

Filed by FormFactor, Inc.
Pursuant to Rule 425 of the Securities Act of 1933
and deemed filed pursuant to Rule 14a-12
of the Securities Exchange Act of 1934

Subject Company: Cascade Microtech, Inc.
(Commission File No.: 000-51072)



FORMFACTOR INC.

MAY 2016
INVESTOR PRESENTATION

TRANSITIONING FROM SEMICONDUCTOR TEST SUPPLIER
TO BROADER TEST AND MEASUREMENT
MARKET LEADER

CAUTIONS REGARDING FORWARD-LOOKING STATEMENTS

Forward-Looking Statements

This communication contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including with respect to the anticipated timing, completion and effects of the proposed merger between FormFactor and Cascade Microtech. These statements are based on management's current expectations and beliefs, and are subject to a number of factors and uncertainties, many of which are beyond FormFactor's and Cascade Microtech'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 about: future financial and operating results; benefits of the transaction to customers, shareholders and employees; potential synergies and cost savings; the ability of the combined company to drive growth and expand customer and partner relationships; and other statements regarding the proposed transaction. Forward-looking statements may contain words such as "may," "might," "will," "could," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "intend" 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: the timing to consummate the proposed merger; failure of the Cascade Microtech shareholders to approve the proposed merger; the terms and availability of the proposed financing arrangements; the risk that a condition to closing of the merger may not be satisfied; the challenges and costs of closing, integrating, restructuring and achieving anticipated synergies; the ability to retain key employees, customers and suppliers; the diversion of management time on merger-related issues; and changes in FormFactor's or Cascade Microtech's future cash requirements, capital requirements, results of operations, financial conditions and/or cash flows, and other factors, including those set forth in the proxy statement/prospectus included in FormFactor's registration statement on Form S-4 (File No. 333-210549), including Amendments No. 1 and 2 thereto, and in the most current Annual Report on Form 10-K, Quarterly Report on Form 10-Q and Current Reports on Form 8-K filed by each of FormFactor and Cascade Microtech with the U.S. Securities and Exchange Commission (the "SEC"), under the caption "Risk Factors" and elsewhere. All forward-looking statements are based on management's estimates, projections and assumptions as of the date hereof. No assurances can be given that any of the events anticipated by the forward-looking statements 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 FormFactor or Cascade Microtech. Unless required by law, FormFactor and Cascade Microtech are under no obligation (and expressly disclaim any such obligation) to update or revise their forward-looking statements whether as a result of new information, future events, or otherwise.

ADDITIONAL INFORMATION AND WHERE TO FIND IT; PARTICIPANTS IN THE SOLICITATION

No Offer or Solicitation

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval with respect to the proposed merger or otherwise. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Additional Information and Where to Find It

In connection with the proposed merger, FormFactor has filed a registration statement on Form S-4 (File No. 333-210549), including Amendments No. 1 and 2 thereto, which includes a prospectus of FormFactor and contains a proxy statement of Cascade Microtech, and other documents concerning the proposed merger with the SEC. The registration statement was declared effective on May 19, 2016 and Cascade Microtech commenced mailing of the proxy statement/prospectus to Cascade Microtech's shareholders on May 23, 2016. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT, THE DEFINITIVE PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT FORMFACTOR, CASCADE MICROTECH, AND THE PROPOSED MERGER. Investors and security holders are able to obtain free copies of the registration statement and the proxy statement/prospectus (when they are available) and any other documents filed by FormFactor and Cascade Microtech with the SEC at the SEC's website at www.sec.gov. Copies of documents filed with the SEC by FormFactor may also be obtained for free by contacting FormFactor Investor Relations by mail at FormFactor Inc., Investor Relations, 7005 Southfront St., Livermore, California 94551, Attention: Investor Relations or by going to FormFactor's Investor Relations page on its corporate web site at www.formfactor.com, and copies of documents filed with the SEC by Cascade Microtech may also be obtained for free by contacting Cascade Microtech Investor Relations by mail at Cascade Microtech, Inc., 9100 SW Gemini Drive, Beaverton, Oregon 97008, Attention: Investor Relations or by going to Cascade Microtech's Investor Relations page on its corporate web site at www.CascadeMicrotech.com. The contents of the websites referenced above are not deemed to be incorporated by reference into the registration statement or the proxy statement/prospectus.

Participants in the Solicitation

Cascade Microtech and FormFactor and their respective executive officers and directors may be deemed to be participants in the solicitation of proxies from Cascade Microtech shareholders with respect to the transactions contemplated by the merger agreement. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of Cascade Microtech security holders in connection with the proposed merger will be set forth in the registration statement and the proxy statement/prospectus when filed with the SEC. Information regarding Cascade Microtech's executive officers and directors is included in Cascade Microtech's Annual Report on Form 10-K for the year ended December 31, 2015, filed with the SEC on March 7, 2016, and as amended by Amendment No. 1 on Form 10-K/A, filed with the SEC on April 25, 2016. Information regarding FormFactor's executive officers and directors is included in FormFactor's Annual Report on Form 10-K for the year ended December 26, 2015, filed with the SEC on March 4, 2015, its proxy statement for its 2016 annual meeting of shareholders, filed with the SEC on April 6, 2016 and its Current Report on Form 8-K, filed with the SEC on May 23, 2016. Copies of the foregoing documents may be obtained as provided above. Certain executive officers and directors of Cascade Microtech have interests in the transaction that may differ from the interests of Cascade Microtech shareholders generally. These interests are described in the proxy statement/prospectus and other relevant materials filed or to be filed with the SEC when they become available.

INVESTMENT THEMES



Largest supplier of semiconductor probe cards, gaining share and outpacing market growth



Aligned with technology trends in mobility, connectivity and enterprise infrastructure



Technology leadership enables customers' most critical roadmap advancements

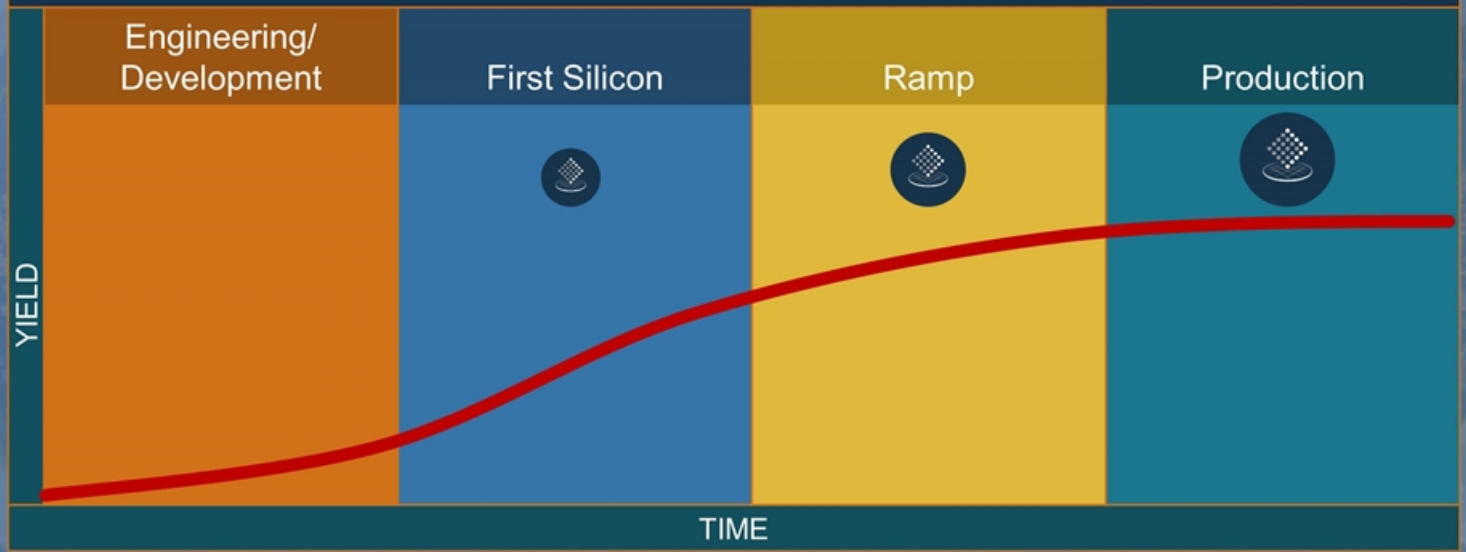



Structurally profitable financial model delivering earnings growth and positive cash flow



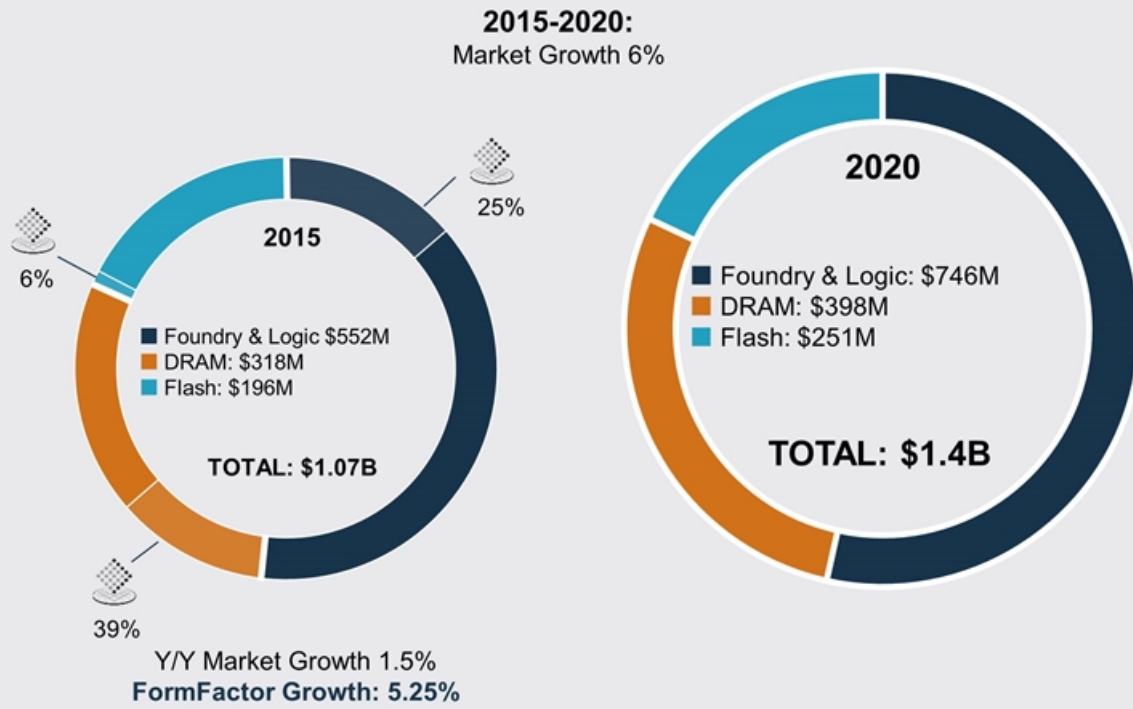
Cascade Microtech acquisition provides scale & diversification; accelerates earnings growth

OUR FOOTPRINT IN THE DEVICE LIFE CYCLE



 WE HELP CUSTOMERS MEASURE YIELD FROM **FIRST SILICON THROUGH PRODUCTION**

GAINING SHARE FOR KEY APPLICATIONS; OUTPACING MARKET GROWTH



Source: VLSIResearch 2015 Probe Card Report

ALIGNED WITH TECHNOLOGY TRENDS IN MOBILITY, CONNECTIVITY AND ENTERPRISE INFRASTRUCTURE

Mobility



- Application Processors
- Mobile DRAM
- NAND Flash

~ 6% Growth

Connectivity



- Modems
- Near Field Communication
- Filters (BAW & SAW)
- Sensors

~ 25% Growth

Enterprise



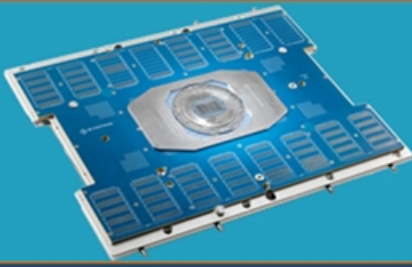
- High Performance MPU
- Server DRAM
- NAND Flash

~ 5% Growth

Source: Gartner, company estimates

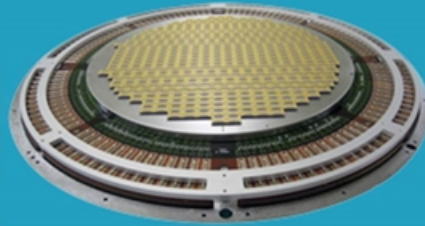
WE ENABLE CUSTOMERS' MOST CRITICAL ROADMAP ADVANCEMENTS

Foundry & Logic



Continued adoption of Cu Pillar at foundry customers
Transition to 10nm node

DRAM



Continued growth in mobile and server
Transition to $\leq 20\text{nm}$ node

Flash



Growth in industry NAND capacity and wafer starts
Bit growth at 35-40% per year



FUTURE GROWTH FROM INCREASINGLY DEMANDING REQUIREMENTS FOR NEXT GENERATION DEVICES

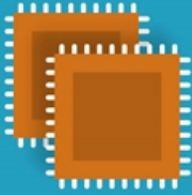
FOUNDRY & LOGIC



Current market share
25% of \$550M TAM;
Expected 2015-2020
CAGR: 6%



**Expanding
mobile share**
with copper pillar
foundry ramp



**Retaining
strong share**
at 14nm and
10nm nodes



Now shipping at
“double demand”
level to key
customer



EXPANDING OUR LEADERSHIP POSITION

DRAM



#2 Supplier with
~40% share of 2015
\$318M market



**Smart
Matrix**

**SmartMatrix in
production use** at all
three major DRAM
manufacturers; each
now >10% of our sales



Continued demand
in both mobile and
server from DDR4
devices on $\leq 20\text{nm}$
nodes



**All Q1 push-outs
have shipped;**
market dynamics
improving



FOUNDATIONAL BUSINESS WITH **STRONG SHARE**

NAND FLASH



Currently hold less than 10% share of **\$200M market**



Leveraging FormFactor **technology & scale** in NAND-optimized Vector product



Vector qualified at two major NAND flash manufacturers

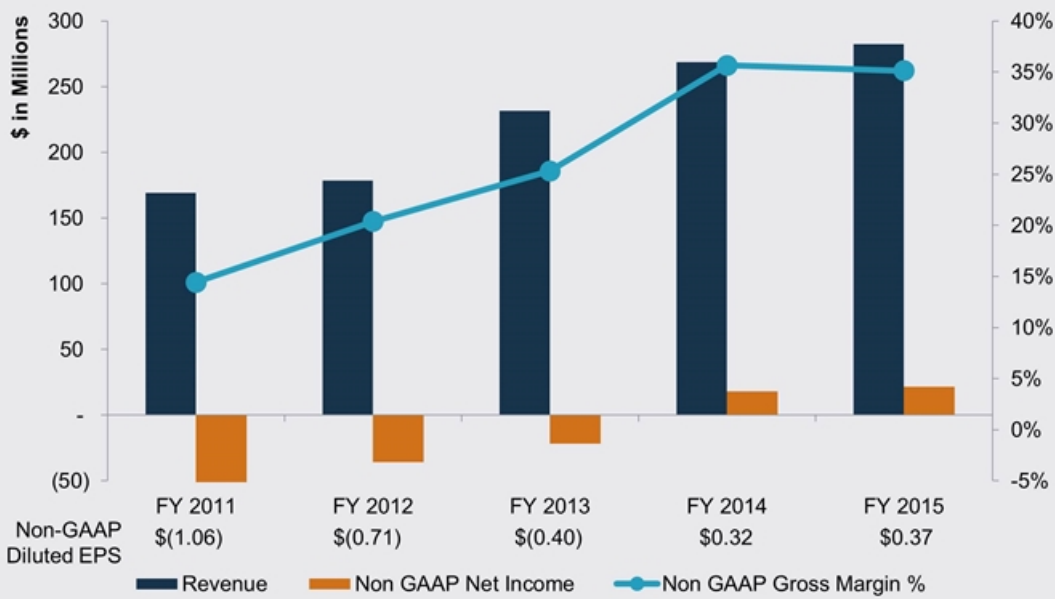


Continued industry growth in bits and wafer starts



ENTRY POINT FOR **NEW GROWTH COMPONENT**

STRONG TRACK RECORD OF IMPROVING RESULTS



**2016
EXPECTED TO BE
ANOTHER
GROWTH YEAR**



DEMONSTRATED REVENUE AND EARNINGS GROWTH



RECENT RESULTS AND OUTLOOK

| | Revenue (\$M) | Gross Margin (%)** | Diluted EPS** | Cash Flow (\$M)*** |
|-------------------|---------------|--------------------|---------------|--------------------|
| Q1 2016 ACTUAL | \$53.6M | 23.3% | (\$0.11) | (\$0.4M) |
| Q2 2016 GUIDANCE* | \$76M-\$80M | 34%-37% | \$0.10-\$0.14 | \$4M-\$6M |

2016 GUIDANCE THEMES*:

SHORT-TERM FIRST QUARTER PERFORMANCE ISSUES HAVE BEEN RECTIFIED;
PERFORMANCE EXPECTED TO IMPROVE IN Q2 AND THROUGH REMAINDER OF 2016

*From 04/23/16 earnings call

**Non-GAAP results

***Excluding stock buyback; impact of Cascade

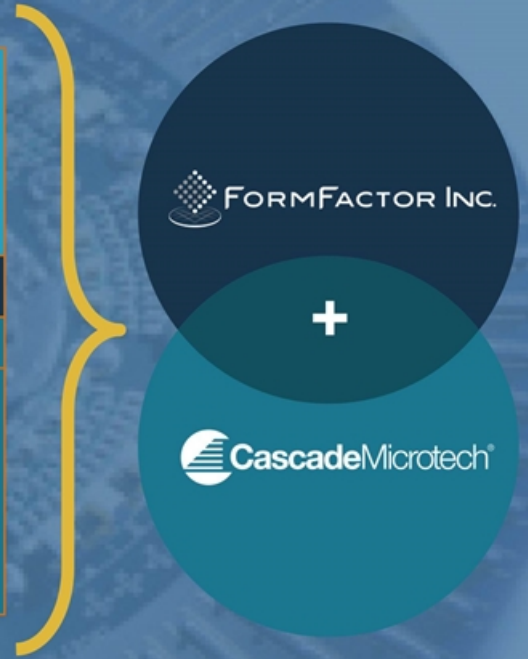
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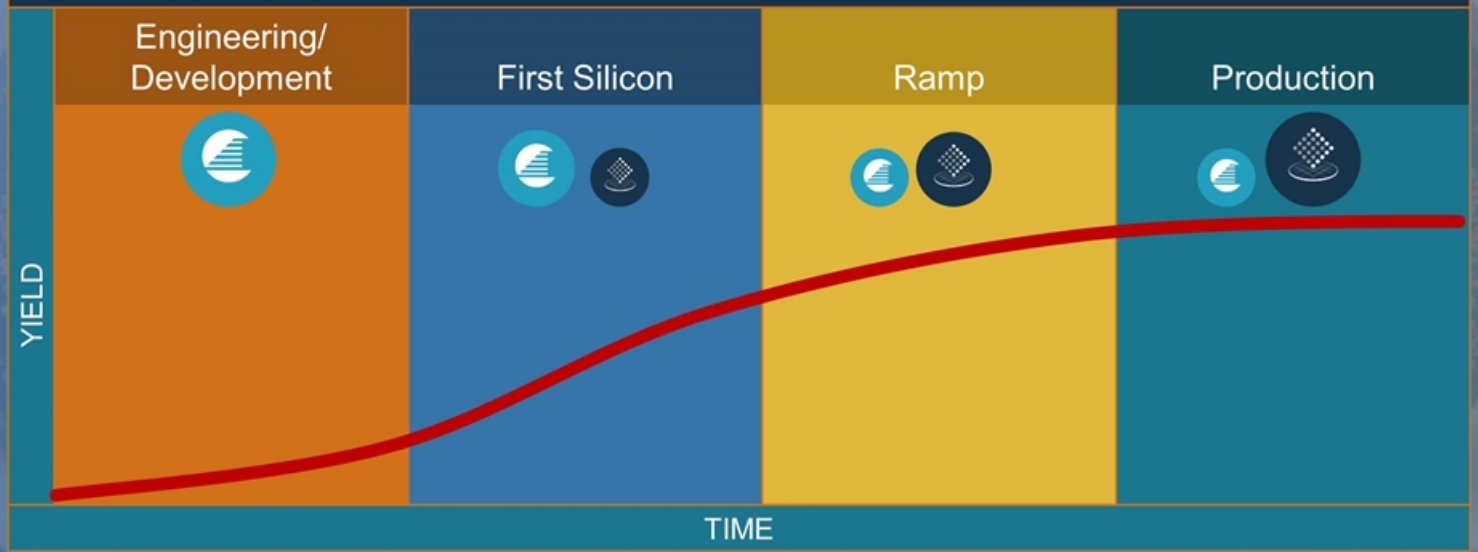
TRANSITIONING TO BROADER TEST AND MEASUREMENT MARKET LEADER


| | | | | | |
|---|-----------------|---------------------------|--|--------------------------------------|--|
| \$426M pro-forma 2015 | | 1,400 employees | | 8 countries | |
| Diversification & New Market Opportunities | | | | | |
| Production Probe Cards | | | | Engineering | |
| MPU, APU, Logic | DRAM / Flash | RF | | Probe Cards / Probe Systems | |



 **COMBINING COMPLEMENTARY INDUSTRY LEADERS TO CREATE A MORE VALUABLE PLAYER**

OUR FOOTPRINT IN THE DEVICE LIFE CYCLE



 **EXTENDING OUR BREADTH THROUGH THE COMPLETE CUSTOMER PRODUCT LIFE CYCLE**

BUILDING ON OUR FOUNDRY & LOGIC LEADERSHIP

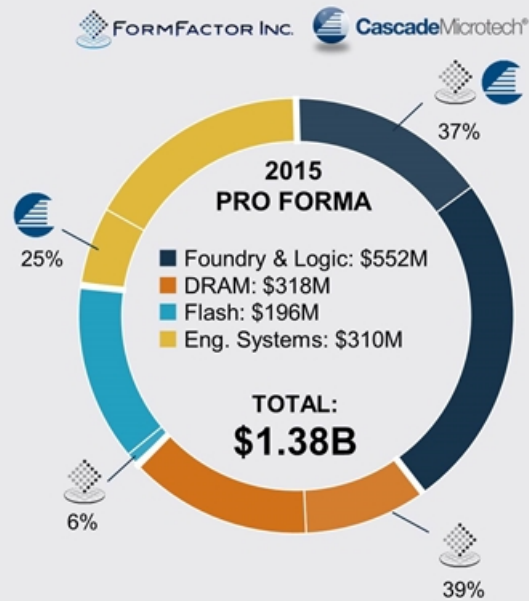
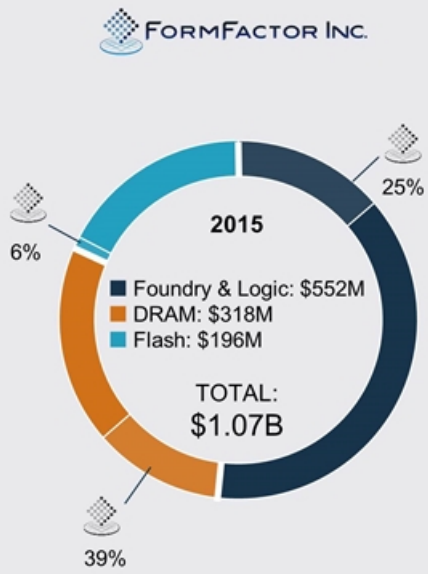


EXPANDING INTO ADJACENT AND GROWING RF SPACE

Source: Linley Group, June 2015

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WE WILL FURTHER EXPAND OUR ADDRESSABLE MARKET IN SECTORS EXPERIENCING ABOVE-MARKET GROWTH



NEW \$300M OF ADDRESSABLE MARKET FORECASTED TO GROW 5-6% CAGR

Source: VLSIResearch 2015 Probe Card Report, Internal company estimates

DIVERSIFYING AND EXPANDING MARKET PRESENCE AND CUSTOMER BASE



END MARKET

Production
97% Revenue

Engineering
3% Revenue



Production
75% Revenue

Engineering
25% Revenue



CUSTOMER CONCENTRATION

Top 10 Customers
83% Revenue

Other
17% Revenue

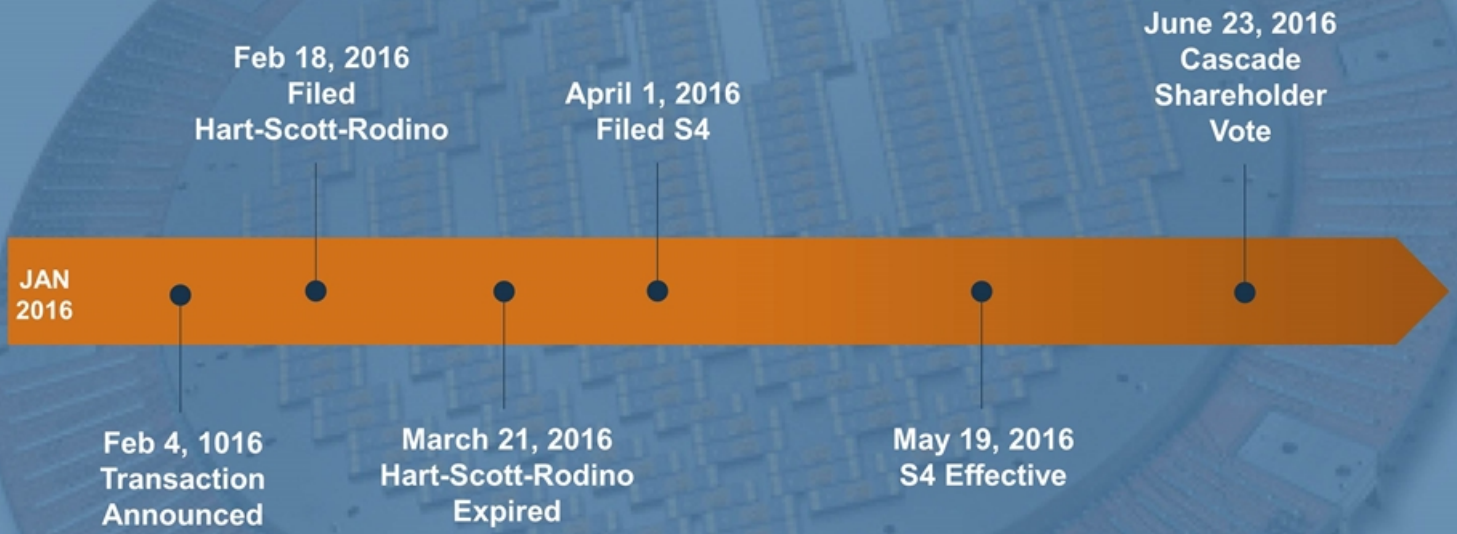


Top 10 Customers
62% Revenue

Other
38% Revenue

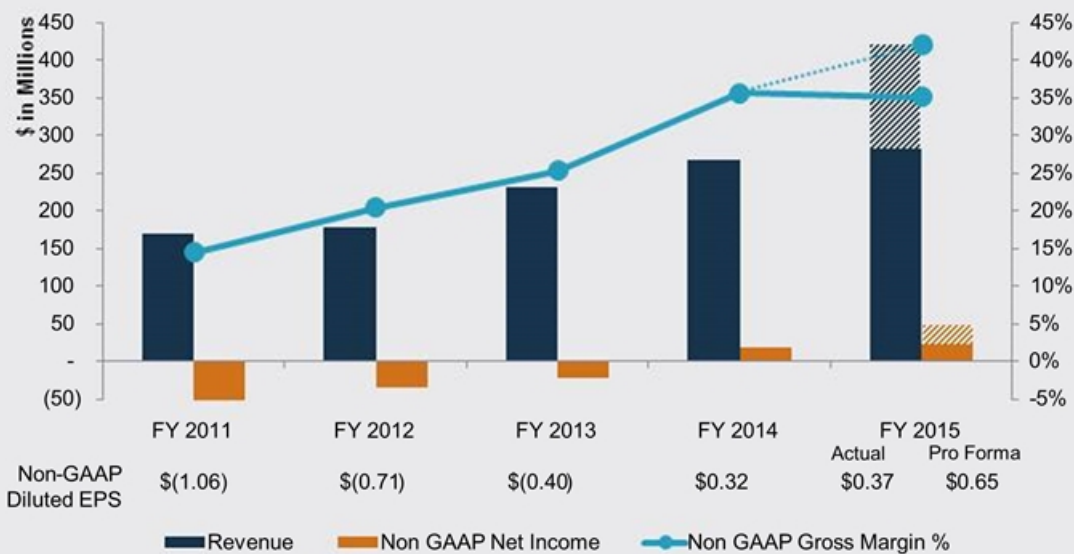


CASCADE ACQUISITION UPDATE



 **HIGHLY ACCRETIVE ACQUISITION ON TRACK TO ACCELERATE EARNINGS GROWTH WITH EXPECTED CLOSING IN JUNE 2016**

EXPANDING SCALE AND PROVIDING SIGNIFICANT ACCRETION



FINANCIALLY TRANSFORMATIONAL TRANSACTION

DRIVING IMPROVED GROSS MARGINS AND PROFITABILITY

\$10-12M IN SYNERGIES WITHIN 18-24 MONTHS
UTILIZATION OF \$300M OF NOLs

STRATEGIC FOCUS AREAS



Leadership in core markets

Continue share gains along "line of sight" components in Foundry & Logic, DRAM and Flash

Leveraging existing key roadmap technologies and investments across all markets



Enter adjacent markets

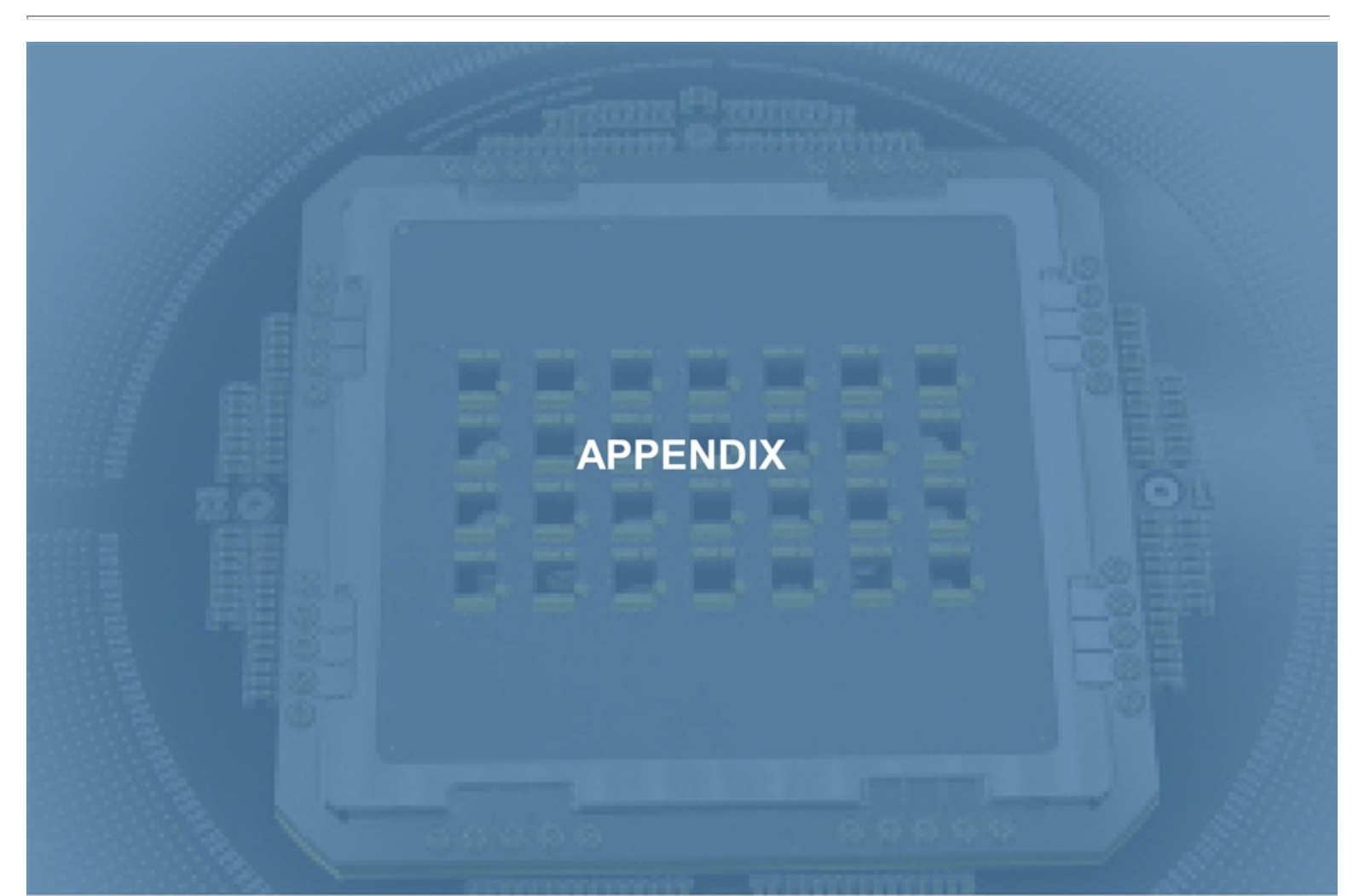
Diversify revenue stream and customer mix by leading M&A in test, measurement and yield enhancement market segments



Profitability

Drive greater operating efficiency by gaining economies of scale

Continue cost controls as we position the company for long term growth



APPENDIX

PRO FORMA 2015 RECONCILIATION

| (All amounts in 000's except per share amounts) | 2015 | | | | | | | | | | | |
|--|------------|--------------------------|-----------------------|------------|------------|-------------------|--------------------------|-----------------------|---------------|-------------------|--------------------------|------------------------|
| | GAAP | | | | Non-GAAP | GAAP | | | | Non-GAAP | Deal (2) | Non-GAAP |
| | FormFactor | Adjustments | | | | Cascade | Adjustments | | | | | |
| | FormFactor | Stock-based Compensation | Amort. Of Intangibles | Other (1) | FormFactor | Cascade Microtech | Stock-based Compensation | Amort. Of Intangibles | Restructuring | Cascade Microtech | Adjustments Consolidated | Pro forma Consolidated |
| Revenue | \$ 282,358 | \$ - | \$ - | \$ - | \$ 282,358 | \$ 143,978 | \$ - | \$ - | \$ - | \$ 143,978 | \$ - | \$ 426,336 |
| Gross margin | 85,738 | 2,651 | 10,825 | | 99,214 | 80,086 | 156 | | 248 | 80,490 | - | 179,704 |
| GM% | 30.4% | | | | 35.1% | 55.6% | | | | 55.9% | | 42.2% |
| Total operating expenses | 89,841 | (8,924) | (2,684.0) | (798.0) | 77,435 | 62,195 | (2,669) | (2,458) | (14) | 57,054 | (7,000) | 127,489 |
| % of revenue | 31.8% | | | | 27.4% | 43.2% | | | | 39.6% | | 29.9% |
| Operating income (loss) | (4,103) | 11,575 | 13,509 | 798 | 21,779 | 17,891 | 2,825 | 2,458 | 262 | 23,436 | 7,000 | 52,215 |
| % of revenue | -1.5% | | | | 7.7% | 12.4% | | | | 16.3% | | 12.2% |
| Other income (expense) | 2,832 | | | (2,561) | 271 | (1) | | | | (1) | - | 270 |
| Interest expense (3.25%) | - | | | | | | | | | | 4,785 | 4,785 |
| Income taxes | 252 | | | | 252 | 5,540 | 929.0 | 808 | 444.0 | 7,721 | (5,791) | 2,182 |
| Net income | \$ (1,523) | \$ 11,575 | \$ 13,509 | \$ (1,763) | \$ 21,798 | \$ 12,350 | \$ 1,896 | \$ 1,650 | \$ (182) | \$ 15,714 | \$ 8,006 | \$ 45,518 |
| | -0.5% | | | | 7.7% | 8.6% | | | | 10.9% | | 10.7% |
| Weighted avg primary shares | 57,850 | | | | 57,850 | | | | | | 10,431 | 68,281 |
| Weighted avg fully diluted shares | 59,069 | | | | 59,069 | | | | | | 10,431 | 69,500 |
| Primary EPS | \$ (0.03) | | | | \$ 0.38 | | | | | | | \$ 0.67 |
| Fully diluted EPS | \$ (0.03) | | | | \$ 0.37 | | | | | | | \$ 0.65 |

(1) GAAP total operating expenses includes restructuring charges of \$559 and acquisition and integration related expenses of \$231.
GAAP other income includes business interruption claim recovery of \$1,521 and gain on the sale of intellectual property of \$1,040.

(2) "Deal adjustments" are based on expenses and savings that are forecasted to occur during fiscal 2015 as if the business combination had closed effective the first day of fiscal 2015. The adjustments include total operating expense synergies of \$7,000, interest expense of \$4,785 on \$150,000 of term loan debt at an annual interest rate of 3.25% and expected tax savings of \$5,791 from utilization of FormFactor's NOLs. Assumes FormFactor will issue 10,431 shares as part of the transaction.

2015 EBITDA RECONCILIATION

| (Amounts in \$000's) | Fiscal Year 2015 | | | |
|-------------------------------------|------------------|----------------------|-------------------------|------------------|
| | FormFactor | Cascade Microtech | Deal (1) Adjustments | Consolidated |
| EBITDA | | | | |
| GAAP Income from operations | \$ (4,103) | \$ 17,891 | \$ 7,000 | \$ 20,788 |
| Adjustments: | | | | |
| Depreciation | 10,261 | 3,109 | - | 13,370 |
| Amortization of intangibles | 13,509 | 2,458 | - | 15,967 |
| Stock-based compensation | 11,575 | 2,825 | - | 14,400 |
| Restructuring | 559 | 262 | - | 821 |
| Acquisition and acquisition related | 231 | - | - | 231 |
| EBITDA | \$ 32,032 | \$ 26,545 | \$ 7,000 | \$ 65,577 |
| % of revenues | 11.3% | | | 15.4% |

(1) "Deal adjustments" are based on expenses and savings that are forecasted to occur during fiscal 2015 as if the business combination had closed effective the first day of fiscal 2015. The adjustments include forecasted total operating expense synergies of \$7,000.