

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **July 27, 2006**

**FORMFACTOR, INC.**

(Exact name of Registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**000-50307**  
(Commission  
File Number)

**13-3711155**  
(IRS Employer  
Identification No.)

**7005 Southfront Road, Livermore, CA**  
(Address of principal executive offices)

**94551**  
(Zip Code)

**(925) 290-4000**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (See General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02. Results of Operations and Financial Condition.**

On July 27, 2006, FormFactor, Inc. issued a press release announcing its financial results for the second quarter ended July 1, 2006. A copy of the press release is furnished as Exhibit 99.1 to this report and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

Exhibit Number	Exhibit Title or Description
99.1	Press release dated July 27, 2006.

The information in this current report and the accompanying exhibit shall not be incorporated by reference into any filing of FormFactor with the Securities and Exchange Commission, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference in such filing. The information in this report, including the accompanying exhibit, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 27, 2006

**FORMFACTOR, INC.**

By: /s/ RONALD C. FOSTER

Ronald C. Foster  
Chief Financial Officer

3

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**EXHIBIT INDEX**

<u>Exhibit Number</u>	<u>Exhibit Title or Description</u>
99.1	Press release dated July 27, 2006.

4

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## News Release

### Contacts:

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FOR IMMEDIATE RELEASE

### **FormFactor, Inc. Announces 2006 Second Quarter Financial Results**

*Record quarterly revenues of \$92.4 million, up 77% year over year.*

**LIVERMORE, CA — July 27, 2006** — FormFactor, Inc. (Nasdaq: FORM) today announced its financial results for the second quarter of fiscal 2006, ended July 1, 2006. Quarterly revenues were a record \$92.4 million, up 14% from \$81.3 million in the first quarter of fiscal 2006, and up 77% from \$52.3 million in the second quarter of fiscal 2005.

“FormFactor had another record quarter, as we continued to make significant progress in addressing our target markets,” said Joseph Bronson, President of FormFactor. “We are very pleased with the performance of our manufacturing operations and continue to make ongoing productivity and efficiency improvements.”

Net income for the second quarter of fiscal 2006 was \$15.3 million or \$0.32 per share on a fully diluted basis, which included \$2.8 million or \$0.06 per share of incremental FAS 123 (R) stock option expense net of tax. This compares to \$10.8 million or \$0.25 per share on a fully diluted basis for the first quarter of fiscal 2006, which included \$2.5 million or \$0.05 per share of incremental FAS 123 (R) stock option expense net of tax. Net income for the second quarter of fiscal 2005 was \$5.0 million or \$0.12 per share on a fully diluted basis, which was prior to the adoption of FAS 123 (R).

Bookings of \$96.5 million for the second quarter of fiscal 2006 also set a company record. Bookings for the first quarter of fiscal 2006 and second quarter of fiscal 2005 were \$95.9 million and \$58.0 million, respectively.

“Key to our growth strategy is our ongoing focus on R&D, where our pipeline remains stronger than ever,” said Igor Khandros, CEO of FormFactor. “Innovative new products, manufacturing execution and world-wide infrastructure put FormFactor in a unique position to enable the ongoing reduction in the cost of wafer test for our customers and for continuing long-term growth.”

The company has posted its revenue breakdown by region and market segment on the Investors 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 section of the company’s website at [www.formfactor.com](http://www.formfactor.com). 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 July 29, 2006 at 6:30 p.m. PDT and can be accessed by dialing (888) 286-8010 or (617) 801-6888 and entering confirmation code 57967229.

### **About FormFactor:**

Founded in 1993, FormFactor, Inc. (Nasdaq: FORM) is the leader in advanced wafer probe cards, which are used by semiconductor manufacturers to electrically test integrated circuits, or ICs. The company’s wafer sort, burn-in and device performance testing products move IC testing upstream from post-packaging to the wafer level, enabling semiconductor manufacturers to lower their overall production costs, improve yields, and bring next-generation devices to market. FormFactor is headquartered in Livermore, California with operations in Europe, Asia and North America. For more information, visit the company’s website at [www.formfactor.com](http://www.formfactor.com).

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FormFactor and MicroSpring are registered trademarks of FormFactor, Inc. All other product, trademark, company or service names mentioned herein are the property of their respective owners.

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, operations, demand for our products and future growth. 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 implement manufacturing capability changes, make the transition to smaller nanometer technology nodes and implement tooling cycles; the company’s ability to add manufacturing capacity, ramp production volume and expand globally, including to execute on its global manufacturing roadmap; the company’s ability to develop and deliver innovative technologies, and to enforce its intellectual property rights; and the company’s ability to implement and execute processes and structures for increasing productivity and supporting growth. 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-K for the fiscal period ended December 31, 2005 and the company’s Form 10-Q for the quarterly period ended April 1, 2006, filed with the

Securities and Exchange Commission ("SEC"), and subsequent SEC filings. Copies of the company's SEC filings 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.

**FORMFACTOR, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(In thousands, except per share data)  
(Unaudited)

	Three Months Ended		Six Months Ended	
	July 1, 2006	June 25, 2005	July 1, 2006	June 25, 2005
Revenues	\$ 92,433	\$ 52,337	\$ 173,763	\$ 103,302
Cost of revenues	43,707	30,561	84,207	59,396
Gross margin	<u>48,726</u>	<u>21,776</u>	<u>89,556</u>	<u>43,906</u>
Operating expenses:				
Research and development	11,627	5,701	21,403	11,580
Selling, general and administrative	17,965	9,817	33,713	19,412
Total operating expenses	<u>29,592</u>	<u>15,518</u>	<u>55,116</u>	<u>30,992</u>
Operating income	19,134	6,258	34,440	12,914
Interest income	3,889	980	5,711	1,796
Other income (expense), net	327	(112)	(14)	(25)
	<u>4,216</u>	<u>868</u>	<u>5,697</u>	<u>1,771</u>
Income before income taxes	23,350	7,126	40,137	14,685
Provision for income taxes	<u>8,069</u>	<u>2,114</u>	<u>14,088</u>	<u>4,762</u>
Net income	<u>\$ 15,281</u>	<u>\$ 5,012</u>	<u>\$ 26,049</u>	<u>\$ 9,923</u>
Net income per share:				
Basic	<u>\$ 0.33</u>	<u>\$ 0.13</u>	<u>\$ 0.60</u>	<u>\$ 0.25</u>
Diluted	<u>\$ 0.32</u>	<u>\$ 0.12</u>	<u>\$ 0.57</u>	<u>\$ 0.24</u>
Weighted-average number of shares used in per share calculations:				
Basic	<u>45,920</u>	<u>39,274</u>	<u>43,730</u>	<u>39,146</u>
Diluted	<u>48,165</u>	<u>41,497</u>	<u>45,792</u>	<u>41,355</u>

**FORMFACTOR, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands, except share and per share data)  
(Unaudited)

	July 1, 2006	December 31, 2005
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 270,338	\$ 31,217
Marketable securities	160,306	180,391
Accounts receivable, net of allowance for doubtful accounts of \$74 as of July 1, 2006 and December 31, 2005	44,884	43,967
Inventories	24,057	18,404
Deferred tax assets	11,339	11,396
Prepaid expenses and other current assets	11,771	7,169
Total current assets	<u>522,695</u>	<u>292,544</u>
Restricted cash	2,250	2,250
Property and equipment, net	88,586	81,588
Deferred tax assets	6,524	4,518
Other assets	<u>739</u>	<u>461</u>

Total assets	\$ 620,794	\$ 381,361
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 29,034	\$ 26,369
Accrued liabilities	23,214	20,467
Income tax payable	9,016	9,697
Deferred rent	313	313
Deferred revenue and customer advances	5,186	3,588
Total current liabilities	<u>66,763</u>	<u>60,434</u>
Deferred rent and other long term liabilities	3,652	3,138
Total liabilities	<u>70,415</u>	<u>63,572</u>
Stockholders' equity:		
Common stock, \$0.001 par value	47	40
Additional paid in capital	472,778	268,291
Deferred stock-based compensation	—	(2,495)
Accumulated other comprehensive loss	(807)	(359)
Retained earnings	78,361	52,312
Total stockholders' equity	<u>550,379</u>	<u>317,789</u>
Total liabilities and stockholders' equity	<u>\$ 620,794</u>	<u>\$ 381,361</u>