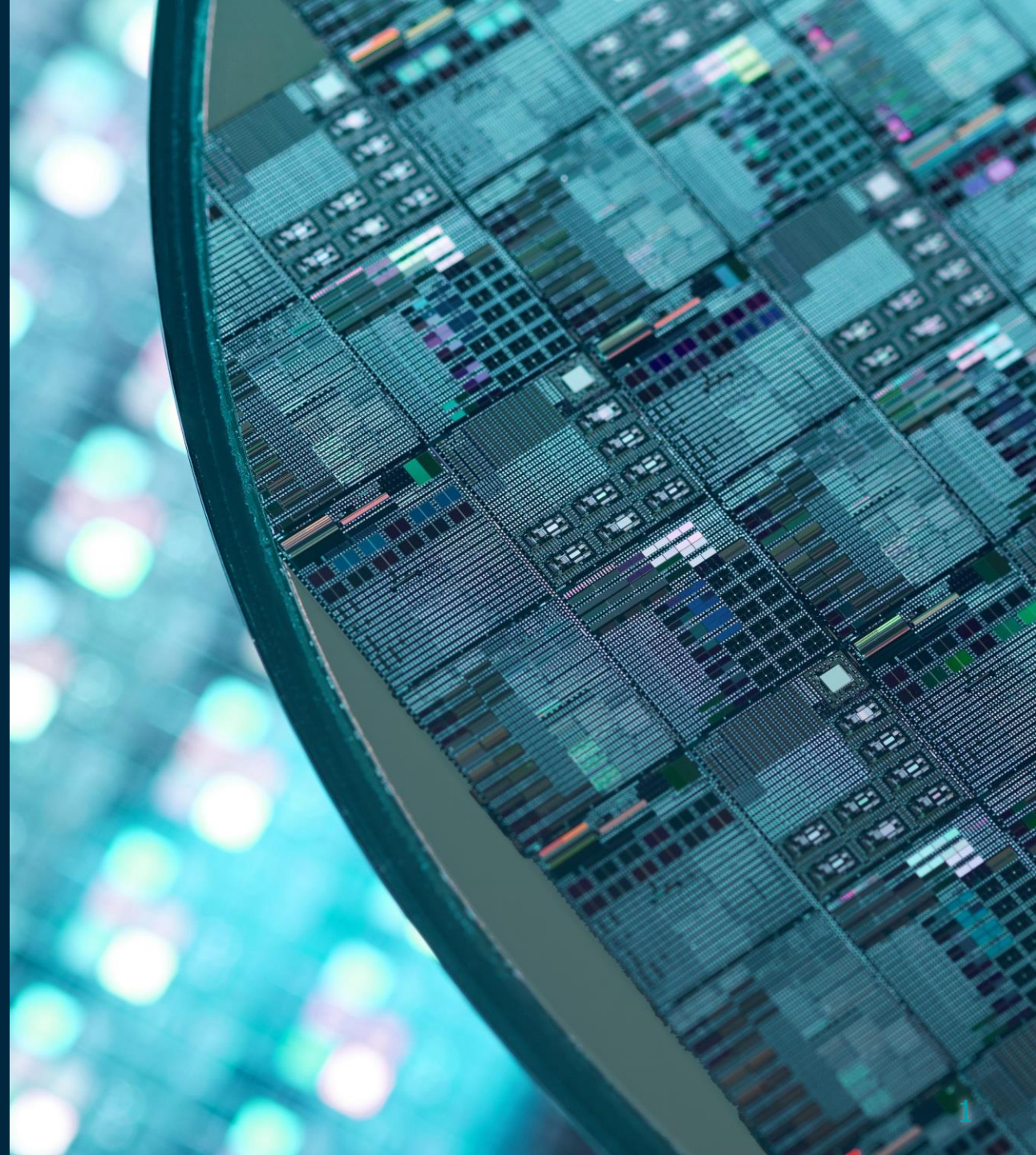




# Supplemental Financial Information

July 31, 2019



# Revenue by Geographic Region (in millions)

	<u>Q2 2019</u>	<u>Q1 2019</u>	<u>Q2 2018</u>
United States	\$ 38.4	\$ 34.3	\$ 33.2
South Korea	28.2	26.7	26.0
China	20.4	21.8	14.6
Japan	16.1	10.4	13.5
Taiwan	14.9	22.4	30.0
Europe	10.6	9.5	9.5
Rest of World	9.4	7.1	8.7
	<u>\$ 138.0</u>	<u>\$ 132.2</u>	<u>\$ 135.5</u>

Asia Pacific includes all countries in the region except Taiwan, Japan and South Korea, which are disclosed separately.

# Revenue by Market Segment (in millions)

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	<u>Q2 2019</u>	<u>Q1 2019</u>	<u>Q2 2018</u>
Foundry & Logic	\$ 73.4	\$ 71.6	\$ 62.1
DRAM	36.0	28.9	38.1
Flash	4.2	7.6	11.4
Systems	24.4	24.1	23.9
	<u>\$ 138.0</u>	<u>\$ 132.2</u>	<u>\$ 135.5</u>

## Customers > 10% of Total Revenue

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	<u>Q2 2019</u>	<u>Q1 2019</u>	<u>Q2 2018</u>
Intel Corporation	26.1%	21.3%	15.1%
Samsung Electronics	11.1%	13.8%	*
Micron Technology	10.1%	*	*
SK Hynix Inc.	*	*	11.5%
TOTAL	<u>47.3%</u>	<u>35.1%</u>	<u>26.6%</u>

# Gross Profit and Gross Margin by Segment

(In thousands, except for percentages)

	Three Months Ended							
	June 29, 2019				June 30, 2018			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
<b>Revenues</b>	\$ 113,637	\$ 24,381	\$ -	\$ 138,018	\$ 111,586	\$ 23,923	\$ -	\$ 135,509
<b>Gross profit</b>	48,492	12,672	(5,812)	55,352	50,543	11,626	(5,951)	56,218
<b>Gross margin</b>	42.7%	52.0%	- %	40.1%	45.3%	48.6%	- %	41.5%

	Six Months Ended							
	June 29, 2019				June 30, 2018			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
<b>Revenues</b>	\$ 221,740	\$ 48,491	\$ -	\$ 270,231	\$ 206,514	\$ 47,285	\$ -	\$ 253,799
<b>Gross profit</b>	93,785	25,688	(11,600)	107,873	90,614	22,761	(12,028)	101,347
<b>Gross margin</b>	42.3%	53.0%	- %	39.9%	43.9%	48.1%	- %	39.9%

# Gross Profit and Gross Margin by Segment

(In thousands, except for per share amounts)

	Three Months Ended		Six Months Ended	
	June 29 2019	June 30 2018	June 29 2019	June 30 2018
GAAP net income	\$ 6,948	9,123	\$ 12,431	\$ 11,248
Adjustments to reconcile GAAP net income to Non-GAAP net income:				
Amortization of intangibles	7,079	7,170	14,169	14,364
Stock-based compensation	5,289	4,128	10,584	7,884
Restructuring charges	226	-	435	-
Income tax effect of non-GAAP adjustments	(3,443)	3	(6,325)	(422)
Non-GAAP net income	<u>\$ 16,099</u>	<u>\$ 20,424</u>	<u>\$ 31,294</u>	<u>\$ 33,074</u>
Non-GAAP net income per share:				
Basic	<u>\$ 0.22</u>	<u>\$ 0.28</u>	<u>\$ 0.42</u>	<u>\$ 0.45</u>
Diluted	<u>\$ 0.21</u>	<u>\$ 0.27</u>	<u>\$ 0.41</u>	<u>\$ 0.44</u>
Weighted-average number of shares used in per share calculations:				
Basic	<u>74,478</u>	<u>73,157</u>	<u>74,483</u>	<u>72,991</u>
Diluted	<u>76,189</u>	<u>74,533</u>	<u>76,061</u>	<u>74,427</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.



# Gross Profit and Gross Margin by Segment

(In thousands, except for per share amounts)

	GAAP	Adjustments			Non-GAAP
	3-Months Ended June 29, 2019	Stock-based Compensation	Amortization of Intangibles	Restructuring Charges	3-Months Ended June 29, 2019
Revenues	\$ 138,018	\$ -	\$ -	\$ -	\$ 138,018
Cost of revenues	82,666	(964)	(4,711)	(138)	76,853
Gross profit	55,352	964	4,711	138	61,165
<b>Operating expenses:</b>					
Research and development	20,074	(1,582)	-	-	18,492
Sales and marketing	16,432	(1,479)	(2,368)	-	12,585
General and administrative	9,851	(1,264)	-	(88)	8,499
Total operating expenses	46,357	(4,325)	(2,368)	(88)	39,576
Operating profit	8,995	5,289	7,079	226	21,589
Interest income	684	-	-	-	684
Interest expense	(522)	-	-	-	(522)
Other income (expense), net	81	-	-	-	81
Income before income taxes	9,238	5,289	7,079	226	21,832
Provision for income taxes	2,290	1,446	1,935	62	5,733
Net income	\$ 6,948	\$ 3,843	\$ 5,144	\$ 164	\$ 16,099
<b>Net income per share:</b>					
Basic	\$ 0.09	\$ 0.05	\$ 0.07	\$ 0.00	\$ 0.22
Diluted	\$ 0.09	\$ 0.05	\$ 0.07	\$ 0.00	\$ 0.21
<b>Weighted-average number of shares</b>					
Basic	74,478	74,478	74,478	74,478	74,478
Diluted	76,189	76,189	76,189	76,189	76,189

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.