



Supplemental Financial Information

April 28, 2021

Revenue by Geographic Region (in millions)

	<u>Q1 2021</u>	<u>Q4 2020</u>	<u>Q3 2020</u>	<u>Q2 2020</u>	<u>Q1 2020</u>
Taiwan	\$ 45.6	\$ 49.0	\$ 36.9	\$ 33.2	\$ 31.8
China	42.6	54.0	28.5	48.8	43.6
United States	29.5	31.3	36.3	28.1	31.9
Asia Pacific	29.0	9.7	9.0	6.5	7.9
South Korea	19.1	28.2	29.6	15.1	14.1
Europe	10.0	13.4	17.0	14.1	21.0
Japan	9.3	8.0	17.1	10.1	8.4
Rest of World	1.6	3.4	3.6	1.9	2.1
	<u>\$ 186.7</u>	<u>\$ 197.0</u>	<u>\$ 178.0</u>	<u>\$ 157.8</u>	<u>\$ 160.8</u>

Revenue by Market Segment (in millions)

	<u>Q1 2021</u>	<u>Q4 2020</u>	<u>Q3 2020</u>	<u>Q2 2020</u>	<u>Q1 2020</u>
Foundry & Logic	\$ 113.4	\$ 122.7	\$ 108.4	\$ 109.3	\$ 105.8
DRAM	33.9	34.6	31.4	19.1	24.7
Flash	11.6	5.2	11.0	5.4	4.3
Systems	27.7	34.5	27.2	24.0	26.0
	<u>\$ 186.6</u>	<u>\$ 197.0</u>	<u>\$ 178.0</u>	<u>\$ 157.8</u>	<u>\$ 160.8</u>

Customers > 10% of Total Revenue

	<u>Q1 2021</u>	<u>Q4 2020</u>	<u>Q3 2020</u>	<u>Q2 2020</u>	<u>Q1 2020</u>
Intel Corporation	28.1 %	29.3 %	25.6 %	36.1 %	36.2 %
Taiwan Semiconductor Manufacturing Co., LTD.	11.5 %	*	10.6 %	*	*
Samsung Electronics Co., LTD.	*	12.5 %	10.6 %	*	*
Micron Technology	*	*	10.1 %	*	*
	<u>39.6 %</u>	<u>41.8 %</u>	<u>56.9 %</u>	<u>36.1 %</u>	<u>36.2 %</u>

* Customer represents less than 10% of revenue for respective period

GAAP to Non-GAAP Reconciliation

(In thousands, except for per share amounts)

	GAAP		Adjustments			Non-GAAP
	Three Months Ended March 27, 2021	Stock-based Compensation	Amortization of Intangibles	Amortization of Acquisition Fair Value Adjustments	Acquisition Related Expenses	Three Months Ended March 27, 2021
Revenues	\$ 186,636	\$ —	\$ —	\$ 125	\$ —	\$ 186,761
Cost of revenues	109,930	(1,335)	(5,090)	(783)	—	102,722
Gross profit	76,706	1,335	5,090	908	—	84,039
Operating expenses:						
Research and development	24,046	(1,689)	—	—	—	22,357
Sales and marketing	18,201	(1,973)	(1,715)	—	—	14,513
General and administrative	11,814	(2,080)	—	—	(166)	9,568
Total operating expenses	54,061	(5,742)	(1,715)	—	(166)	46,438
Operating profit	22,645	7,077	6,805	908	166	37,601
Interest income	194	—	—	—	—	194
Interest expense	(180)	—	—	—	—	(180)
Other income (expense), net	172	—	—	—	—	172
Income before income taxes	22,831	7,077	6,805	908	166	37,787
Provision for income taxes	3,206	1,801	1,732	231	42	7,012
Net income	\$ 19,625	\$ 5,276	\$ 5,073	\$ 677	\$ 124	\$ 30,775
Net income per share:						
Basic	\$ 0.25	\$ 0.07	\$ 0.07	\$ 0.01	\$ —	\$ 0.40
Diluted	\$ 0.25	\$ 0.07	\$ 0.06	\$ 0.01	\$ —	\$ 0.38
Weighted-average number of shares						
Basic	77,598	77,598	77,598	77,598	77,598	77,598
Diluted	79,988	79,988	79,988	79,988	79,988	79,988

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 other fair value adjustments due to acquisition, and acquisition related expenses. 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.

Non-GAAP Adjustments & EPS

(In thousands, except for per share amounts)

	Three Months Ended		
	March 27, 2021	March 28, 2020	December 26, 2020
GAAP net income	\$ 19,625	\$ 15,890	\$ 19,273
Adjustments:			
Amortization of intangibles, inventory and fixed asset fair value adjustments due to acquisitions	7,713	7,263	8,663
Stock-based compensation	7,077	5,623	7,056
Restructuring charges	—	—	—
Loss on contingent consideration	—	—	892
Acquisition related expenses	166	35	140
Income tax effect of non-GAAP adjustments	(3,806)	(2,759)	(675)
Non-GAAP net income	<u>\$ 30,775</u>	<u>\$ 26,052</u>	<u>\$ 35,349</u>
Non-GAAP net income per share:			
Basic	<u>\$ 0.40</u>	<u>\$ 0.34</u>	<u>\$ 0.46</u>
Diluted	<u>\$ 0.38</u>	<u>\$ 0.33</u>	<u>\$ 0.44</u>
Weighted-average number of shares used in per share calculations:			
Basic	<u>77,598</u>	<u>76,005</u>	<u>77,416</u>
Diluted	<u>79,988</u>	<u>78,510</u>	<u>79,562</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 inventory fair value adjustment due to acquisition, restructuring charges, gain on contingent consideration and acquisition related expenses. 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 (GAAP)

(In thousands, except for percentages)

	Three Months Ended							
	March 27, 2021				March 28, 2020			
	Probe Cards	Systems	Corporate and Other	Total	Probe Cards	Systems	Corporate and Other	Total
Revenues	\$ 158,898	\$ 27,738	\$ —	\$ 186,636	\$ 134,715	\$ 26,038	\$ —	\$ 160,753
Gross profit	70,315	13,599	(7,208)	76,706	60,743	13,334	(6,687)	67,390
Gross margin	44.3%	49.0%		41.1%	45.1%	51.2%		41.9%