

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): **April 22, 2011**

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)

Registrant's telephone number, including area code: **(925) 290-4000**

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 April 26, 2011, FormFactor, Inc. ("FormFactor" or the "Company") issued a press release announcing its financial results for the first quarter ended March 26, 2011. A copy of the press release is furnished as Exhibit 99.01 to this report and is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation of Chief Financial Officer

On April 22, 2011, Richard DeLateur informed the Board of Directors (the "Board") of FormFactor of his intent to resign as Chief Financial Officer of FormFactor, effective May 16, 2011.

Appointment of Director

On April 25, 2011, FormFactor announced the appointment of Richard DeLateur to serve as a director of the Company, effective as of May 16, 2011. Mr. DeLateur will be a Class III Director. As of the date of this filing, the Board has not determined the committees on which Mr. DeLateur will serve.

As a member of the FormFactor Board, Mr. DeLateur will receive an annual retainer of \$40,000, not including any committee membership retainer, and the equity and cash compensation offered to FormFactor's non-employee directors. Mr. DeLateur will receive, as of the effective date of his appointment, a stock option under the Company's 2002 Equity Incentive Plan to purchase 6,000 shares of FormFactor common stock with an exercise price equal to the closing price of the Company's stock on the Nasdaq Global Market on the effective date of his appointment. The stock option will vest over 36 months in equal monthly installments. Mr. DeLateur will also receive, as of the effective date of his appointment, restricted stock units under the Company's 2002 Equity

Incentive Plan that represent the right to receive 6,000 shares of FormFactor common stock. The restricted stock units vest over 36 months in equal monthly installments, and vested units will settle in shares of the Company's common stock on the earlier of the date on which the units are fully vested, or the date that Mr. DeLateur's engagement with FormFactor is terminated (or the first market trading day during an open trading window). The stock option and restricted stock units are subject to vesting acceleration upon the occurrence of certain change in control events. Additional information regarding non-employee director compensation is set forth in FormFactor's Proxy Statement for its 2011 Annual Meeting of Stockholders filed with the Securities and Exchange Commission on April 6, 2011.

Mr. DeLateur previously entered into an indemnity agreement, the terms of which are identical in all material respects to FormFactor's form of indemnity agreement, which the Company filed as Exhibit 10.01 to its Form S-1 Registration Statement with the Securities and Exchange Commission on May 28, 2002.

Appointment of Chief Financial Officer

On April 25, 2011, Michael M. Ludwig, Vice President, Finance of the Company since December 2009, was appointed to serve as the Chief Financial Officer of FormFactor, effective May 16, 2011. Prior to this position, Mr. Ludwig was a consultant to the Company from February 2009 to December 2009 and Vice President of Finance of Force 10 Networks, Inc., a privately held company that builds and secures high performance networks, from June 2007 to July 2008.

Mr. Ludwig, age 49, also served as Vice President and Corporate Controller of the Company from April 2001 to April 2007 and has held senior level finance and accounting positions at divisions of Tyco Electronics and Beckman Coulter. Mr. Ludwig holds a bachelor of science degree in accounting from California State Polytechnic University, Pomona.

As Chief Financial Officer of FormFactor, Mr. Ludwig will be paid an annual base salary of \$300,000, and is eligible to receive a bonus under the Company's Key Employee Bonus Plan at a target rate of 90% of base salary.

Mr. Ludwig will also enter into an indemnity agreement and a change of control severance agreement, the terms of which will be identical in all material respects to the forms of these agreements that FormFactor has previously entered into with its executive officers. The forms of these agreements and the Company's 2002 Equity Incentive Plan and Key Employee Bonus Plan are filed as exhibits to the Company's previous filings with the Securities and Exchange Commission and described in the Company's Proxy Statement for its 2011 Annual Meeting of Stockholders.

2

There is no family relationship between Mr. Ludwig and any director, executive officer or person nominated or chosen by FormFactor to become a director or executive officer. There have been no transactions, nor are there any currently proposed transactions, to which the Company was or is to be a party in which Mr. Ludwig or any member of his immediate family had, or will have, a direct or indirect material interest.

FormFactor issued a press release regarding Mr. Ludwig's appointment and Mr. DeLateur's resignation and appointment, which is included as Exhibit 99.01 to this Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Exhibit Title or Description</u>
99.01	Press release dated April 26, 2011.

The information in Items 2.02 and 9.01 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 Items 2.02 and 9.01 in this report and 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.

3

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: April 26, 2011

By: /s/ STUART L. MERKADEAU
Name: Stuart L. Merkadeau
Title: Senior Vice President,
General Counsel and Secretary

4

EXHIBIT INDEX

Exhibit
Number

Exhibit Title or Description

99.01

Press release dated April 26, 2011.



News Release

Investor Contact:

Stan Finkelstein

Investor Relations

(925) 290-4321

ir@formfactor.com

FormFactor, Inc. Reports First Quarter Results

Company Also Announces CFO Succession Plan

LIVERMORE, Calif. — April 26, 2011 — FormFactor, Inc. (Nasdaq: FORM) today announced its financial results for the first quarter of fiscal 2011 that ended on March 26, 2011. Quarterly revenues were \$40.4 million, down 8% from \$43.9 million in the fourth quarter of fiscal 2010, and up 2% from \$39.7 million in the first quarter of fiscal 2010.

On a GAAP basis net loss for the first quarter of fiscal 2011 was \$21.4 million or \$(0.42) per fully-diluted share, compared to a net loss for the fourth quarter of fiscal 2010 of \$20.4 million or \$(0.40) per fully-diluted share and a net loss for the first quarter of fiscal 2010 of \$38.2 million or \$(0.77) per fully-diluted share. The first quarter of fiscal 2011 results include impairment charges of \$0.4 million, or \$(0.01) per fully diluted share. A pre-tax restructuring charge of \$1.0 million, or \$(0.02) per fully diluted share, was also recorded in the first quarter of 2011 primarily related to employee termination benefits.

On a Non-GAAP basis, net loss for the first quarter of fiscal 2011 was \$16.1 million or \$(0.32) per fully-diluted share, compared to a net loss for the fourth quarter of fiscal 2010 of \$14.9 million or \$(0.29) per fully-diluted share and a net loss for the first quarter of fiscal 2010 of \$29.4 million or \$(0.59) per fully-diluted share.

“Through Q1 we continued to see steady improvements in the first stage of our turnaround plan,” said Tom St. Dennis, CEO of FormFactor. “We made significant progress on customer adoption of the Matrix platform and were qualified at another major DRAM customer. Expense management and cash consumption remain a priority as we continue to align the company’s structure with revenue levels.”

The company also announced the promotion of Michael Ludwig to Sr. Vice President and Chief Financial Officer effective May 16, 2011. Mr. Ludwig will succeed Richard DeLateur who has served as Chief Financial Officer since May 19, 2010. In addition, the company announced the appointment of Mr. DeLateur to serve as a Director of the company effective May 16, 2011.

Carl Everett, Chairman of the FormFactor Board of Directors, commented on the appointments, “We are very fortunate to have Mike stepping into the CFO role. Mike has been instrumental in helping Richard direct FormFactor’s turnaround and will continue to work closely with Richard through the next several weeks as part of our CFO succession. Additionally, I am very pleased that Richard will remain focused on FormFactor as we position the company for future growth through his service on the Board of Directors. Richard will continue to stay closely involved in our turn around progress as part of his Board of Directors responsibilities.”

The company has posted its revenue breakdown by region and market segment on the Investors section of its website at 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 Investors section of the company’s website at 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 April 29, 2011 at 9:00 p.m. PDT, and can be accessed by dialing (800) 642-1687 (domestic) or (706) 645-9291 (international) and entering confirmation code 16405944.

Non-GAAP Financial Measures:

This press release highlights the company’s financial results on both a GAAP and a non-GAAP basis. The GAAP results include certain charges that are excluded from non-GAAP results. By publishing the non-GAAP measures, 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 included in this press release. 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. Investors and potential investors are encouraged to review the reconciliation of non-GAAP financial measures to their most directly comparable GAAP measures attached to this press release.

About FormFactor:

Founded in 1993, FormFactor, Inc. (Nasdaq: FORM) is a 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.

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

Forward-looking Statements:

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 anticipated results, market conditions, expectations and operating plans. 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: changes in the market environment, including the demand for DRAM and Flash memory devices and certain other semiconductor devices, the company's ability to complete qualification of its Matrix platform products for both DRAM and Flash memory applications at major memory customers; the rate at which semiconductor manufacturers adopt the company's Matrix platform products and request repeat orders; the company's ability to bring its manufacturing structure and operating expenses in line with revenues; the impact on the company's business of environmental and other disasters, such as flooding, earthquakes, volcanic eruptions or leakage from nuclear reactors, or a combination thereof. 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 year ended December 25, 2010, as filed with the 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.

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FORMFACTOR, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 26, 2011	March 27, 2010
Revenues	\$ 40,428	\$ 39,666
Cost of revenues	36,359	41,994
Gross profit (loss)	4,069	(2,328)
Operating expenses:		
Research and development	11,560	15,091
Selling, general and administrative	12,387	17,867
Restructuring charges	1,038	3,550
Impairment of long-lived assets	351	—
Total operating expenses	25,336	36,508
Operating loss	(21,267)	(38,836)
Interest income, net	424	775
Other income (expense), net	(374)	117
Loss before income taxes	(21,217)	(37,944)
Provision for (benefit from) income taxes	207	240
Net loss	\$ (21,424)	\$ (38,184)
Net loss per share:		
Basic and Diluted	\$ (0.42)	\$ (0.77)
Weighted-average number of shares used in per share calculations:		
Basic and Diluted	50,636	49,890
Reconciliation of Non-GAAP Net loss:		
	Three Months Ended	
	March 26, 2011	March 27, 2010
GAAP Net loss	\$ (21,424)	\$ (38,184)
Stock-based compensation, net of related income-tax impact *	3,969	5,258
Restructuring charges, net of related income-tax impact *	1,038	3,550
Impairment of long-lived assets, net of related income-tax impact *	351	—
Non-GAAP Net loss	\$ (16,066)	\$ (29,376)

Non-GAAP Net loss per share:		
Basic and Diluted	\$ (0.32)	\$ (0.59)
<hr/>		
Weighted-average number of shares used in per share calculations:		
Basic and Diluted	50,636	49,890

* There was no related income tax impact to stock-based compensation, restructuring and impairment charges in fiscal 2010 and fiscal 2011 as a result of the valuation allowance recorded after the second quarter of fiscal 2009.

FORMFACTOR, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	March 26, 2011	December 25, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 116,142	\$ 121,207
Marketable securities	217,090	226,028
Restricted cash	383	383
Accounts receivable, net	23,648	28,598
Inventories	22,953	25,003
Deferred tax assets, net	278	329
Prepaid expenses and other current assets	11,321	14,743
Total current assets	<u>391,815</u>	<u>416,291</u>
Restricted cash	297	297
Property and equipment, net	36,053	37,311
Deferred tax assets, net	4,877	5,445
Other assets	5,899	6,710
Total assets	<u>\$ 438,941</u>	<u>\$ 466,054</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 16,035	\$ 14,948
Accrued liabilities	15,555	24,045
Income taxes payable	—	1,894
Deferred revenue	4,774	4,637
Total current liabilities	<u>36,364</u>	<u>45,524</u>
Long-term income taxes payable	4,243	4,248
Deferred rent and other liabilities	5,071	5,081
Total liabilities	<u>45,678</u>	<u>54,853</u>
Stockholders' equity:		
Common stock and capital in excess of par value	654,538	651,315
Accumulated other comprehensive income	2,290	2,027
Retained earnings (accumulated deficit)	(263,565)	(242,141)
Total stockholders' equity	<u>393,263</u>	<u>411,201</u>
Total liabilities and stockholders' equity	<u>\$ 438,941</u>	<u>\$ 466,054</u>