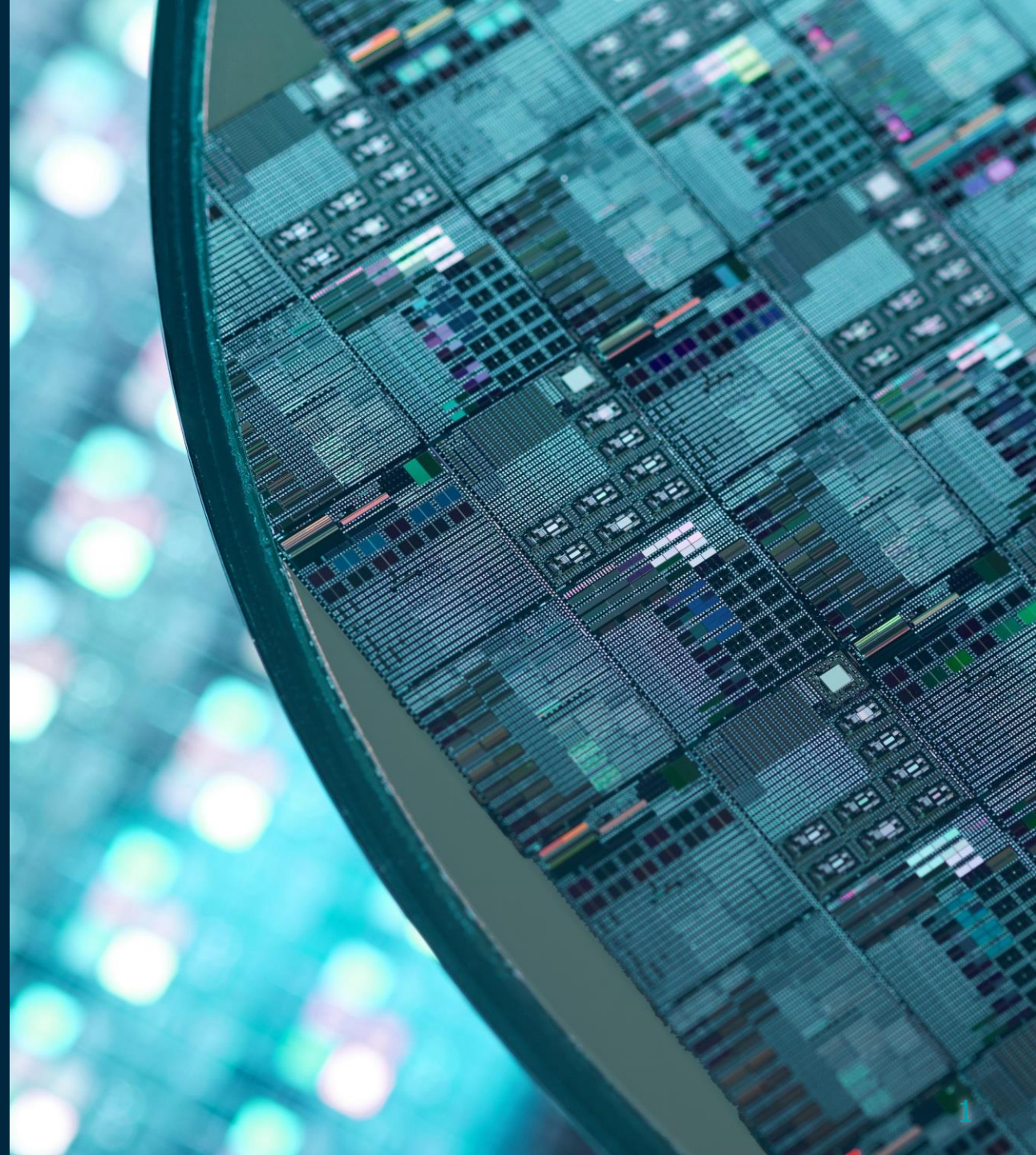




# Supplemental Financial Information

May 6, 2020



# Revenue by Region (in millions)

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	<u>Q1 2020</u>	<u>Q4 2019</u>	<u>Q3 2019</u>	<u>Q2 2019</u>	<u>Q1 2019</u>
United States	\$ 31.9	\$ 48.9	\$ 33.7	\$ 38.4	\$ 34.3
South Korea	14.1	38.4	23.6	28.2	26.7
China	43.6	32.7	31.4	20.4	21.8
Japan	8.4	9.1	16.9	16.1	10.4
Taiwan	31.8	31.0	18.3	14.9	22.4
Europe	21.0	11.8	9.5	10.6	9.5
Rest of World	<u>10.0</u>	<u>6.7</u>	<u>7.2</u>	<u>9.4</u>	<u>7.1</u>
	<u>\$ 160.8</u>	<u>\$ 178.6</u>	<u>\$ 140.6</u>	<u>\$ 138.0</u>	<u>\$ 132.2</u>

## Revenue by Market (in millions)

	<u>Q1 2020</u>	<u>Q4 2019</u>	<u>Q3 2019</u>	<u>Q2 2019</u>	<u>Q1 2019</u>
Foundry & Logic	\$ 105.8	\$ 105.1	\$ 68.4	\$ 73.4	\$ 71.6
DRAM	24.7	42.9	39.4	36.0	28.9
Flash	4.3	5.2	8.6	4.2	7.6
Systems	<u>26.0</u>	<u>25.4</u>	<u>24.2</u>	<u>24.4</u>	<u>24.1</u>
	<u>\$ 160.8</u>	<u>\$ 178.6</u>	<u>\$ 140.6</u>	<u>\$ 138.0</u>	<u>\$ 132.2</u>

# Customers > 10% of Total Revenue

	<u>Q1 2020</u>	<u>Q4 2019</u>	<u>Q3 2019</u>	<u>Q2 2019</u>	<u>Q1 2019</u>
Intel Corporation	36.2%	28.4%	23.9%	26.1%	21.3%
Samsung Electronics Co.	*	14.8%	*	11.1%	13.8%
SK Hynix Inc.	*	*	13.5%	*	*
Micron Technology	*	*	11.9%	10.1%	*
<b>TOTAL</b>	<u>36.2%</u>	<u>43.2%</u>	<u>49.3%</u>	<u>47.3%</u>	<u>35.1%</u>

\* Customer represents less than 10% of revenue for respective period

# Gross Profit and Gross Margin by Segment (GAAP)

(In thousands, except for percentages)

	Three Months Ended							
	March 28, 2020				March 30, 2019			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
<b>Revenues</b>	\$ 134,715	\$ 26,038	\$ -	\$ 160,753	\$ 108,103	\$ 24,110	\$ -	\$ 132,213
<b>Gross profit</b>	60,743	13,334	(6,687)	67,390	45,294	13,016	(5,789)	52,521
<b>Gross margin</b>	45.1%	51.2%		41.9%	41.9%	54.0%		39.7%

# Non-GAAP Adjustments & EPS

(In thousands, except for per share amounts)

	<b>Three Months Ended</b>	
	<b>March 28</b>	<b>March 30</b>
	<b>2020</b>	<b>2019</b>
GAAP net income	\$ 15,890	5,483
Adjustments to reconcile GAAP net income to Non-GAAP net income:		
Amortization of intangibles	7,263	7,090
Stock-based compensation	5,623	5,295
Restructuring charges	-	209
Acquisition related expenses	35	-
Income tax effect of non-GAAP adjustments	(2,759)	(2,882)
Non-GAAP net income	<u>\$ 26,052</u>	<u>\$ 15,195</u>
Non-GAAP net income per share:		
Basic	<u>\$ 0.34</u>	<u>\$ 0.20</u>
Diluted	<u>\$ 0.33</u>	<u>\$ 0.20</u>
Weighted-average number of shares used in per share calculations:		
Basic	<u>76,005</u>	<u>74,362</u>
Diluted	<u>78,510</u>	<u>76,009</u>

The presentation provides the calculations for Non-GAAP net income and Non-GAAP net income per share. FormFactor excluded the following items from one or more of the Non-GAAP measures: stock-based compensation expense, amortization of intangibles and restructuring charges. By publishing the Non-GAAP measures, the company's management intends to provide investors with additional information to further analyze the company's performance, core results and underlying trends. FormFactor's management evaluates results and makes operating decisions using both GAAP and Non-GAAP measures. Non-GAAP results are not prepared in accordance with GAAP, and Non-GAAP information should be considered a supplement to, and not a substitute for, financial statements prepared in accordance with GAAP.



# GAAP to Non-GAAP Reconciliation

(In thousands, except for per share amounts)

	GAAP	Adjustments			Non-GAAP
	3-Months Ended March 28, 2020	Stock-based Compensation	Amortization of Intangibles	Acquisition & Integration	3-Months Ended March 28, 2020
Revenues	\$ 160,753	\$ -	\$ -	\$ -	\$ 160,753
Cost of revenues	93,363	(937)	(5,750)	-	86,676
Gross profit	67,390	937	5,750	-	74,077
<b>Operating expenses:</b>					
Research and development	21,267	(1,439)	-	-	19,828
Sales and marketing	16,382	(1,628)	(1,513)	-	13,241
General and administrative	11,311	(1,619)	-	(35)	9,657
Total operating expenses	48,960	(4,686)	(1,513)	(35)	42,726
Operating profit	18,430	5,623	7,263	35	31,351
Interest income	685	-	-	-	685
Interest expense	(318)	-	-	-	(318)
Other income (expense), net	(91)	-	-	-	(91)
Income before income taxes	18,706	5,623	7,263	35	31,627
Provision for income taxes	2,816	1,201	1,551	7	5,575
Net income	\$ 15,890	\$ 4,422	\$ 5,712	\$ 28	\$ 26,052
<b>Net income per share:</b>					
Basic	\$ 0.21	\$ 0.06	\$ 0.08	\$ 0.00	\$ 0.34
Diluted	\$ 0.20	\$ 0.06	\$ 0.07	\$ 0.00	\$ 0.33
<b>Weighted-average number of shares</b>					
Basic	76,005	76,005	76,005	76,005	76,005
Diluted	78,510	78,510	78,510	78,510	78,510

The presentation provides the calculations for Non-GAAP net income and Non-GAAP net income per share. FormFactor excluded the following items from one or more of the Non-GAAP measures: stock-based compensation expense, amortization of intangibles, restructuring charges and acquisition costs. By publishing the Non-GAAP measures, the company's management intends to provide investors with additional information to further analyze the company's performance, core results and underlying trends. FormFactor's management evaluates results and makes operating decisions using both GAAP and Non-GAAP measures. Non-GAAP results are not prepared in accordance with GAAP, and Non-GAAP information should be considered a supplement to, and not a substitute for, financial statements prepared in accordance with GAAP.