



Investor Presentation

Third QUARTER 2020

Nasdaq: AAOI

SAFE HARBOR STATEMENT

This presentation contains forward-looking statements. The statements contained in this presentation that are not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act, as amended. These forward-looking statements involve assumptions and current expectations, which are subject to risks and uncertainties that could cause the company's actual results to differ materially from those anticipated in such forward-looking statements. These risks and uncertainties include but are not limited to: reduction in the size or quantity of customer orders; change in demand for the company's products due to industry conditions; our ability to maintain sufficient liquidity; changes in manufacturing operations; volatility in manufacturing costs; delays in shipments of products; disruptions in the supply chain; change in the rate of design wins or the rate of customer acceptance of new products; the company's reliance on a small number of customers for a substantial portion of its revenues; potential pricing pressure; a decline in demand for our customers' products or their rate of deployment of their products; general conditions in the internet datacenter, cable television ("CATV"), fiber-to-the-home ("FTTH"), or telecommunications ("Telecom") markets; changes in the world economy (particularly in the United States and China); changes in the taxation and regulation of international trade, including the imposition of tariffs; changes in currency exchange rates; the negative effects of seasonality; impact of the Tax Cuts and Jobs Act of 2017, including its impact on deferred tax assets and the one-time transition tax on unremitted foreign earnings and on the realization of deferred tax assets; and other risks and uncertainties described more fully in the company's documents filed with or furnished to the Securities and Exchange Commission. More information about these and other risks that may impact the company's business are set forth in the "Risk Factors" section of the company's quarterly and annual reports on file with the Securities and Exchange Commission, which are available online at www.edgar.gov.

In some cases, you can identify forward-looking statements by terminology such as "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "could," "would," "target," "seek," "aim," "believe," "predicts," "think," "objectives," "optimistic," "new," "goal," "strategy," "potential," "is likely," "will," "expect," "plan" "project," "permit" or by other similar expressions that convey uncertainty of future events or outcomes. You should not rely on forward-looking statements as predictions of future events. All forward-looking statements in this presentation are based upon information available to us as of the date hereof, and qualified in their entirety by this cautionary statement. Except as required by law, we assume no obligation to update forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in the company's expectations.

In this presentation we include certain other non-GAAP measures that we believe are useful to investors in evaluating our operating performance. Non-GAAP measures should not be considered as an alternative to income (loss) after tax, earnings per share, or any other measure of financial performance calculated and presented in accordance with GAAP. Our non-GAAP measures may not be comparable to similarly titled measures of other organizations because other organizations may not calculate such other non-GAAP measures in the same manner. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate. For a reconciliation of GAAP measures to our non-GAAP measures, please see the Appendix to this presentation.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities of the company, nor shall there be any sale of the any securities of the company in any state or jurisdiction in which such offer, solicitation or sale would be unlawful. Any offer, if at all, will be made only pursuant to Rule 144A or Regulation S under the Securities Act.

Investment

HIGHLIGHTS



**A Leader In
Advanced Optics**



**Dynamic
Markets**



**Marquee
Customers**



**Proprietary
Manufacturing**



**Diversifying
Customer Base**



**A leading provider of optical access products that
enable the gigabit age**

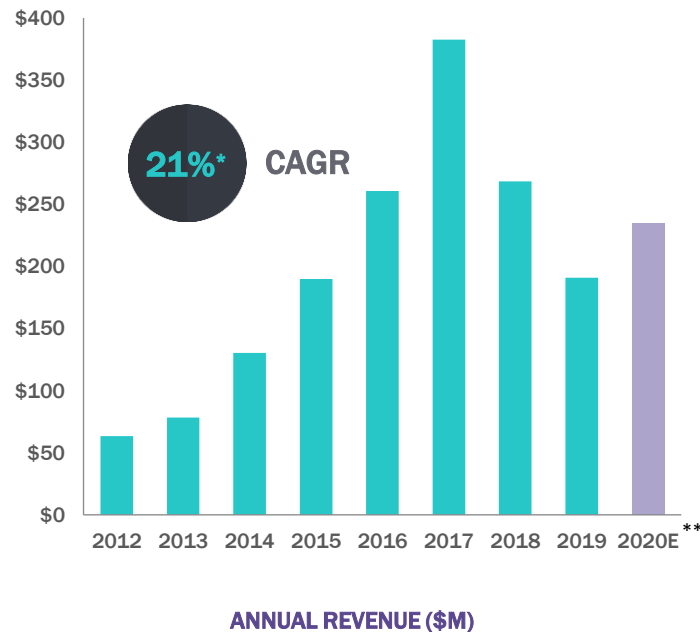
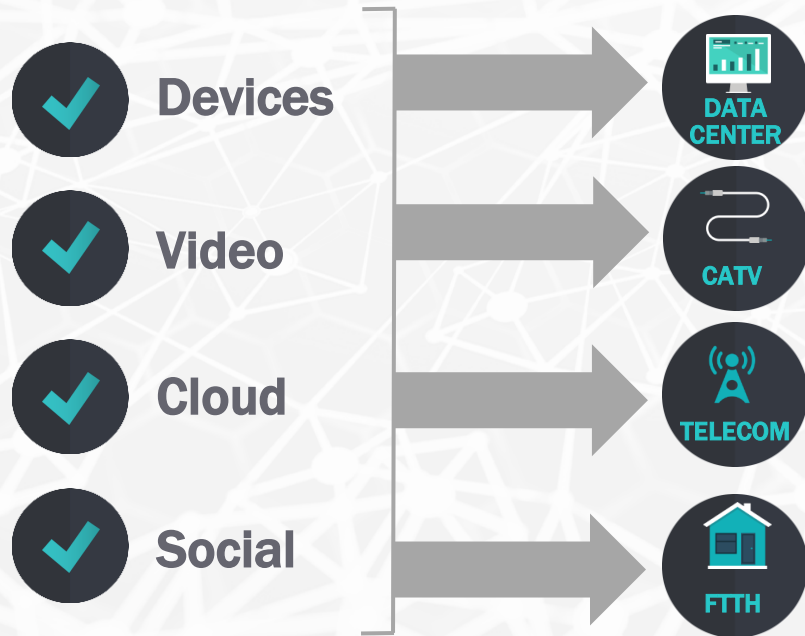
Q3 2020 Highlights

Continued growth in three major business segments

- Revenue of \$76.6 million, up from \$46.1 million in 3Q 2019
 - Datacenter revenue grew 63% year-over-year
 - 100G revenue grew 350% year-over-year
 - CATV revenue grew 32% year-over-year
 - Record Telecom revenue nearly tripled year-over-year
- Gross Margin of 27.4% exceeded expectations, due to benefits from cost reduction actions and favorable product mix
- Achieved 2nd technical qualification on 400G product
- Continued efficient expense management – reduced operating expenses to 29% of revenue from 40% in Q3 2019
- Seven new design wins in the quarter



Bandwidth Demand Drives Revenue



Four End-Markets With Strong Demand Drivers

Datacenter

- ✓ Increasing size of datacenters
- ✓ Higher-speed interconnect - 1G to (10G/40G/100G/200G/400G)
- ✓ Continuous need to expand, refresh and replenish

Cable Television

- ✓ DOCSIS 3.1 & upgrade cycle
- ✓ International market opportunities
- ✓ Continued outsourcing of design and production

Telecommunications

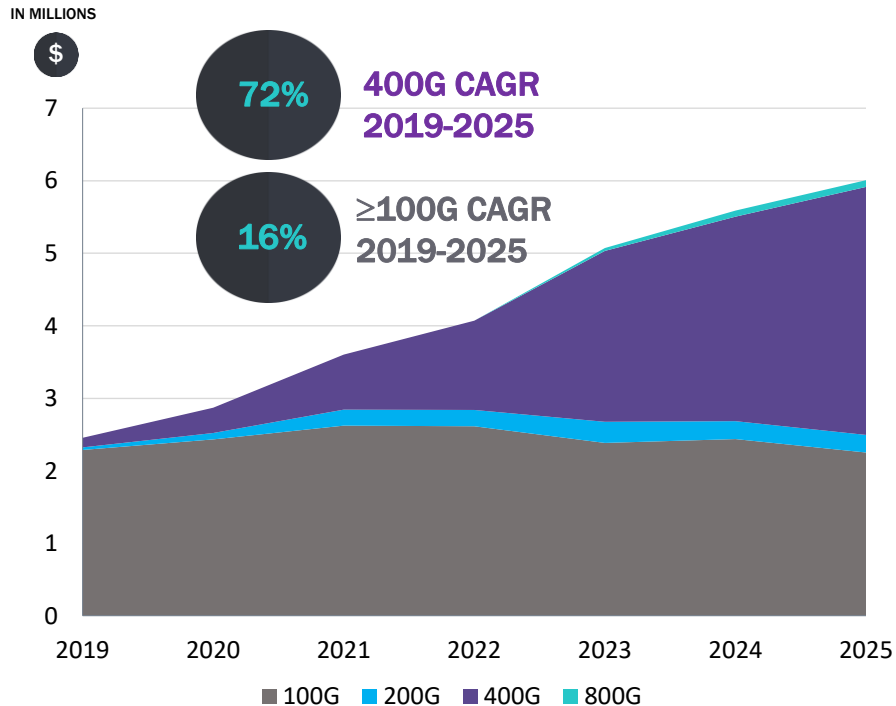
- ✓ 5G LTE deployment
- ✓ Backbone network for datacenter interconnect
- ✓ Aging access networks in need of rebuild

Fiber-to-the-Home

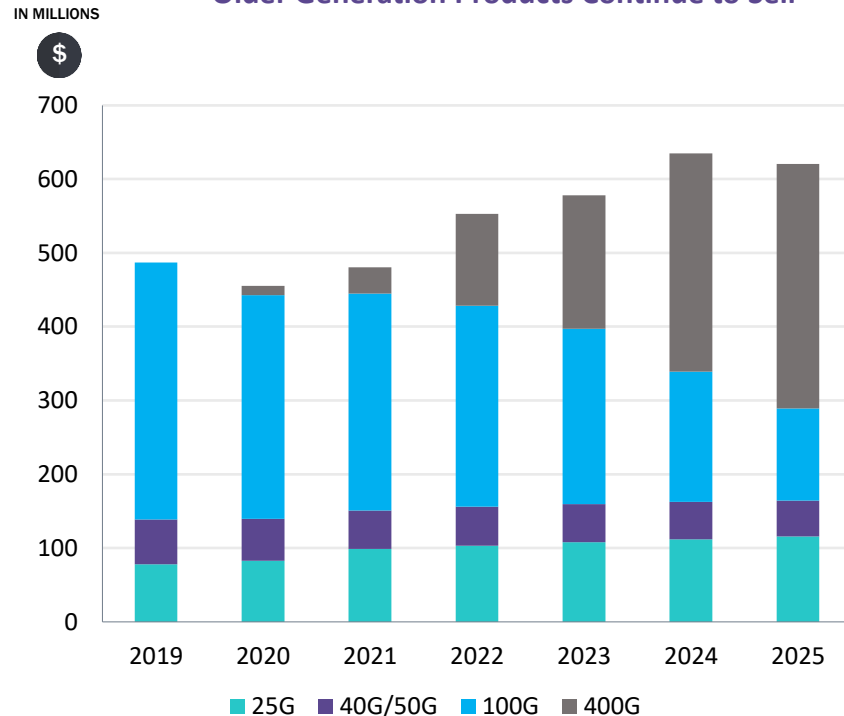
- ✓ 10 Gbps FTTH networks to replace 2.5Gbps
- ✓ Telecom carriers need to fiberize to compete with CATV, new entrants
- ✓ Greenfield economics favor fiber deployment

Growth Expected in Datacenter Market

Total High-Speed (100G or greater) Market to Exceed \$6 Billion



Older Generation Products Continue to Sell



DATACENTER MARKET CHARACTERISTICS DIFFER FROM CHARACTERISTICS OF TELECOM OPTICAL COMPONENT MARKET

Vertical Integration & In-house Manufacturing Optimal

DATACENTER MARKET

- ✓ Rapid product development cycles favor controlling a substantial part of the manufacturing process
- ✓ Large production volume/relatively low diversity enables rapid ROI on factory equipment
- ✓ Integration of manufacturing process enhances efficiency

TELECOM MARKET

- ✓ Telecom applications have much longer production cycles
- ✓ Small volume/high diversity favors outsourcing
- ✓ Initial costs of integration are high, and only economical with high production volume

100G Datacenter Transceiver Use Cases

	100G Technology	Lasers	# Fibers	Transceiver Cost*	Fiber Cost/m*	Optimal Distance (d)
Intra-Datacenter	Short-Reach (SR) AOC	4xVCSEL	8	\$	\$\$	<150m
	Long-Reach, PSM-4	4x1310-nm DFB (AOI) OR 1x1310-nm high power + modulators (SiPh)	8	\$\$	\$\$\$\$\$	150m<d<500m
	Long-Reach, CWDM (CWDM-4, CLR-4)	4xCWDM DFB	2	\$\$\$	\$\$\$	500m<d<2km
Interconnect	Extended Reach, 4WDM-10	4xCWDM	2	\$\$\$\$	\$\$\$	2km<d<10km
	100G-BASE-LR4	4xWDM (cooled)	2	\$\$\$\$\$\$	\$\$\$	2km<d<10km
	Coherent (DP-QPSK)	1x1550 (tunable, narrow linewidth)	2	\$\$\$\$\$\$\$\$\$	\$\$\$	>80km

400G: Multiple Standards to Meet Multiple Use Cases

400G intra-datacenter electrical/optical standards currently in existence or being developed:

Reach Distance	Data Center Unique Spec	IEEE Standards	100G single Lambda MSA
70m for OM3, 100m for OM4	-	400G SR8*	-
	-	400G SR4.2	-
500m	-	100G DR*	-
	-	400G DR4*	-
2km	-	-	100G FR*
	-	-	400G FR4*
10km	400G DR4+*	-	-

Current 400G Transceiver Form-factors

Considerations for Designers:

Backward Compatibility

Connector Termination

Latch Mechanism

Mating Process

Protruding area safety

Electrical/optical breakout

Thermal dissipation

Common management interface specification



Dimensions (mm)	SFP-DD	QSFP-DD	OSFP	COBO
Width	14	19	22.93	36
Length (overall)	64.15	93	100.4	40
Length inside cage	54.15	49.6	82.48	-
Thickness	8.55	8.5	13.00	9.35
Electrical Channel	2x	8x	8x	8x, 16x
Thermal Capability	1 - 3.5W	7 - 14W	12 - 16W	15 - 20W

5G Requirements for Front/Mid-Haul Optics

Small-Cell Proliferation and C-RAN Evolution Is Expected to Create Need for New Optical Solutions

25 Gbps/50 Gbps/100 Gbps transceivers needed

Front-Haul:

- Link remote radio head (RRH) to base station
- Distances typically several km
- 25 Gbps in SFP-28 form factor
- Outdoor RRH may require high-temperature optics

Mid-Haul:

- Longer distances typical in C-RAN (Cloud-Radio Access Network)
- 50 Gbps/100Gbps over 10+ km
- Typically standard commercial temperature range

Vertical Integration

A KEY DIFFERENTIATOR



Faster time to market



Cost advantages



High yield manufacturing

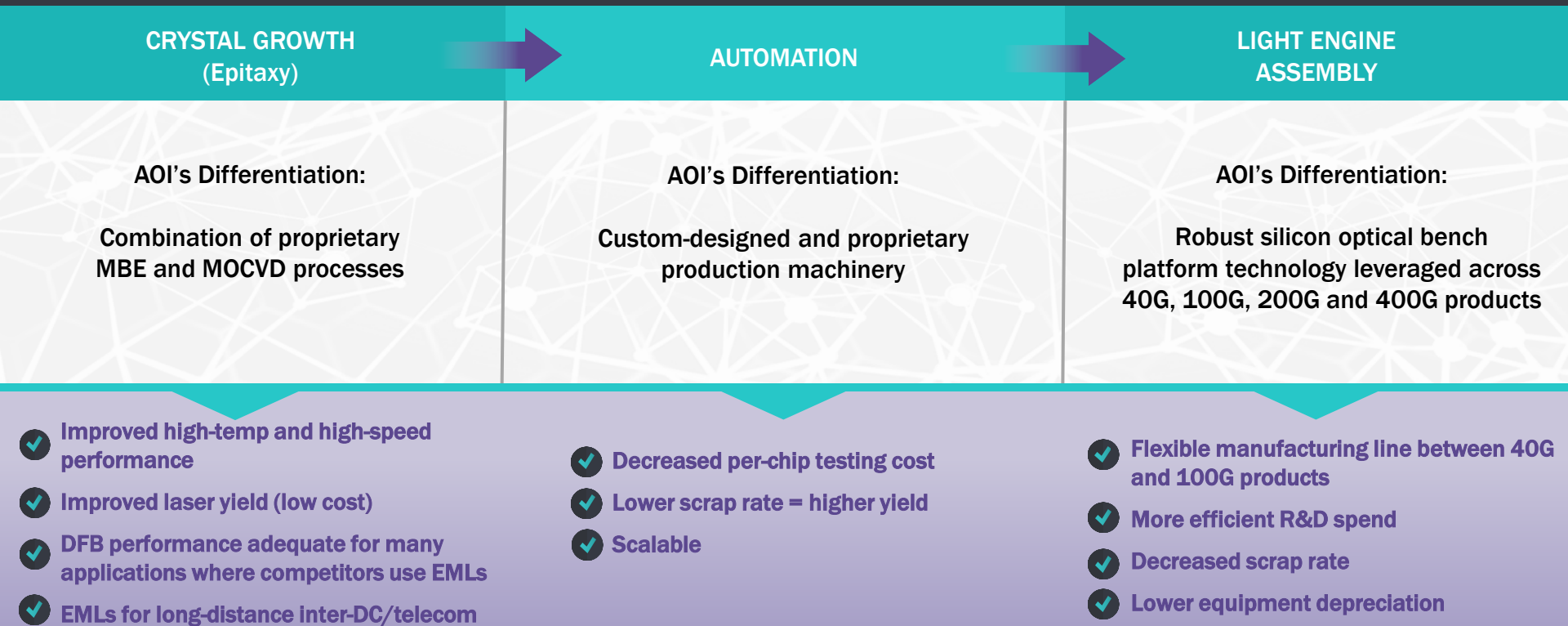


Flexible capacity support



Rapid response to customer & market demand

A Closer Look...



Automated Manufacturing Process



Automated Robotic Test Stations Increase Throughput, Decrease Human Error in Handling

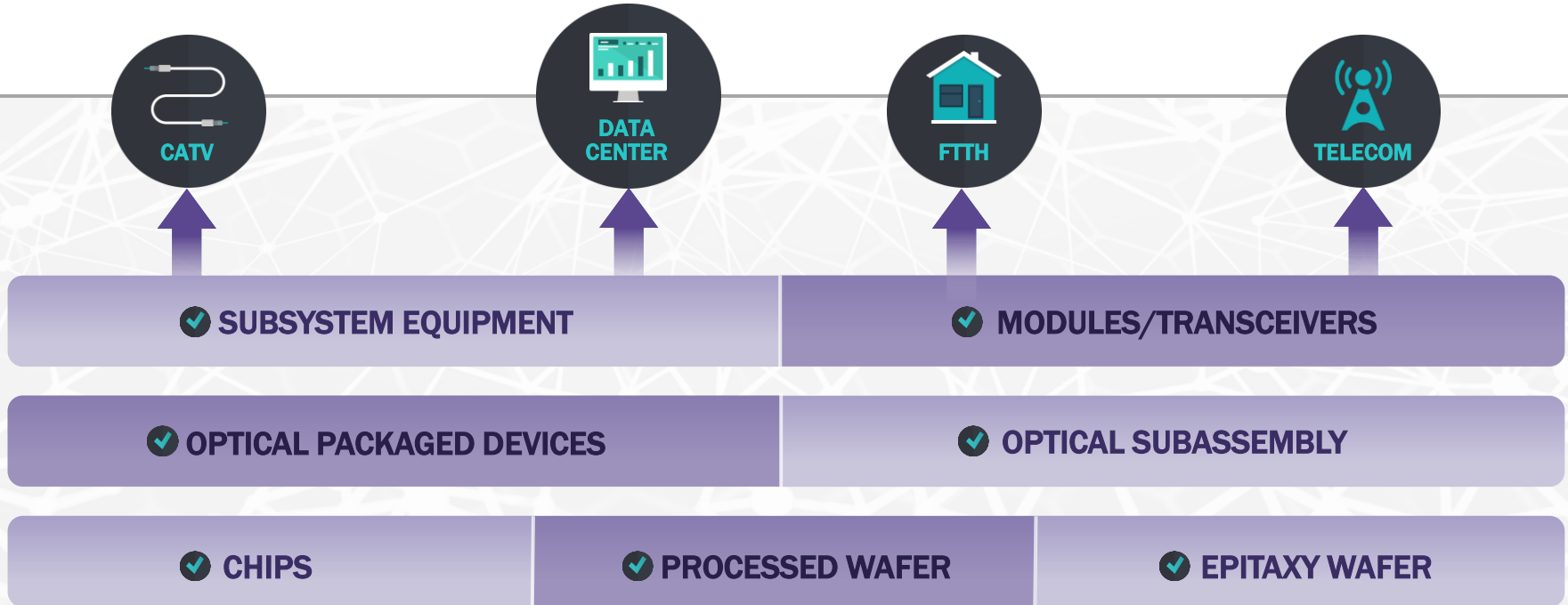
Automated Receiver Sub-Assembly Decreased Labor by 58% and Improved Quality Control



Automated Light Engine Final Assembly Decreased Labor by 85% and Improved Process Control and Quality

Vertical Integration replicated across markets

In-house production and development
of advanced laser diodes and light
engines speeds time to market





RESEARCH & DEVELOPMENT

- ✓ Excellent laser technology
- ✓ Proprietary Silicon Photonics Technology
- ✓ Strong R&D teams in all 3 sites from lasers, transceivers to equipment
- ✓ Customer NRE reimbursements

MANUFACTURING & OPERATIONS

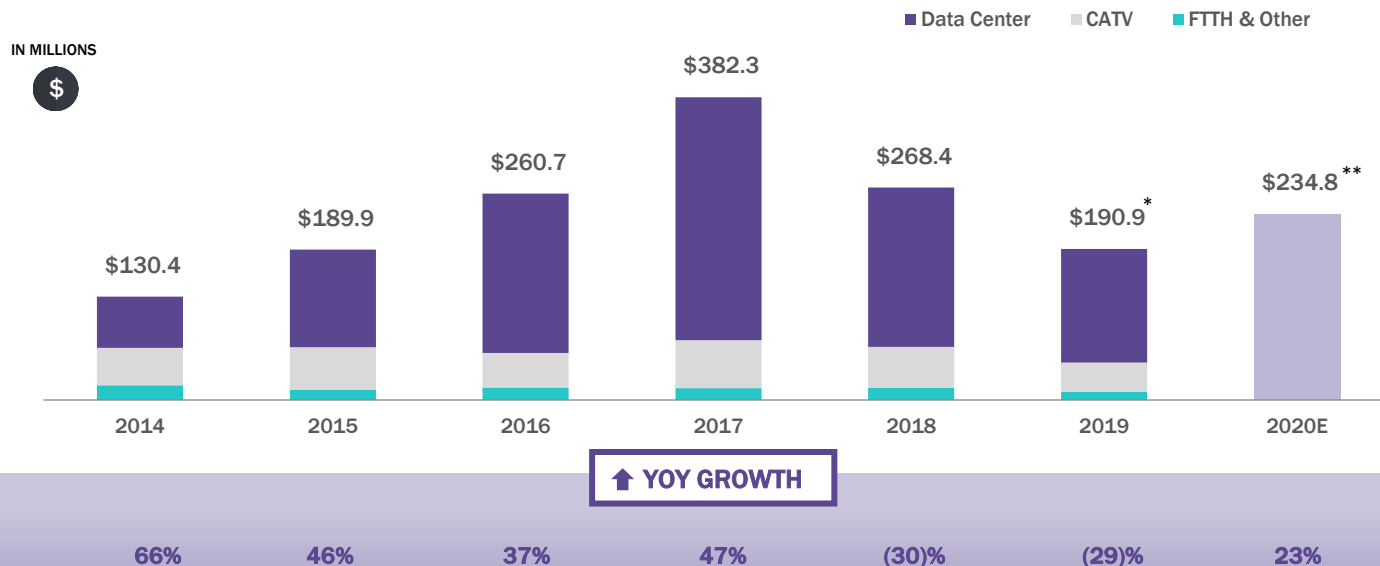
- ✓ Experienced in high-volume manufacture
- ✓ Efficient supply chain
- ✓ Vertical integration from laser chips to transceivers to equipment with cost advantages



Financial Review

Data Center Drives Revenue

ANNUAL REVENUE BY END MARKET

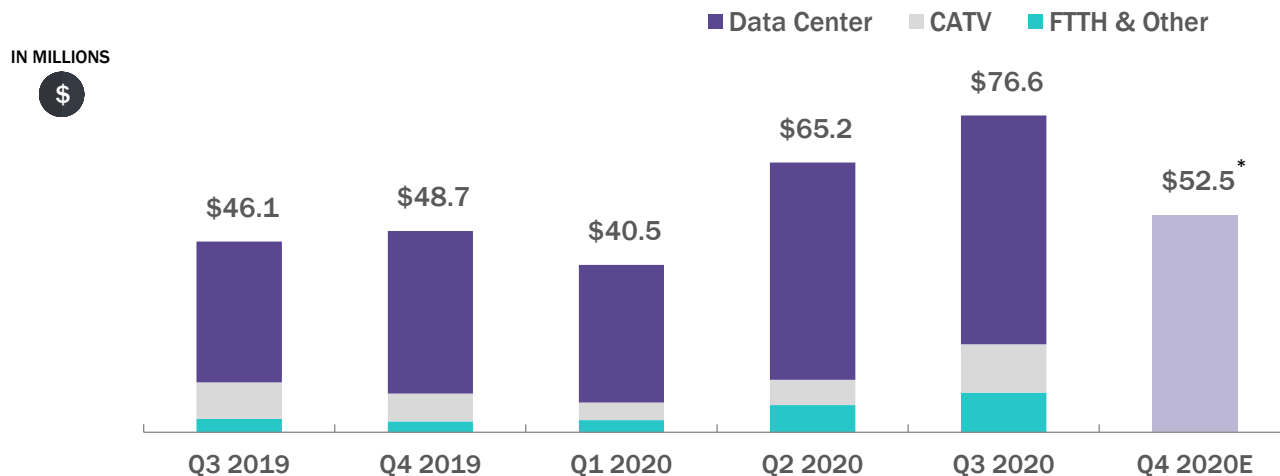


* Reflects a \$900 thousand credit issued to a customer, which is adjusted out of our non-GAAP revenue in Q4/2018. All other revenue is on a GAAP basis.

** Reflects year to date results through September 30, 2020 plus the midpoint of Q4 2020 guidance of \$50 million to \$55 million provided in Q3 2020 earnings press release on 11/5/20

Recent Financial Performance

QUARTERLY REVENUE BY END MARKET





Q3/20 Results

NON-GAAP*

<div> <div>\$</div> <div>Q3/20</div> </div> <div>IN MILLIONS EXCEPT %</div>	
TOTAL REVENUE	\$ 76.6
DATACENTER	\$ 55.3
TELECOM	\$ 8.9
CATV	\$ 11.6
GROSS MARGIN	27.4%
OPERATING LOSS	\$ 1.3
NET LOSS	\$ 1.4
CASH**	\$ 58.1

Balance Sheet Highlights

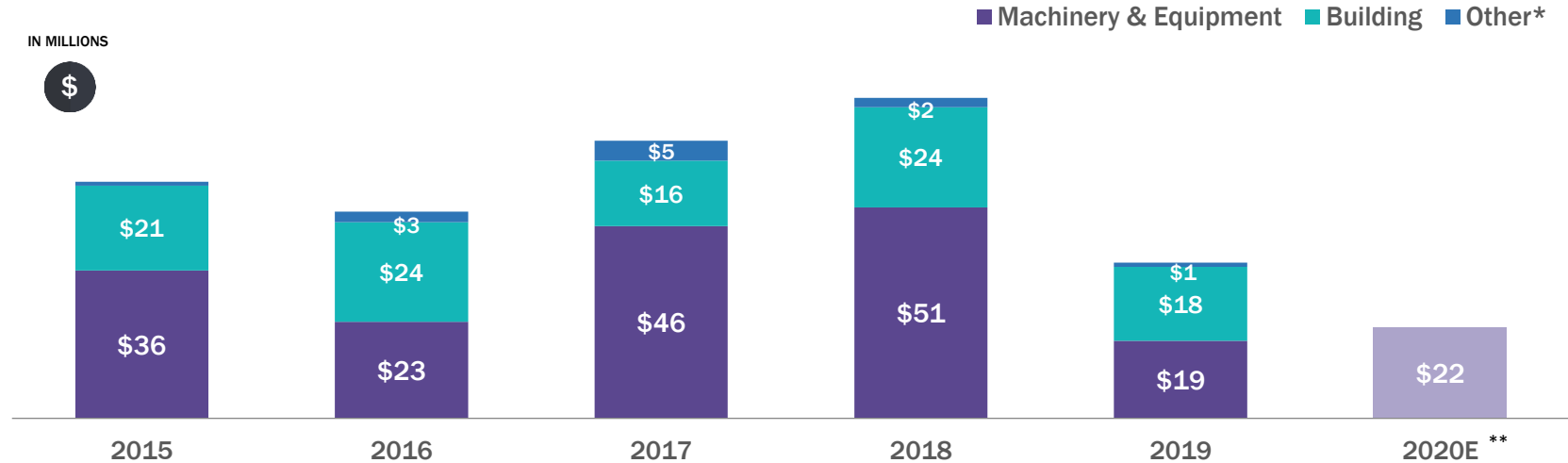
\$ IN MILLIONS	9/30/2018	9/30/2019	9/30/2020
CASH ⁽¹⁾	\$64	\$72	\$58
WORKING CAPITAL ⁽²⁾	\$132	\$126	\$98
PROPERTY, PLANT & EQUIPMENT, NET	\$223	\$246	\$250
TOTAL ASSETS	\$481	\$484	\$498
TOTAL DEBT ⁽³⁾	\$71	\$52	\$72
STOCKHOLDERS' EQUITY	\$335	\$302	\$265

(1) Cash: Cash, cash equivalents, short-term investments, and restricted cash.

(2) Working Capital: Total current assets less total current liabilities.

(3) Total Debt: Short-term loans, notes and bank acceptances payable and total long-term debt. Convertible notes outstanding are to be settled in common stock, not cash, so are excluded from total debt.

Investing in Capacity & Vertical Integration



Investment

SUMMARY



**A leader In
Advanced Optics**



**Focus on fast
growing markets
including hyperscale
datacenters**



**Marquee global
customers**



**Extensive internally
developed technology**



**Manufacturing
expertise creates
differentiation &
sustains margin**



**Operating model
provides significant
leverage**



Questions



Appendix

MANAGEMENT TEAM



Dr. Thompson Lin
FOUNDER, PRESIDENT & CEO

24+ YEARS



Dr. Stefan Murry
CFO & CSO

24+ YEARS



Dr. Fred Chang
COMPONENT BU HEAD

19+ YEARS



Dr. Alex Anselm
SEMICONDUCTOR PRODUCTS
DIVISION HEAD

21+ YEARS



Jessica Hung
VP OF FINANCE &
CORPORATE CONTROLLER

13+ YEARS



Joshua Yeh
ASIA GM

15+ YEARS

NON-GAAP FINANCIAL MEASURES

We provide non-GAAP gross margin, non-GAAP net income (loss), and non-GAAP earnings per share to eliminate the impact of items that we do not consider indicative of our overall operating performance. To arrive at our non-GAAP gross margin, we exclude stock-based compensation expense, expenses associated with discontinued products, and non-recurring expenses, if any, from our GAAP gross margin. To arrive at our non-GAAP net income (loss), we exclude all amortization of intangible assets, stock-based compensation expense, non-recurring expenses, unrealized foreign exchange gain (loss), losses from the disposal of idle assets, if any, non-GAAP tax expenses (benefits), and expenses associated with discontinued products, if any, from our GAAP net income (loss). Included in our non-recurring expenses in Q3 2020 and Q3 2019 are certain one-time legal (if any) and consulting fees (if any) and employee severance expenses (if any). Also included in our non-recurring (income) expenses in Q3 of 2020, but not in 2019, were a one-time customer reimbursement of certain incurred expenses, and non-recurring government subsidy income in our subsidiary due to COVID-19. In computing our non-GAAP income tax expense (benefit), we have applied an estimate of our annual effective income tax rate and applied it to our net income before income taxes.

Our non-GAAP earnings per share is calculated by dividing our non-GAAP net income by the fully diluted share count (for periods in which non-GAAP net income is positive) or basic share count (for periods in which our non-GAAP net income is negative). We believe that our non-GAAP measures are useful to investors in evaluating our operating performance for the following reasons:

- We believe that elimination of items such as amortization of intangible assets, stock-based compensation expense, non-recurring revenue and expenses, losses from the disposal of idle assets, unrealized foreign exchange gain or loss, unamortized debt issuance costs associated with the extinguishment of debt, and depreciation on certain equipment undergoing reconfiguration is appropriate because treatment of these items may vary for reasons unrelated to our overall operating performance;
- We believe that elimination of expenses associated with discontinued products, including depreciation and inventory obsolescence is appropriate because these expenses are not indicative of our ongoing operations;
- We believe that non-GAAP measures provide better comparability with our past financial performance, period-to-period results and with our peer companies, many of which also use similar non-GAAP financial measures; and
- We anticipate that investors and securities analysts will utilize non-GAAP measures as a supplement to GAAP measures to evaluate our overall operating performance.

A reconciliation of our GAAP net income (loss) and GAAP earnings (loss) per share for Q3 2020 to our non-GAAP net income (loss) and earnings (loss) per share is provided below, together with corresponding reconciliations for the quarter period ended September 30, 2019.

Non-GAAP measures should not be considered as an alternative to net income (loss), earnings (loss) per share, or any other measure of financial performance calculated and presented in accordance with GAAP. Our non-GAAP measures may not be comparable to similarly titled measures of other organizations because other organizations may not calculate such other non-GAAP measures in the same manner. We have not reconciled the non-GAAP measures included in our guidance to the appropriate GAAP financial measures because the GAAP measures are not readily determinable on a forward-looking basis. GAAP measures that impact our non-GAAP financial measures may include stock-based compensation expense, non-recurring expenses, amortization of intangible assets, unrealized exchange loss (gain), asset impairment charges, and loss (gain) from disposal of idle assets. These GAAP measures cannot be reasonably predicted and may directly impact our non-GAAP gross margin, our non-GAAP net income and our non-GAAP fully-diluted earnings per share, although changes with respect to certain of these measures may offset other changes. In addition, certain of these measures are out of our control. Accordingly, a reconciliation of the non-GAAP financial measure guidance to the corresponding GAAP measures is not available without unreasonable effort.

NON-GAAP RECONCILIATION

Applied Optoelectronics, Inc.
GAAP to Non-GAAP Reconciliation

(In thousands)

Preliminary Unaudited

	3Q17	4Q17	CY2017	1Q18	2Q18	3Q18	4Q18	CY2018	1Q19	2Q19	3Q19	4Q19	CY2019	1Q20	2Q20	3Q20
GAAP revenue	88,879	79,855	382,329	65,239	87,822	56,386	58,018	267,465	52,719	43,411	46,084	48,658	190,872	40,467	65,222	76,608
Non-recurring customer credit	-	-	-	-	-	-	891	-	-	-	-	-	-	-	-	-
Non-GAAP revenue	88,879	79,855	382,329	65,239	87,822	56,386	58,909	268,356	52,719	43,411	46,084	48,658	190,872	40,467	65,222	76,608
GAAP total gross profit	39,372	32,154	166,280	25,836	33,863	17,537	10,537	87,773	12,351	10,538	11,976	11,336	46,201	6,338	13,736	19,190
Non-recurring customer credit	-	-	-	-	-	-	891	-	-	-	-	-	-	-	-	-
Share-based compensation expense	125	124	461	177	211	205	202	795	189	199	197	189	774	246	237	229
Non-recurring expense	-	-	-	7	-	-	43	50	-	-	-	-	-	970	1	-
Expenses associated with discontinued products	-	459	459	71	1,432	1,412	2,852	5,767	925	1,067	1,117	1,891	5,000	354	1,077	1,566
Non-GAAP income from gross profit	39,497	32,737	167,200	26,081	35,506	19,154	14,525	95,276	13,465	11,804	13,290	13,416	51,925	7,908	15,051	20,985
GAAP research and development expense	9,190	10,670	35,365	11,736	12,645	14,180	11,342	49,903	11,185	11,151	10,466	10,597	43,399	10,558	10,803	11,206
Share-based compensation expense	400	390	1,496	576	676	623	544	2,419	640	657	647	614	2,558	688	704	706
Non-recurring expense	-	-	-	-	43	-	13	56	-	-	-	-	-	212	-	-
Non-cash expenses associated with discontinued products	-	650	650	751	1,004	859	273	2,887	-	-	-	-	-	-	-	-
Non-GAAP research and development expense	8,790	9,630	33,219	10,409	10,922	12,698	10,512	44,541	10,545	10,494	9,819	9,983	40,841	9,658	10,099	10,500
GAAP sales and marketing expense	2,551	2,090	8,702	2,474	2,377	2,370	1,920	9,141	2,595	2,331	2,518	2,615	10,059	2,936	3,430	4,491
Share-based compensation expense	118	114	480	227	261	181	256	925	271	279	274	245	1,069	291	295	298
Non-recurring expense	-	-	-	-	-	-	-	-	-	-	-	-	-	18	2	1
Non-GAAP sales and marketing expense	2,433	1,976	8,222	2,247	2,116	2,189	1,664	8,216	2,324	2,052	2,244	2,370	8,990	2,627	3,133	4,192
GAAP general and administrative expense	9,580	9,074	35,262	9,456	9,898	10,591	9,552	39,497	10,440	10,884	9,988	10,178	41,490	10,638	10,611	10,272
Share-based compensation expense	1,439	1,317	5,357	1,588	1,752	1,885	1,758	6,983	1,843	1,885	1,860	1,816	7,404	2,013	2,066	2,032
Amortization expense	122	125	485	126	127	125	128	506	130	133	137	140	540	141	143	146
Non-recurring expense	378	290	1,058	284	287	685	1,121	2,377	69	813	568	94	1,544	301	70	20
Non-cash expenses associated with discontinued products	-	-	-	-	-	-	-	1,017	1,115	1,114	1,067	4,313	1,025	952	495	-
Non-GAAP general and administrative expense	7,641	7,342	28,362	7,658	7,732	7,896	6,545	29,631	7,381	6,938	6,309	7,062	27,690	7,158	7,380	7,579
GAAP total operating expense	21,321	21,834	79,329	23,666	24,920	27,141	22,814	96,541	24,220	24,366	22,972	23,390	94,948	24,132	24,844	25,969
Share-based compensation expense	1,957	1,822	7,334	2,391	2,689	2,689	2,558	10,327	2,754	2,821	2,781	2,676	11,032	2,992	3,065	3,036
Amortization expense	122	125	485	126	127	125	128	506	130	133	137	140	540	141	143	146
Non-recurring expense	378	290	1,058	284	330	685	1,134	2,433	69	813	568	94	1,544	531	72	21
Non-cash expenses associated with discontinued products	-	650	650	751	1,004	859	273	2,887	1,017	1,115	1,114	1,067	4,313	1,025	952	495
Non-GAAP total operating expense	18,864	18,947	69,802	20,114	20,770	22,783	18,721	82,388	20,250	19,484	18,372	19,414	77,520	19,443	20,612	22,271
GAAP operating income (loss)	18,051	10,320	86,951	2,170	8,943	(9,604)	(12,277)	(10,768)	(11,869)	(13,828)	(10,996)	(12,054)	(48,747)	(17,794)	(11,108)	(6,779)
Non-recurring customer credit	-	-	-	-	-	-	891	891	-	-	0	0	0	-	-	-
Share-based compensation expense	2,082	1,946	7,795	2,569	2,900	2,894	2,757	11,120	2,943	3,020	2,978	2,864	11,805	3,238	3,302	3,265
Amortization expense	122	125	485	126	127	125	128	506	130	133	137	140	540	141	143	146
Non-recurring expense	378	290	1,058	290	330	685	1,180	2,485	69	813	568	94	1,544	1,501	73	21
Expenses associated with discontinued products	-	459	459	71	1,432	1,412	2,852	5,767	925	1,067	1,117	1,891	5,000	354	1,077	1,566
Non-cash expenses associated with discontinued products	-	650	650	751	1,004	859	273	2,887	1,017	1,115	1,114	1,067	4,313	1,025	952	495
Non-GAAP operating income (loss)	20,833	13,790	97,398	5,977	14,736	(3,629)	(5,087)	11,987	(6,785)	(7,680)	(5,082)	(5,999)	(25,546)	(11,535)	(5,561)	(1,286)
GAAP other income (loss)	(541)	(901)	(2,425)	(1,046)	1,387	578	71	990	(1,079)	(729)	276	(1,109)	(2,641)	(1,052)	(468)	(588)
Loss (gain) from disposal of idle assets	-	-	2	-	-	-	8	8	-	-	-	-	-	-	-	-
Unrealized exchange loss (gain)	60	741	948	(203)	(911)	506	7	(601)	(227)	56	(65)	79	(157)	(169)	43	(61)
Non-recurring expense	0	0	0	0	0	0	0	173	0	0	0	0	173	-	(536)	(1,054)
Non-GAAP other income (loss)	(481)	(160)	(1,475)	(1,249)	476	1,084	86	367	(1,133)	(673)	211	(1,030)	(2,625)	(1,221)	(961)	(1,703)



NON-GAAP RECONCILIATION

Applied Optoelectronics, Inc.
GAAP to Non-GAAP Reconciliation

(In thousands)

Preliminary Unaudited

	3Q17	4Q17	CY2017	1Q18	2Q18	3Q18	4Q18	CY2018	1Q19	2Q19	3Q19	4Q19	CY2019	1Q20	2Q20	3Q20
GAAP net income (loss)	19,375	5,716	73,951	2,120	8,034	(3,732)	(8,568)	(2,146)	(10,474)	(11,366)	(8,780)	(35,430)	(66,049)	(16,797)	(18,600)	(9,616)
Non-recurring customer credit	-	-	-	-	-	891	891	-	-	-	-	-	-	-	-	-
Amortization of intangible assets	122	125	485	126	127	125	128	506	130	133	137	140	540	141	143	146
Share-based compensation expense	2,082	1,946	7,795	2,569	2,900	2,894	2,757	11,120	2,943	3,020	2,978	2,864	11,804	3,238	3,302	3,265
Non Recurring charges	378	290	1,058	290	330	685	1,180	2,485	242	812	568	94	1,716	1,501	(463)	(1,033)
Expenses associated with discontinued products	-	459	459	71	1,432	1,412	2,852	5,767	925	1,067	1,117	1,891	5,000	354	1,077	1,566
Non-cash expenses associated with discontinued products	-	650	650	751	1,004	859	273	2,887	1,017	1,116	1,114	1,067	4,314	1,025	952	495
Loss (gain) from disposal of idle assets	-	-	2	-	-	-	8	8	-	-	-	-	-	-	-	-
Unrealized exchange loss (gain)	60	741	948	(203)	(911)	506	7	(601)	(227)	56	(65)	79	(157)	(169)	43	(61)
Non-GAAP Tax Benefit	-	8,016	7,696	(114)	(48)	-	-	(162)	-	-	-	25,736	25,736	1,915	8,562	3,819
Non-GAAP net income (loss)	22,017	17,943	93,044	5,610	12,868	2,749	(472)	20,755	(5,444)	(5,162)	(2,931)	(3,559)	(17,096)	(8,792)	(4,984)	(1,419)
GAAP net income (loss)	19,375	5,716	73,951	2,120	8,034	(3,732)	(8,568)	(2,146)	(10,474)	(11,366)	(8,780)	(35,430)	(66,049)	(16,797)	(18,600)	(9,616)
Non-recurring customer credit	-	-	-	-	-	891	891	-	-	-	-	-	-	-	-	-
Amortization of intangible assets	122	125	485	126	127	125	128	506	130	133	137	140	540	141	143	146
Share-based compensation expense	2,082	1,946	7,795	2,569	2,900	2,894	2,757	11,120	2,943	3,020	2,978	2,864	11,804	3,238	3,302	3,265
Depreciation expense	5,280	5,924	19,895	6,837	7,202	7,391	7,762	29,192	5,817	5,883	5,872	5,887	23,459	5,890	5,980	6,050
Non-recurring charges	378	290	1,058	290	330	685	1,180	2,485	242	812	568	94	1,716	1,501	(463)	(1,033)
Expenses associated with discontinued products	-	459	459	71	1,432	1,412	1,603	4,518	925	1,067	1,117	1,891	5,000	354	1,077	1,566
Loss (gain) from disposal of idle assets	-	-	2	-	-	-	8	8	-	-	-	-	-	-	-	-
Unrealized exchange loss (gain)	60	741	948	(203)	(911)	506	7	(601)	(227)	56	(65)	79	(157)	(169)	43	(61)
Interest (income) expense, net	187	11	637	19	194	188	423	824	752	1,181	1,170	1,206	4,309	1,308	1,441	1,454
Tax (benefit) expense related to the above	(1,865)	3,703	10,575	(996)	2,296	(5,294)	(3,638)	(7,632)	(2,474)	(3,191)	(1,940)	22,267	14,662	(2,048)	7,025	2,249
Adjusted EBITDA	\$25,619	\$18,915	\$115,805	\$10,833	\$21,604	\$4,175	\$2,553	\$39,165	(\$2,366)	(\$2,405)	(\$1,057)	(\$1,003)	(\$4,717)	(\$6,582)	(\$52)	\$4,020
GAAP diluted net income (loss) per share	\$ 0.95	\$ 0.28	\$ 3.67	\$ 0.11	\$ 0.40	\$ (0.19)	\$ (0.43)	\$ (0.11)	\$ (0.53)	\$ (0.57)	\$ (0.44)	\$ (1.76)	\$ (3.31)	\$ (0.83)	\$ (0.89)	\$ (0.42)
Non-recurring customer credit	-	-	-	-	-	0.05	0.04	-	-	-	-	-	-	-	-	-
Amortization of intangible assets	0.01	(0.00)	0.02	0.01	0.01	0.01	0.01	0.03	0.01	0.01	0.01	0.01	0.03	0.01	0.01	0.01
Share-based compensation expense	0.10	0.10	0.39	0.13	0.14	0.14	0.15	0.56	0.15	0.15	0.15	0.14	0.59	0.16	0.16	0.14
Non Recurring charges	0.02	0.01	0.05	0.01	0.02	0.03	0.06	0.12	0.01	0.04	0.03	0.00	0.09	0.07	(0.02)	(0.05)
Expenses associated with discontinued products	-	0.02	0.02	0.00	0.07	0.07	0.14	0.29	0.05	0.05	0.06	0.09	0.25	0.02	0.05	0.07
Non-cash expenses associated with discontinued products	-	0.03	0.03	0.04	0.05	0.04	0.01	0.14	0.05	0.06	0.05	0.05	0.22	0.05	0.05	0.02
Loss (gain) from disposal of idle assets	-	-	0.00	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-
Unrealized exchange loss (gain)	0.00	0.04	0.05	(0.01)	(0.05)	0.04	(0.01)	(0.03)	(0.01)	0.00	(0.01)	0.00	(0.01)	(0.01)	0.00	(0.00)
Non-GAAP Tax Benefit	-	0.40	0.38	(0.01)	(0.00)	-	0.01	(0.00)	-	-	-	1.29	1.30	0.09	0.41	0.17
Non-GAAP diluted net income (loss) per share	\$ 1.08	\$ 0.89	\$ 4.62	\$ 0.28	\$ 0.64	\$ 0.14	\$ (0.02)	\$ 1.04	\$ (0.27)	\$ (0.26)	\$ (0.15)	\$ (0.18)	\$ (0.86)	\$ (0.44)	\$ (0.24)	\$ (0.06)
Shares used to compute diluted earnings per share	20,423	20,160	20,139	19,989	20,080	20,185	19,793	20,027	19,863	19,932	20,023	20,109	19,982	20,208	20,858	22,744

