



October 19, 2004

## **FormFactor, Inc. Announces 2004 Third Quarter Financial Results**

### **Quarterly Revenues of \$51.4 million, up 19% sequentially and up 97% year over year and EPS of \$0.19**

LIVERMORE, CA -- October 19, 2004 -- FormFactor, Inc. (Nasdaq: FORM) today announced its financial results for the third quarter of fiscal year 2004, ended September 25, 2004. Quarterly revenues were \$51.4 million, up 19% from \$43.2 million in the second quarter of fiscal year 2004, and up 97% from \$26.1 million for the third quarter of fiscal year 2003.

Operating income for the third quarter of fiscal year 2004 was 23.0% of revenues, compared to 25.3% for the second quarter of fiscal year 2004, and 11.9% for the third quarter of fiscal year 2003, primarily due to non-recurring startup cost related to our new manufacturing facility and the adoption of an employee profit sharing plan for non executive employees.

Net income for the third quarter of fiscal year 2004 was \$7.5 million or \$0.19 per share on a fully diluted basis, compared to \$6.8 million or \$0.17 per share on a fully diluted basis for the second quarter of fiscal year 2004, and \$2.2 million or \$0.06 per share on a fully diluted basis for the third quarter of fiscal year 2003.

Bookings of \$45.1 million for the third quarter of fiscal year 2004 declined 12% from \$51.2 million for the second quarter of fiscal year 2004 and were up 55.2% from \$29.1 million for the third quarter of fiscal year 2003.

Igor Khandros, President and CEO of FormFactor stated, "During the third quarter we produced the incremental capacity ramp of \$8.2 million in product shipped, the strongest experienced in the company's history. This capacity ramp is allowing bookings to normalize and reflect our growing ability to turn more orders into revenue in a given quarter. The fundamentals in our key end markets remained intact with continued growth, diversity of new designs in all segments, and the ramp of 300mm production facilities at our customers. The next wave of tooling cycles is emerging in DRAM where we saw continued momentum in DDRII and sub 110 nanometer demand."

The Company has posted its revenue breakdown by region and market segment on the investor relations section of its website at [www.formfactor.com](http://www.formfactor.com). FormFactor will conduct a conference call at 1:30 p.m. PDT, or 4:30 p.m. EDT, today. The public is invited to listen to a live web cast of FormFactor's conference call on the investor relations section of the Company's website at [www.formfactor.com](http://www.formfactor.com). A replay of the web cast will be available approximately two hours after the conclusion of the call. An audio replay of the conference call will also be made available approximately two hours after the conclusion of the call. The audio replay will remain available until October 22, 2004 at 9:00 p.m. PDT and can be accessed by dialing (888) 203-1112 or (719) 457-0820 and entering confirmation code 904083.

#### **About FormFactor:**

FormFactor, Inc. (Nasdaq: FORM) is an industry leader in the design, development, manufacture, sale and support of precision, high-performance advanced semiconductor wafer probe cards. The Company's products are based on its proprietary technologies, including its MicroSpring interconnect technology and proprietary design processes, which enable FormFactor to produce wafer probe cards for test applications that require reliability, speed, precision and signal integrity. FormFactor is headquartered in Livermore, California. For more information, visit the Company's Web site at [www.formfactor.com](http://www.formfactor.com).

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Statements in this press release that are not strictly historical in nature are forward-looking statements within the meaning of the federal securities laws, including statements regarding business momentum, future growth and the performance of our products. These forward-looking statements are based on current information and expectations that are inherently subject to change and involve a number of risks and uncertainties. Actual events or results might differ materially from those in any forward-looking statement due to various factors, including, but not limited to: the demand for certain semiconductor devices; the rate at which semiconductor manufacturers make the transition to 110 and sub-110 nanometer technology nodes and to 300mm fabrication facilities, and implement tooling cycles; the extent to which design activity results in actual customer purchases of the Company's products; changes in semiconductor manufacturers' test strategies toward wafer-level test, test budgets, equipments or processes; the Company's ability to add manufacturing capacity; and the Company's relationships with customers and companies that manufacture semiconductor test equipment. Additional information concerning factors that could

cause actual events or results to differ materially from those in any forward looking statement is contained in the Company's Form 10-Q for the period ending June 26, 2004, filed with the Securities and Exchange Commission ("SEC"), and subsequent filings. Copies of filings made by the Company with the SEC are available at <http://investors.formfactor.com/edgar.cfm>. The Company assumes no obligation to update the information in this press release, to revise any forward-looking statements or to update the reasons actual results could differ materially from those anticipated in forward-looking statements.



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