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EARNINGS SUMMARY

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October 2018

SAFE HARBOR



The information presented today contains forward-looking statements that relate to anticipated future operating results and performance. These statements are only predictions based on management's current expectations and assumptions, including with respect to market size, Total Available Market (or "TAM") and revenue targets, and necessarily involve risks and uncertainties. Moreover, our stated revenue targets are inspirational and should not be taken as projections of actual future results. We do not assume any obligation to update the information provided. Actual events or results may differ materially from those projected, including as a result of changing industry and market trends, reduced demand for our products, the timely development of our new products and their adoption by the market, increased competition in the industry, price reductions and other subsequent developments and business conditions, as well as due to risks and other important information identified in the documents filed with the Securities and Exchange Commission, including the Company's Annual Reports on Form 20-F and Reports on Form 6-K.

The presentation includes non-GAAP financial measures which are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management uses both GAAP and non-GAAP measures when evaluating the business internally and therefore believes it is important to make these non-GAAP measures available to the financial community. Reconciliations of non-GAAP measures to the most relevant GAAP amounts are included in the Company press releases.

This presentation includes the company's estimations on Market size and TAM, ("Total Available Market," or "TAM") these estimations can vary and may be differ materially from the reality and are based on internal estimations. TAM or market size is the company's estimation on the total yearly market size.

THIRD QUARTER FINANCIAL HIGHLIGHTS

- Revenues - record at \$32.3 million
 - Up 35% year-over-year
- GAAP gross margin - 50.2%
 - Non-GAAP gross margin - 50.4%
- GAAP operating income - \$5.6 million (17.2%)
 - Non-GAAP operating income - \$6.2 million (19.2%)
- GAAP net income of \$5.1 million or \$0.14 per diluted share
 - Non-GAAP net income of \$5.7 million or \$0.16 per diluted share (100% YoY increase)
- Operating cash flow of \$7.1 million

Fourth quarter revenue guidance

- \$32.5-33.5 million
 - Implying full year 2018 revenues of approximately \$123 million
 - Representing a 2018 year-over-year increase of over 30%.

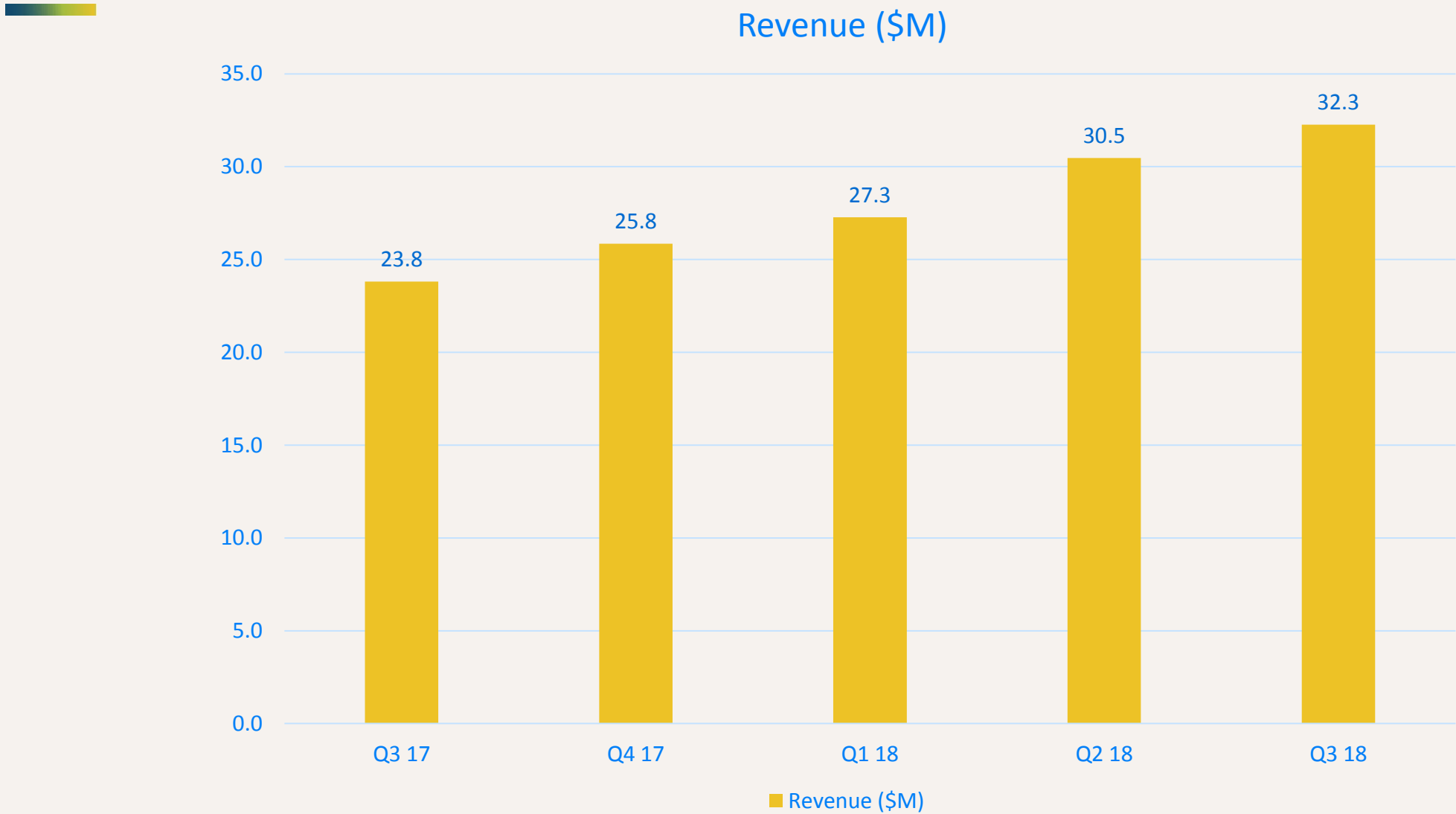
GAAP FINANCIAL RESULTS (\$K)

	Q3 18	Q2 18	Q3 17
Revenues	32,264	30,462	23,813
Gross profit	16,183	14,899	11,750
Operating expenses	10,629	10,181	8,903
Operating income	5,554	4,718	2,847
Net income	5,093	4,331	2,774
Net diluted earnings per share	0.14	0.12	0.08

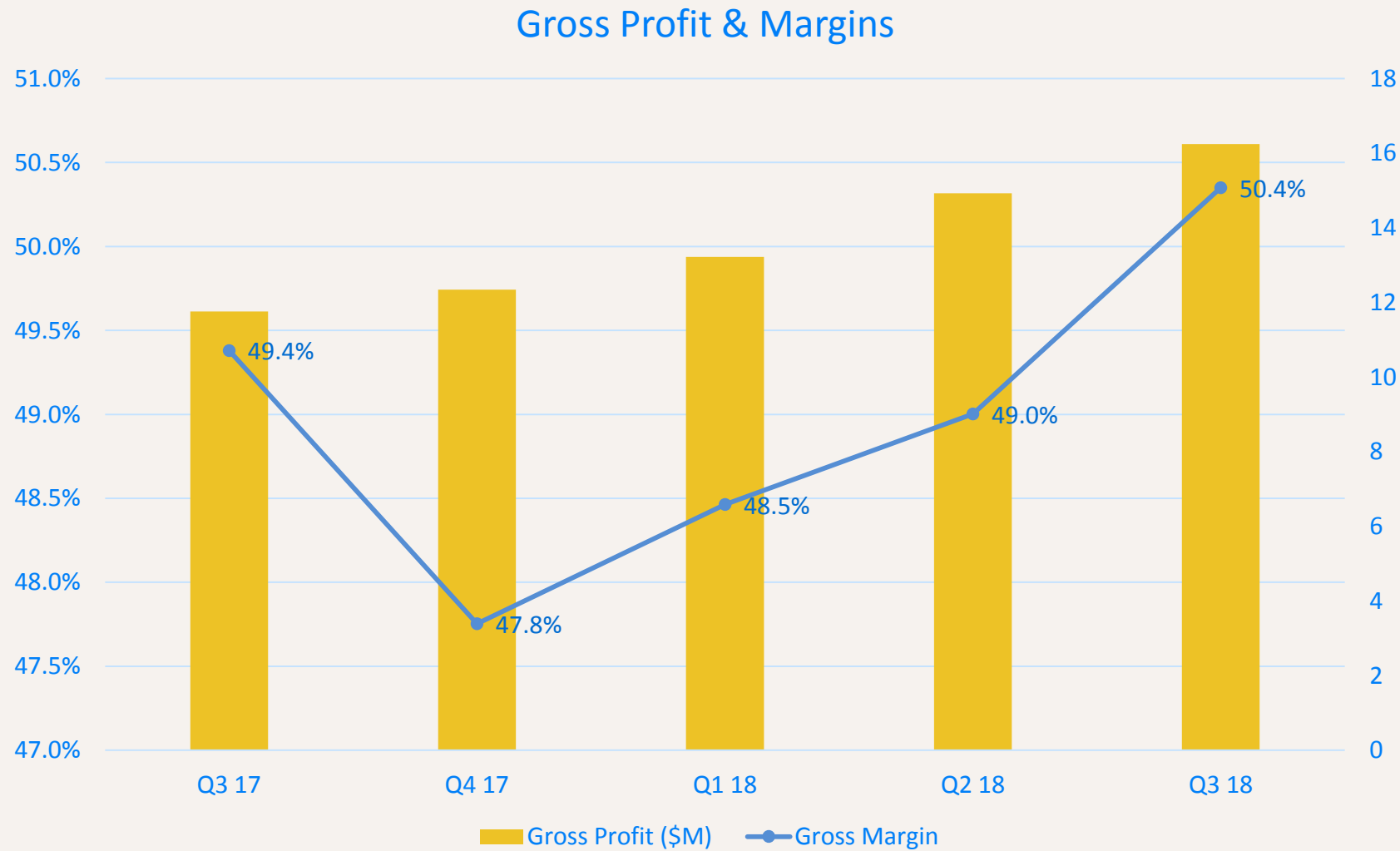
NON-GAAP FINANCIAL RESULTS (\$K)

	Q3 18	Q2 18	Q3 17
Revenues	32,264	30,462	23,813
Gross profit	16,245	14,927	11,759
Operating expenses	10,057	9,959	8,820
Operating income	6,188	4,968	2,939
Net income	5,727	4,580	2,866
Net diluted earnings per share	0.16	0.13	0.13

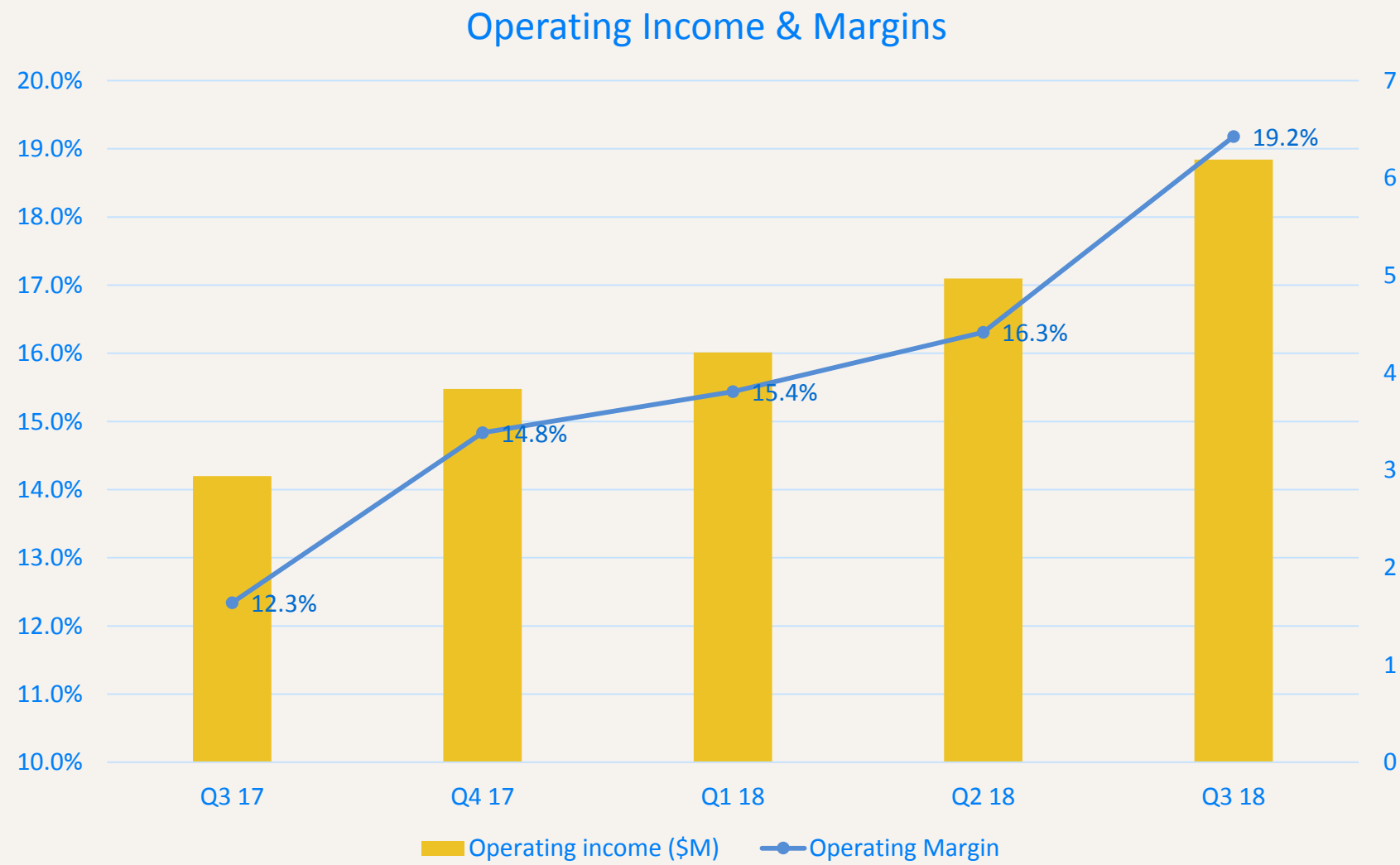
QUARTERLY REVENUES



GROSS PROFIT



OPERATING PROFIT



BALANCE SHEET AND CASH FLOW (\$K)

	Q3 18	Q2 18	Q3 17
Cash and investments	48,328	41,204	21,686
Inventory	27,588	25,159	23,281
A/R	30,746	32,278	26,374
Total Assets	129,547	121,082	120,737
Total Liabilities	34,746	32,596	35,550
Cash Flow from Operations	7,131	(748)	(6,211)



**THANK
YOU!**



APPENDIX

RECONCILIATION OF GAAP TO NON-GAAP

	Reconciliation of GAAP to Non-GAAP Gross Profit		
	Three months ended		
	September 30, 2018	June 30, 2018	September 30, 2018
Gross profit (GAAP)	16,183	14,899	11,750
Stock-based compensation	62	28	9
Gross profit (Non-GAAP)	16,245	14,927	11,759

	Reconciliation of GAAP to Non-GAAP Operating Income		
	Three months ended		
	September 30, 2018	June 30, 2018	September 30, 2018
Operating income (GAAP)	5,554	4,718	2,847
Stock-based compensation	63	250	92
Operating income (Non-GAAP)	6,188	4,968	2,939