
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): February 1, 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 February 1, 2006, FormFactor, Inc. issued a press release announcing its financial results for the fourth quarter ended December 31, 2005 and fiscal year 2005. 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.

<u>Exhibit Number</u>	<u>Exhibit Title or Description</u>
99.1	Press release dated February 1, 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: February 1, 2006

FORMFACTOR, INC.

By: /s/ RONALD C. FOSTER
Ronald C. Foster
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit Title or Description</u>
99.1	Press release dated February 1, 2006.



News Release

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FOR IMMEDIATE RELEASE

**FormFactor, Inc. Announces 2005 Fourth Quarter and Fiscal
 Year Financial Results**

*Record quarterly revenues of \$71.8 million, up 56% year over year
 Quarterly bookings up 102% year over year; 2005 Net income sets a record.*

LIVERMORE, CA — February 1, 2006 — FormFactor, Inc. (Nasdaq: FORM) today announced its financial results for the fourth quarter of fiscal year 2005 and for fiscal year ended December 31, 2005. Quarterly revenues were a record \$71.8 million, up 15% from \$62.4 million in the third quarter of fiscal year 2005, and up 56% from \$46.1 million for the fourth quarter of fiscal year 2004. Revenues for fiscal 2005 were \$237.5 million, up 34% from \$177.8 million in fiscal year 2004.

Joseph Bronson, President of FormFactor stated, “We are pleased with the Company’s results this quarter, as we made substantial progress ramping production at our new, industry-leading MEMS facility. Our ability to execute during a time of rapid growth enabled us to exceed our revenue and profit targets.”

Operating income for the fourth quarter of fiscal year 2005 was 19.3% of revenues, compared to 13.7% for the third quarter of fiscal year 2005, and 11.3% in the fourth quarter of fiscal year 2004. These percentages reflect incurred start-up costs related to our new manufacturing facility of \$0.8 million in the fourth quarter of fiscal year 2005, \$2.3 million in the third quarter of fiscal year 2005, and \$2.9 million in the fourth quarter of fiscal year 2004, as the Company ramped its new factory.

Net income for the fourth quarter of fiscal year 2005 was \$10.5 million or \$0.25 per share on a fully diluted basis, compared to \$9.8 million or \$0.23 per share on a fully diluted

basis for the third quarter of fiscal year 2005, and \$5.8 million or \$0.14 per share on a fully diluted basis for the fourth quarter of fiscal year 2004.

Net income for fiscal year 2005 was \$30.2 million or \$0.73 per share on a fully diluted basis, compared to \$25.2 million or \$0.63 per share on a fully diluted basis for fiscal year 2004.

Bookings of \$82.2 million for the fourth quarter of fiscal year 2005 also set a Company record, with an increase of 31% from \$62.9 million for the third quarter of fiscal year 2005 and an increase of 102% from \$40.7 million for the fourth quarter of fiscal year 2004.

“Demand for the Company’s leading-edge advanced technology products continued strong throughout the year, outpacing industry growth projections. We grew 34% in 2005, matching our compound annual growth rate for the last four years. New applications utilizing new chip designs accelerate the need for our industry leading products, which reduce costs on our customers’ test floors”, said CEO Igor Khandros.

The Company has posted its revenue breakdown by region and market segment on the Investor section of its website at www.formfactor.com. FormFactor will conduct a conference call at 1:30 p.m. PST, or 4:30 p.m. EST, 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. A replay of the web cast will be available approximately two hours after the conclusion of the call. 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 February 3, 2006 at 9:30 p.m. PST and can be accessed by dialing (888) 286-8010 or (617) 801-6888 and entering confirmation code 44474389.

About FormFactor:

FormFactor, Inc. (Nasdaq: FORM) is an industry leader in the design, development, manufacture, sale and support of precision, high-performance advanced semiconductor wafer probe cards. The Company’s products are based on its proprietary technologies, including its MicroSpring interconnect technology and design processes, which enable FormFactor to produce wafer probe cards for test applications that require reliability, speed, precision and signal integrity. FormFactor is headquartered in Livermore, California. For more information, visit the Company’s website at 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, future growth and the performance of our products. 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 Company’s ability to efficiently transition into its new manufacturing facility; and the Company’s customers continue to invest in new applications utilizing new chips which accelerate the need for new test technologies on the customers’ test floors. 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-Q for the period ended September 24, 2005, filed with the Securities and Exchange Commission (“SEC”), and other SEC filings. Copies of SEC filings made by the Company 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

	Three Months Ended		Fiscal Years Ended	
	December 31, 2005 (Unaudited)	December 25, 2004 (Unaudited)	December 31, 2005 (Unaudited)	December 25, 2004 (Unaudited)
(In thousands, except per share data)				
Revenues	\$ 71,819	\$ 46,113	\$ 237,495	\$ 177,762
Cost of revenues	36,518	26,504	129,623	90,159
Stock-based compensation	100	160	479	626
Gross margin	<u>35,201</u>	<u>19,449</u>	<u>107,393</u>	<u>86,977</u>
Operating expenses:				
Research and development	8,754	5,393	27,638	19,813
Selling, general and administrative	12,124	8,378	41,352	29,018
Stock-based compensation	470	462	3,102	2,033
Total operating expenses	<u>21,348</u>	<u>14,233</u>	<u>72,092</u>	<u>50,864</u>
Operating income	13,853	5,216	35,301	36,113
Interest income	1,370	710	4,282	2,450
Other income (expense), net	(437)	1,298	(1,091)	500
	<u>933</u>	<u>2,008</u>	<u>3,191</u>	<u>2,950</u>
Income before income taxes	14,786	7,224	38,492	39,063
Provision for income taxes	4,306	1,402	8,310	13,885
Net income	<u>\$ 10,480</u>	<u>\$ 5,822</u>	<u>\$ 30,182</u>	<u>\$ 25,178</u>
Net income per share:				
Basic	<u>\$ 0.26</u>	<u>\$ 0.15</u>	<u>\$ 0.76</u>	<u>\$ 0.67</u>
Diluted	<u>\$ 0.25</u>	<u>\$ 0.14</u>	<u>\$ 0.73</u>	<u>\$ 0.63</u>
Weighted-average number of shares used in per share calculations:				
Basic	<u>40,118</u>	<u>38,378</u>	<u>39,547</u>	<u>37,647</u>
Diluted	<u>41,859</u>	<u>40,643</u>	<u>41,590</u>	<u>40,054</u>

FORMFACTOR, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	December 31, 2005 (Unaudited)	December 25, 2004
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 31,217	\$ 34,836
Marketable securities	180,391	156,647
Accounts receivable, net of allowance for doubtful accounts of \$74 in 2005 and \$41 in 2004	43,967	25,054
Inventories	18,404	11,232
Deferred tax assets	11,396	7,587
Prepaid expenses and other current assets	7,169	4,760
Total current assets	<u>292,544</u>	<u>240,116</u>
Restricted cash	2,250	2,250
Property and equipment, net	81,588	59,356
Deferred tax assets	4,518	570
Other assets	461	274
Total assets	<u>\$ 381,361</u>	<u>\$ 302,566</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 26,369	\$ 17,556
Accrued liabilities	30,164	14,685
Deferred rent	313	—
Deferred revenue and customer advances	3,588	2,770
Total current liabilities	<u>60,434</u>	<u>35,011</u>
Deferred revenue and customer advances	—	195
Deferred rent	3,138	2,185
Total liabilities	<u>63,572</u>	<u>37,391</u>
Stockholders' equity		
Common stock, \$0.001 par value	40	39
Additional paid in capital	268,291	249,149
Deferred stock-based compensation	(2,495)	(5,413)
Accumulated other comprehensive loss	(359)	(730)
Retained earnings	52,312	22,130
Total stockholders' equity	<u>317,789</u>	<u>265,175</u>
Total liabilities and stockholders' equity	<u>\$ 381,361</u>	<u>\$ 302,566</u>