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): May 3, 2023

FORMFACTOR, INC.

(Exact Name of Registrant as Specified in Charter)

	Delaware	000-50307	13-3711155
	(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)
	7005 Southfront Road		
	Livermore, CA		94551
	(Address of Principal Executive Offices)		(Zip Code)
	Registrant'	s telephone number, including area code: (925)	290-4000
	(Former N	Not Applicable Name or Former Address, if Changed Since Last	Report)
	eck the appropriate box below if the Form 8-K filing is neral Instruction A.2. below):	intended to simultaneously satisfy the filing obli	gation of the registrant under any of the following provisions
	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 Rul	e 14d-2(b) under the Exchange Act (17 CFR 240	0.14d-2(b))
	Pre-commencement communications pursuant to Rul	e 13e-4(c) under the Exchange Act (17 CFR 240	.13e-4(c))
Sec	curities registered pursuant to Section12(b) of the Act:		
_	Title of each class	Trading Symbol(s)	Name of each exchange on which registered
	Common stock, \$0.001 par value	FORM	Nasdaq Global Market
	dicate by check mark whether the registrant is an emerg f the Securities Exchange Act of 1934 (§240.12b-2 of th		ne Securities Act of 1933(§230.405 of this chapter) or Rule
	Emerging growth company		
□ revised	If an emerging growth company, indicate by check material accounting standards provided pursuant to Sec	9	ended transition period for complying with any new or
,			

Item 2.02. Results of Operations and Financial Condition.

On May 3, 2023, FormFactor, Inc. ("FormFactor") issued a press release announcing its financial results for the first quarter of fiscal 2023 that ended on April 1, 2023. A copy of the press release is furnished as Exhibit 99.01 to this report and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibit is filed herewith and this list is intended to constitute the exhibit index.

Exhibit Number	Description
99.01	Press release dated May 3, 2023

The information in this 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.

FORMFACTOR, INC.

Date: May 3, 2023 By: /s/ SHAI SHAHAR

Name: Shai Shahar

Title: Chief Financial Officer



News Release

Investor Contact:

Stan Finkelstein Investor Relations (925) 290-4321 ir@formfactor.com

FORMFACTOR, INC. REPORTS 2023 FIRST QUARTER RESULTS

Reports Q1 Revenue above Outlook Range, Sees Similar Demand in Q2

LIVERMORE, Calif. — **May 3, 2023** —FormFactor, Inc. (Nasdaq: FORM) today announced its financial results for the first quarter of fiscal 2023 ended April 1, 2023. Quarterly revenues were \$167.4 million, an increase of 0.9% compared to \$166.0 million in the fourth quarter of fiscal 2022, and a decrease of 15.1% from \$197.2 million in the first quarter of fiscal 2022.

- · Delivered revenue exceeding the outlook range, gross margins and EPS at the high end of their ranges
- Generated significant sequential improvement in gross margins and profitability
- · Significantly increased Foundry & Logic revenue from multiple wins at major foundry and IDM customers
- Achieved strong Systems segment results, with near-record revenue and gross margins

"FormFactor's first quarter revenue was similar to the fourth quarter's, exceeding our outlook range due to timing of shipments, as we delivered significant sequential improvement in gross margins and profitability," said Mike Slessor, CEO of FormFactor, Inc. "While this cyclical downturn continues, we are carefully balancing disciplined cost control, to preserve quarterly profitability and protect our strong balance sheet, with long-term investments in R&D and long-lead time components of our capacity increase plans."

First Quarter Highlights

On a GAAP basis, net income for the first quarter of fiscal 2023 was \$1.3 million, or \$0.02 per fully-diluted share, compared to net loss for the fourth quarter of fiscal 2022 of \$13.7 million, or negative \$0.18 per fully-diluted share, and net income for the first quarter of fiscal 2022 of \$29.9 million, or \$0.38 per fully-diluted share. Gross margin for the first quarter of fiscal 2023 was 36.5%, compared with 27.2% in the fourth quarter of fiscal 2022, and 47.8% in the first quarter of fiscal 2022.

On a non-GAAP basis, net income for the first quarter of fiscal 2023 was \$12.5 million, or \$0.16 per fully-diluted share, compared to net income for the fourth quarter of fiscal 2022 of \$4.1 million, or \$0.05 per fully-diluted share, and net income for the first quarter of fiscal 2022 of \$38.7 million, or \$0.49 per fully-diluted share. On a non-GAAP basis, gross margin for the first quarter of fiscal 2023 was 38.4%, compared with 31.7% in the fourth quarter of fiscal 2022, and 49.0% in the first quarter of fiscal 2022.

 $\label{eq:conciliation} A \ reconciliation \ of \ GAAP \ to \ non\mbox{-}GAAP \ measures \ is \ provided \ in the \ schedules \ included \ below.$

GAAP net cash provided by operating activities for the first quarter of fiscal 2023 was \$12.3 million, compared to \$20.7 million for the fourth quarter of fiscal 2022, and \$44.2 million for the first quarter of fiscal 2022. Free cash flow for the first quarter of fiscal 2023 was negative \$7.3 million, compared to free cash flow for the fourth quarter of fiscal 2022 of negative \$5.4 million, and free cash flow for the first quarter of 2022 of \$28.7 million. A reconciliation of net cash provided by operating activities to non-GAAP free cash flow is provided in the schedules included below.

Outlook

Dr. Slessor added, "In the second quarter, we anticipate comparable results as we execute against relatively stable overall demand for our products, along with the strong new-design activity we are supporting across the industry."

For the second quarter ending July 1, 2023, FormFactor is providing the following outlook*:

	GAAP	Reconciling Items**	Non-GAAP
Revenue	\$162.0 million +/- \$5 million		\$162.0 million +/- \$5 million
Gross Margin	36% +/- 1.5%	\$3 million	38% +/- 1.5%
Net income (loss) per diluted share	(\$0.05) +/- \$0.04	\$0.17	\$0.12 +/- \$0.04

^{*}This outlook assumes consistent foreign currency rates.

We posted our revenue breakdown by geographic region, by market segment and with customers with greater than 10% of total revenue on the Investor Relations section of our website at www.formfactor.com. We will conduct a conference call at 1:25 p.m. PDT, or 4:25 p.m. EDT, today.

The public is invited to listen to a live webcast of FormFactor's conference call on the Investor Relations section of our web site at www.formfactor.com. A telephone replay of the conference call will be available approximately two hours after the conclusion of the call. The replay will be available on the Investor Relations section of our website, www.formfactor.com.

Use of Non-GAAP Financial Information:

To supplement our condensed consolidated financial results prepared under generally accepted accounting principles, or GAAP, we disclose certain non-GAAP measures of non-GAAP net income, non-GAAP net income per basic and diluted share, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses and non-GAAP operating income, that are adjusted from the nearest GAAP financial measure to exclude certain costs, expenses, gains and losses. Reconciliations of the adjustments to GAAP results for the three months ended April 1, 2023, and for outlook provided before, as well as for the comparable periods of fiscal 2022, are provided below, and on the Investor Relations section of our website at www.formfactor.com. Information regarding the ways in which management uses non-GAAP financial information to evaluate its business, management's reasons for using this non-GAAP financial information, and limitations associated with the use of non-GAAP financial information, is included under "About our Non-GAAP Financial Measures" following the tables below.

About FormFactor:

FormFactor, Inc. (Nasdaq: FORM), is a leading provider of essential test and measurement technologies along the full semiconductor product life cycle from characterization, modeling, reliability, and design de-bug, to qualification and production test. Semiconductor companies rely upon FormFactor's products and services to accelerate profitability by optimizing device performance and advancing yield knowledge. The Company serves customers through its network of facilities in Asia, Europe, and North America. For more information, visit the Company's website at www.formfactor.com.

^{**}Reconciling items are stock-based compensation, restructuring charges, and amortization of intangibles, inventory, and fixed asset fair value adjustments due to acquisitions.

Forward-looking Statements:

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the federal securities laws, including with respect to the Company's future financial and operating results, and the Company's plans, strategies and objectives for future operations. These statements are based on management's current expectations and beliefs as of the date of this release, and are subject to a number of risks and uncertainties, many of which are beyond the Company's control, that could cause actual results to differ materially from those described in the forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding future financial and operating results, customer demand, conditions in the semiconductor industry, and growth opportunities, and other statements regarding the Company's business. Forward-looking statements may contain words such as "may," "might," "will," "expect," "plan," "anticipate," and "continue," the negative or plural of these words and similar expressions, and include the assumptions that underlie such statements. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements; changes in demand for the Company's products; customer-specific demand; market opportunity; anticipated industry trends; the availability, benefits, and speed of customer acceptance or implementation of new products and technologies; manufacturing, processing, and design capacity, goals, expansion, volumes, and progress; difficulties or delays in research and development; industry seasonality; risks to the Company's realization of benefits from acquisitions, investments in capacity and investments in new electronic data systems and information technology; reliance on customers or third parties (including suppliers); changes in macro-economic environments; events affecting global and regional economic and market conditions and stability such as infectious diseases and pandemics, military conflicts, political volatility and similar factors, operating separately or in combination; and other factors, including those set forth in the Company's most current annual report on Form 10-K, quarterly reports on Form 10-Q and other filings by the Company with the U.S. Securities and Exchange Commission. We continue to operate in an environment with substantial uncertainties arising from global, regional and national health crises such as the COVID-19 pandemic, including with respect to their impact on our operations, capacity, customer demand, and supply chain, as well as the macroeconomic environment. In addition, there are varying barriers to international trade, including restrictive trade and export regulations, dynamic tariffs, trade disputes between the U.S. and other countries, such as the recent US-China restrictions, and national security developments or tensions, that may substantially restrict or condition our sales to or in certain countries, increase the cost of doing business internationally, and disrupt our supply chain. No assurances can be given that any of the events anticipated by the forward-looking statements within this press release will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of the Company. Unless required by law, the Company is under no obligation (and expressly disclaims any such obligation) to update or revise its forwardlooking statements whether as a result of new information, future events, or otherwise.

FORMFACTOR, INC. CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) (In thousands, except per share amounts) (Unaudited)

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		Three Months Ended					
		April 1, 2023		December 31, 2022		March 26, 2022	
Revenues	\$	167,448	\$	165,987	\$	197,174	
Cost of revenues		106,370		120,784		102,950	
Gross profit	·	61,078		45,203		94,224	
Operating expenses:							
Research and development		28,245		27,222		27,134	
Selling, general and administrative		32,742		33,926		32,906	
Total operating expenses		60,987		61,148		60,040	
Operating income (loss)		91		(15,945)		34,184	
Interest income (expense), net		1,276		957		(54)	
Other income (expense), net		23		(467)		192	
Income (loss) before income taxes		1,390		(15,455)		34,322	
Provision (benefit) for income taxes		48		(1,728)		4,450	
Net income (loss)	\$	1,342	\$	(13,727)	\$	29,872	
Net income (loss) per share:							
Basic	\$	0.02	\$	(0.18)	\$	0.38	
Diluted	\$	0.02	\$	(0.18)	\$	0.38	
Weighted-average number of shares used in per share calculations:	_						
Basic		77,066		76,972		78,246	
Diluted		77,255		76,972		79,468	

FORMFACTOR, INC. NON-GAAP FINANCIAL MEASURE RECONCILIATIONS (In thousands, except per share amounts) (Unaudited)

,	Three Months Ended							
		April 1,	December 31,			March 26,		
		2023	_	2022		2022		
GAAP Gross Profit	\$	61,078	\$	45,203	\$	94,224		
Adjustments:								
Amortization of intangibles, inventory and fixed asset fair value adjustments due to acquisitions		1,356		1,360		1,168		
Stock-based compensation		1,910		973		1,078		
Restructuring charges		25		5,122		139		
Non-GAAP Gross Profit	\$	64,369	\$	52,658	\$	96,609		
GAAP Gross Margin		36.5 %		27.2 %		47.8 %		
Adjustments:		30.3 /0		27.2 /0		47.0 /0		
Amortization of intangibles, inventory and fixed asset fair value adjustments due to acquisitions		0.8 %		0.8 %		0.6 %		
Stock-based compensation		1.1 %		0.6 %		0.5 %		
Restructuring charges		— %		3.1 %		0.1 %		
Non-GAAP Gross Margin		38.4 %		31.7 %		49.0 %		
GAAP operating expenses	\$	60,987	\$	61,148	\$	60,040		
Adjustments:								
Amortization of intangibles		(1,547)		(1,530)		(1,561)		
Stock-based compensation		(7,380)		(8,491)		(6,442)		
Restructuring charges		(897)		(3,249)		(174)		
Non-GAAP operating expenses	\$	51,163	\$	47,878	\$	51,863		
GAAP operating income (loss)	\$	91	\$	(15,945)	\$	34,184		
Adjustments:	Ψ	51	Ψ	(13,343)	Ψ	34,104		
Amortization of intangibles, inventory and fixed asset fair value adjustments due to acquisitions		2,903		2,890		2,729		
Stock-based compensation		9,290		9,464		7,520		
Restructuring charges		922		8,371		313		
Non-GAAP operating income	\$	13,206	\$	4,780	\$	44,746		

FORMFACTOR, INC. NON-GAAP FINANCIAL MEASURE RECONCILIATIONS (In thousands, except per share amounts) (Unaudited)

()						
	Three Months Ended					
		April 1, 2023		December 31, 2022		March 26, 2022
GAAP net income (loss)	\$	1,342	\$	(13,727)	\$	29,872
Adjustments:						
Amortization of intangibles, inventory and fixed asset fair value adjustments due to acquisitions		2,903		2,890		2,729
Stock-based compensation		9,290		9,464		7,520
Restructuring charges		922		8,371		313
Income tax effect of non-GAAP adjustments		(1,965)		(2,850)		(1,725)
Non-GAAP net income	\$	12,492	\$	4,148	\$	38,709
GAAP net income (loss) per share:						
Basic	\$	0.02	\$	(0.18)	\$	0.38
Diluted	\$	0.02	\$	(0.18)	\$	0.38
Non-GAAP net income per share:						
Basic	\$	0.16	\$	0.05	\$	0.49
Diluted	\$	0.16	\$	0.05	\$	0.49

FORMFACTOR, INC. CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands) (Unaudited)

(Chaudica)				
	Three M	Three Months Ended		
	April 1, 2023		March 26, 2022	
Cash flows from operating activities:				
Net income	\$ 1,342	2 \$	29,872	
Selected adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	7,570	j	6,960	
Amortization	2,378	}	2,369	
Stock-based compensation expense	9,290)	7,520	
Provision for excess and obsolete inventories	4,973	}	2,501	
Other activity impacting operating cash flows	(13,250	1)	(5,067)	
Net cash provided by operating activities	12,309)	44,155	
Cash flows from investing activities:				
Acquisition of property, plant and equipment	(19,701	.)	(15,606)	
Proceeds from maturities and sales (purchases) of marketable securities, net	6,162	2	(5,472)	
Net cash used in investing activities	(13,539)	(21,078)	
Cash flows from financing activities:				
Purchase of common stock through stock repurchase program	-	-	(9,397)	
Proceeds from issuances of common stock	5,024	Į.	5,687	
Tax withholdings related to net share settlements of equity awards	(387)	(72)	
Principal repayments on term loans	(259)	(2,234)	
Net cash provided by (used) in financing activities	4,378	}	(6,016)	
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(276	5)	(1,142)	
Net increase in cash, cash equivalents and restricted cash	2,872	2	15,919	
Cash, cash equivalents and restricted cash, beginning of period	112,982	2	155,342	
Cash, cash equivalents and restricted cash, end of period	\$ 115,85 ₄	4 \$	171,261	

FORMFACTOR, INC. RECONCILIATION OF CASH PROVIDED BY OPERATING ACTIVITIES TO NON-GAAP FREE CASH FLOW

(In thousands) (Unaudited)

	Three Months Ended					
	April 1, 2023	Do	ecember 31, 2022		March 26, 2022	
Net cash provided by operating activities	\$ 12,309	\$	20,738	\$	44,155	
Adjustments:						
Cash paid for interest	106		117		163	
Capital expenditures	(19,701)		(26,230)		(15,606)	
Free cash flow	\$ (7,286)	\$	(5,375)	\$	28,712	

FORMFACTOR, INC. CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands) (Unaudited)

Reservation Again and sequivalents Feature and sequivalents Secure and securities Secure and securities Secure and securities Secure and securities Secure and secure an	(Chaudited)			
Current assers: S 11,206 10,107 Cash and cash quivalents \$ 12,308 129,008 Accounts receivable, ent of allowance for credit losses 103,599 88,143 Inventories, net 116,553 123,157 Restricted cash 1,207 1,221 Prepaid expenses and other current assets 2,204 2,805 Total current assets 480,921 474,552 Restricted cash 2,207 2,201 Opperating lease, right-of-use-assets 30,40 31,302 Property plant and equipment, net of accumulated depreciation 198,22 198,808 Goodwill 21,73 21,144 Intangibles, net 24,46 26,75 Deferred tax assets 6,755 3,008 Other assets 3,09 3,008 Other assets 3,10 3,09 Total assets 5,10,105 3,00 Total assets 3,10 3,00 Cottlera tax assets 3,20 3,00 Cottlera tax assets 3,10 3,00 <th></th> <th></th> <th>Γ</th> <th></th>			Γ	
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Inventories, net 116,553 123,177 Restricted cash 1,207 1,221 Prepaid expense and other current assets 22,941 23,935 Total current assets 480,921 474,552 Restricted cash 2,287 2,631 Operating lease, right-of-use-assets 30,422 1,316 Goodwill 198,232 1,918,43 Goodwill 211,773 2,114 Interpret of ax assets 2,752 6,764 Ofter assets 3,085 1,908 Total assets 5,109,759 \$ 1,000,20 Chrown spaysh 5,109,750 \$ 1,000,20 Accounts payable 5,25,200 \$ 6,205 Accounts payable 5,25 \$ 6,205 Accounts payable 5,25 \$ 6,205 Accounts payable 5,25 \$ 6,205 Operating lease liabilities 1,14 1,04 Offered review 2,37 2,32 Operating lease liabilities 1,20 2,73 Tem loan, lessor turnet protion, net of unamortized issuanc	Marketable securities	123,89	1	129,006
Restricted cash 1,20 1,21 Prepail expense and other current assets 22,941 23,805 Total current assets 480,921 445,522 Restricted cash 2,287 2,613 Operating lease, right-of-use-assets 30,420 31,802 Groperty, plant and equipment, net of accumulated depreciation 198,23 2,818 Goodwill 21,173 211,444 Interpolate assets 67,951 4,606 Other assets 3,968 3,908 Total assets 3,968 3,908 Total assets 8,369 3,908 Total assets 8,369 3,908 Total assets 8,369 3,908 Total assets 8,369 8,908 Accumus pastrockthothers: 8,369 8,908 Accumus pastrockthothers: 8,369 8,908 Accumus pastrockthothers: 1,908 4,910 Current postrockthothers: 1,908 4,910 Accumus pastrockthothers: 1,908 4,910 Current postrockthothers	Accounts receivable, net of allowance for credit losses	103,96	9	88,143
Prepaid expenses and other current assets 22,941 23,895 Total current assets 480,921 474,525 Restricted cash 2,263 2,631 Operating lease, right-of-use-assets 30,402 31,362 Property, plant and equipment, net of accumulated depreciation 198,232 189,848 Goodwill 21,173 21,144 Itangibles, net 67,951 67,651 Other assets 67,951 67,606 Other assets 8,019,769 31,008,208 Total assets 8,019,769 1,008,208 Total assets 8,019,769 1,008,208 Accurent liabilities 3,194 42,115 Current protrion of term loan, net of unamortized issuance costs 1,142 1,108 Current portion of term loan, net of unamortized issuance costs 7,532 1,208 Total current liabilities 2,379 2,936 Total current liabilities 2,009 2,732 Total current portion, net of unamortized issuance costs 11,43 1,436 Deferred tax liabilities 2,009 2,735	Inventories, net	116,55	3	123,157
Total current assets 480,921 74,552 Restriced cash 2,287 2,631 Operating lease, right-of-use-assets 31,362 189,848 Goodwill 198,232 189,848 Goodwill 211,773 211,448 Intangibles, net 24,46 26,751 Deferred tax assets 67,951 67,666 Other assets 3,666 3,908 Total assets 5,019,755 \$ 1,008,228 Total assets 5,019,755 \$ 1,008,228 Total assets 5,019,755 \$ 1,008,228 Accumed liabilities 3,368 3,908 Accumed syapable \$ 63,756 \$ 6,308 Accumed liabilities 3,191 4,211 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Operating lease liabilities 2,379 29,846 Operating lease liabilities 2,009 2,737 Total current liabilities 2,009 2,737 Long-term operating lease liabilities 2,009 2,737	Restricted cash	1,20	7	1,221
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Operating lease, right-of-seasests 30,420 31,362 Property, plant and equipment, net of accumulated depreciation 198,23 189,484 Goodwill 211,773 211,444 Itangibles, net 24,46 26,75 Deferred tax assets 67,951 67,646 Other assets 3,080 3,909 Total assets 5,101,950 \$ 100,822 LHAILTIES AND STOCKHOLDERS' EQUITY User a liabilities Accounts payable \$ 63,756 \$ 69,308 Accounts payable \$ 14,02 1,045 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Current portion of term loan, net of unamortized issuance costs 23,77 2,946 Operating lease liabilities 12,87 2,732 Term Loan, less current portion, net of unamortized issuance costs 21,402 1,416 Emmi acquirent profine net of unamortized issuance costs 2,602 2,782 Deferred ax liabilities 2,905 2,782 Deferred gard 1,502 2,503 Other liabil	Total current assets	480,92	1	474,552
Property, plant and equipment, net of accumulated depreciation 198,232 189,848 Goodwill 211,773 211,448 Intangibles, net 24,486 26,751 Deferred tax assets 67,951 67,606 Other assets 3,686 3,908 Total assets 8,101,955 \$ 10,008,208 BIRITIES AND STOCKHOLDERS' EQUITY We remain liabilities Accound liabilities 31,981 42,115 Accound liabilities 31,981 42,115 Current portion of term loan, net of unamortized issuance costs 11,42 10,468 Deferred revue 23,77 29,84 Operating lease liabilities 7,512 7,33 Total current liabilities 2,05 2,73 Eerned garat 2,05 2,73 Deferred fact liabilities 2,05 2,73 Deferred garat 2,05 2,73 Other liabilities 5,868 5,868 Total liabilities 5,868 5,868 Total liabilities 5,868 5,	Restricted cash	2,28	7	2,631
Godwill 211,743 211,448 Intagibles, net 24,468 26,751 Defered tax asets 67,951 67,646 Other assets 3,068 3,908 Total assets \$10,105.00 \$ 10,002.00 LIABILITIES AND STOCKHOLDERS' EQUITY We counts payable \$63,758 \$ 63,008 Accounts payable \$63,759 \$ 69,008 Accounted liabilities 31,941 42,115 Current portion of term loan, net of unamortized issuance costs 11,42 1,046 Operating lease liabilities 23,79 29,846 Operating lease liabilities 128,17 49,667 Total current liabilities 128,10 149,667 Tomal post current portion, net of unamortized issuance costs 14,03 14,966 Tomal post current portion, net of unamortized issuance costs 2,05 2,73 Deferred grant 26,07 2,73 Operating lease liabilities 5,06 5,06 Operating lease liabilities 2,05 5,06 Deferred car liabilities	Operating lease, right-of-use-assets	30,42)	31,362
Godwill 211,743 211,448 Intagibles, net 24,468 26,751 Defered tax asets 67,951 67,646 Other assets 3,068 3,908 Total assets \$10,105.00 \$ 10,002.00 LIABILITIES AND STOCKHOLDERS' EQUITY We counts payable \$63,758 \$ 63,008 Accounts payable \$63,759 \$ 69,008 Accounted liabilities 31,941 42,115 Current portion of term loan, net of unamortized issuance costs 11,42 1,046 Operating lease liabilities 23,79 29,846 Operating lease liabilities 128,17 49,667 Total current liabilities 128,10 149,667 Tomal post current portion, net of unamortized issuance costs 14,03 14,966 Tomal post current portion, net of unamortized issuance costs 2,05 2,73 Deferred grant 26,07 2,73 Operating lease liabilities 5,06 5,06 Operating lease liabilities 2,05 5,06 Deferred car liabilities	Property, plant and equipment, net of accumulated depreciation	198,23	2	189,848
Deferred tax assets 67,951 67,604 Other assets 3,606 3,909 Total assets 1,101,705 \$ 1,000,202 LARBILITIES AND STOCKHOLDERS' EQUITY Were train liabilities Accounts payable 6,63,756 \$ 63,756 \$ 63,000 Accound liabilities 31,981 42,115 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Deferred revenue 23,779 29,846 Operating lease liabilities 7,512 7,353 Total current liabilities 128,170 149,667 Erm loan, less current portion, net of unamortized issuance costs 14,036 14,368 Deferred tax liabilities 2,955 2,732 Long-term operating lease liabilities 2,604 27,587 Deferred grant 18,000 -7 Other liabilities 5,688 5,568 Total liabilities 5,000 3,500 Total liabilities 7 7 Common stock 7 7		211,77	3	211,444
Other assets 3,666 3,904 Total assets 5 1,019,756 \$ 1,008,228 LABILITIES AND STOCKHOLDERS' EQUITY Current liabilities S 6,075 \$ 69,308 Accounts payable \$ 1,042 1,045 Account liabilities 31,981 42,115 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Deferred revenue 23,779 29,846 Operating lease liabilities 7,512 7,353 Total current liabilities 1,406 149,667 Deferred tax liabilities 2,905 2,735 Deferred quant 1,600 2,752 Deferred grant 18,000 2,752 Other liabilities 2,055 2,552 Total liabilities 19,534 19,943 Stockholders' equity: 2,752 7,752 Common stock 7,77 7,77 Additional paint apiant 858,195 844,842 Accumulated other comprehensive loss 6,578 </td <td>Intangibles, net</td> <td>24,48</td> <td>5</td> <td>26,751</td>	Intangibles, net	24,48	5	26,751
Total assets \$ 1,019,756 \$ 1,008,228 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: \$ 63,756 \$ 69,308 Accounts payable \$ 63,756 \$ 69,308 Accrued liabilities 1,142 1,045 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Deferred revenue 23,779 29,846 Operating lease liabilities 7,512 7,333 Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,568 5,568 Total liabilities 195,348 199,943 Stockholders' equity: 2 7 7 Common stock 7 7 7 Additional paid-in capital 85,195 84,842 Accumulated other comprehensive loss	Deferred tax assets	67,95	1	67,646
LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: Accounts payable \$ 63,76 \$ 69,308 Accrued liabilities 31,981 42,115 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Deferred revenue 23,779 29,846 Operating lease liabilities 7512 7,553 Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 5,868 5,568 Total liabilities 77 7 Common stock 77 7 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) 6,578	Other assets	3,68	õ	3,994
Current liabilities: \$ 63,756 \$ 69,308 Accounts payable \$ 1,981 42,115 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Deferred revenue 23,779 29,846 Operating lease liabilities 7,512 7,353 Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 2,905 2,732 Long-term operating lease liabilities 18,000 —— Ofter liabilities 5,868 5,568 Total liabilities 5,868 5,568 Total liabilities 195,344 199,943 Stockholders' equity: Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Total assets	\$ 1,019,75	5 \$	1,008,228
Accounts payable \$ 63,756 \$ 69,308 Accrued liabilities 31,981 42,115 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Deferred revenue 23,779 29,846 Operating lease liabilities 7,512 7,353 Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: 2 77 77 Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	LIABILITIES AND STOCKHOLDERS' EQUITY			
Accrued liabilities 31,981 42,115 Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Deferred revenue 23,779 29,846 Operating lease liabilities 7,512 7,353 Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: 2 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Current liabilities:			
Current portion of term loan, net of unamortized issuance costs 1,142 1,045 Deferred revenue 23,779 29,846 Operating lease liabilities 7,512 7,353 Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,668 5,568 Total liabilities 195,384 199,943 Stockholders' equity: T7 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Accounts payable	\$ 63,75	5 \$	69,308
Deferred revenue 23,779 29,846 Operating lease liabilities 7,512 7,353 Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Accrued liabilities	31,98	1	42,115
Operating lease liabilities 7,512 7,353 Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,668 5,568 Total liabilities 195,384 199,943 Stockholders' equity: 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Current portion of term loan, net of unamortized issuance costs	1,14	2	1,045
Total current liabilities 128,170 149,667 Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Deferred revenue	23,77	Э	29,846
Term loan, less current portion, net of unamortized issuance costs 14,034 14,389 Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Operating lease liabilities	7,51	2	7,353
Deferred tax liabilities 2,905 2,732 Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Total current liabilities	128,17)	149,667
Long-term operating lease liabilities 26,407 27,587 Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Term loan, less current portion, net of unamortized issuance costs	14,03	4	14,389
Deferred grant 18,000 — Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Deferred tax liabilities	2,90	5	2,732
Other liabilities 5,868 5,568 Total liabilities 195,384 199,943 Stockholders' equity: 77 77 Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Long-term operating lease liabilities	26,40	7	27,587
Total liabilities 195,384 199,943 Stockholders' equity: 77 77 Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Deferred grant	18,00)	_
Stockholders' equity: 77 77 Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Other liabilities	5,86	3	5,568
Common stock 77 77 Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Total liabilities	195,38	4	199,943
Additional paid-in capital 858,195 844,842 Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Stockholders' equity:			
Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Common stock	7	7	77
Accumulated other comprehensive loss (4,186) (5,578) Accumulated deficit (29,714) (31,056)	Additional paid-in capital	858,19	5	844,842
Accumulated deficit (29,714) (31,056)		(4,18)	ō)	(5,578)
	Accumulated deficit	(29,71-	4)	
10tal stockholders equity 824,372 808,285	Total stockholders' equity	824,37		808,285
Total liabilities and stockholders' equity \$ 1,019,756 \$ 1,008,228		\$ 1,019,75	5 \$	

About our Non-GAAP Financial Measures:

We believe that the presentation of non-GAAP net income, non-GAAP net income per basic and diluted share, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income and free cash flow provides supplemental information that is important to understanding financial and business trends and other factors relating to our financial condition and results of operations. Non-GAAP net income, non-GAAP net income per basic and diluted share, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, and non-GAAP operating income are among the primary indicators used by management as a basis for planning and forecasting future periods, and by management and our board of directors to determine whether our operating performance has met certain targets and thresholds. Management uses non-GAAP net income, non-GAAP net income per basic and diluted share, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, and non-GAAP operating income when evaluating operating performance because it believes that the exclusion of the items indicated herein, for which the amounts or timing may vary significantly depending upon our activities and other factors, facilitates comparability of our operating performance from period to period. We use free cash flow to conduct and evaluate our business as an additional way of viewing our liquidity that, when viewed with our GAAP results, provides a more complete understanding of factors and trends affecting our cash flows. Many investors also prefer to track free cash flow, as opposed to only GAAP earnings. Free cash flow has limitations due to the fact that it does not represent the residual cash flow available for discretionary expenditures, and therefore it is important to view free cash flow as a complement to our entire consolidated statements of cash flows. We have chosen to provide this non-GAAP information to investors so they can analyze our operating results closer to the way that management does, and use this information in their assessment of our business and the valuation of our Company. We compute non-GAAP net income, non-GAAP net income per basic and diluted share, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, and non-GAAP operating income, by adjusting GAAP net income (loss), GAAP net income (loss) per basic and diluted share, GAAP gross profit, GAAP gross margin, GAAP operating expenses, and GAAP operating income (loss) to remove the impact of certain items and the tax effect, if applicable, of those adjustments. These non-GAAP measures are not in accordance with, or an alternative to, GAAP, and may be materially different from other non-GAAP measures, including similarly titled non-GAAP measures used by other companies. The presentation of this additional information should not be considered in isolation from, as a substitute for, or superior to, net income (loss), net income (loss) per basic and diluted share, gross profit, gross margin, operating expenses, or operating income (loss) in accordance with GAAP. Non-GAAP financial measures have limitations in that they do not reflect certain items that may have a material impact upon our reported financial results. We may expect to continue to incur expenses of a nature similar to the non-GAAP adjustments described above, and exclusion of these items from our non-GAAP net income, non-GAAP net income per basic and diluted share, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, and non-GAAP operating income should not be construed as an inference that these costs are unusual, infrequent or non-recurring. For more information on the non-GAAP adjustments, please see the table captioned "Non-GAAP Financial Measure Reconciliations" and "Reconciliation of Cash Provided by Operating Activities to non-GAAP Free Cash Flow" included in this press release.

Source: FormFactor, Inc.

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