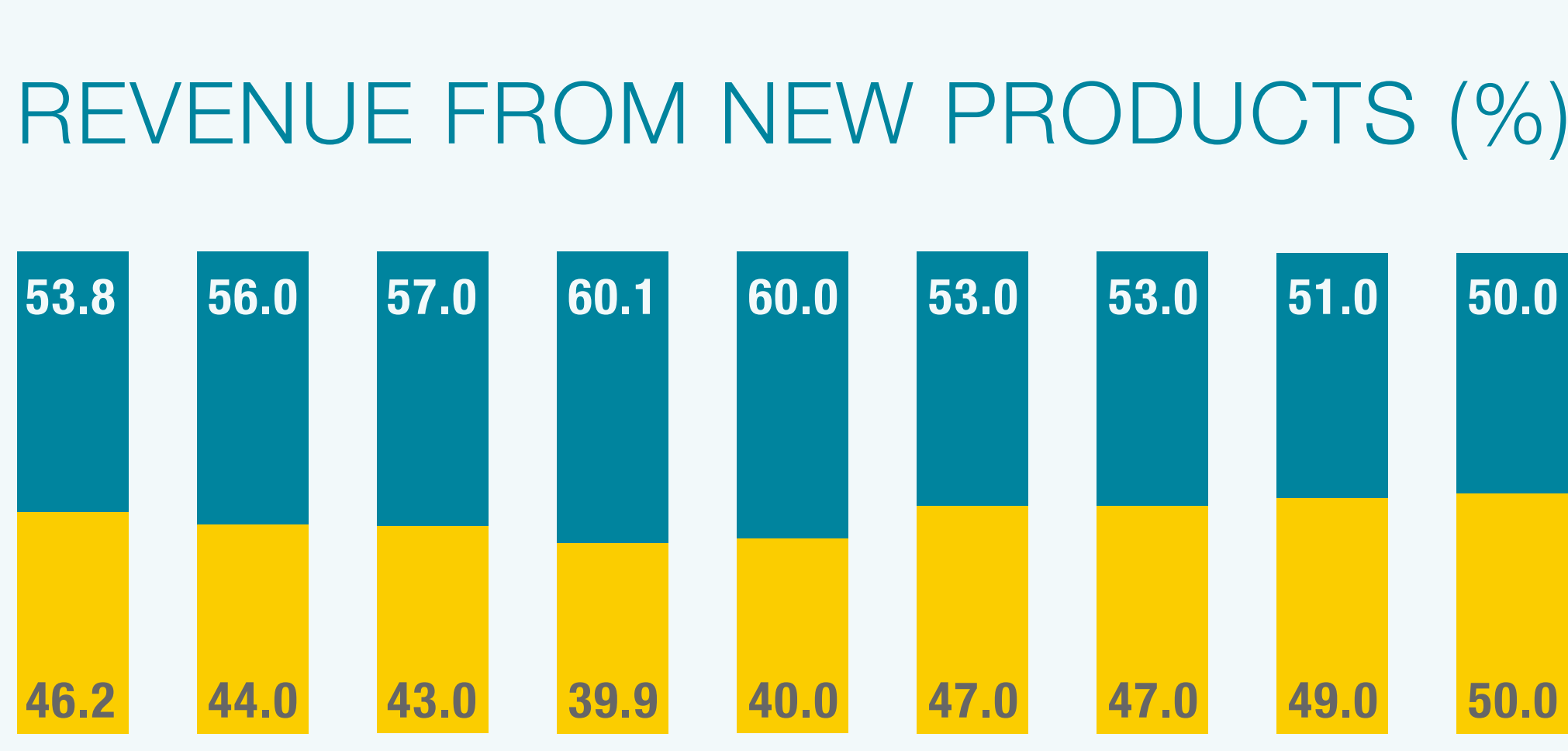
## REVENUES (\$)



## GROSS MARGINS NON-GAAP



## REVENUE FROM NEW PRODUCTS (%)



## FAST FACTS



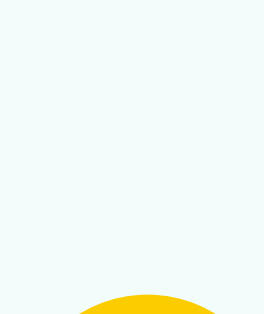
**\$1.2M**

Q1 SHARE BUYBACK



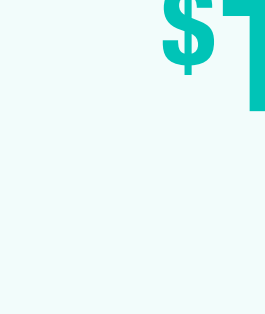
**\$123.6M**

Q1 CASH



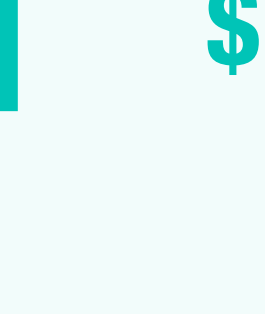
**\$(3.4M)**

Q1 OPERATING CASH FLOW



**(0.8%)**

OPERATING MARGIN NON-GAAP



**\$5.45**

Q1 CASH PER SHARE