

CREE, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)
(in thousands, except per share amounts and percentages)

	Three Months Ended		Nine Months Ended	
	March 27, 2016	March 29, 2015*	March 27, 2016	March 29, 2015*
Revenue, net	\$ 366,919	\$ 409,519	\$ 1,228,214	\$ 1,250,348
Cost of revenue, net	257,886	284,371	854,163	853,119
Gross profit	109,033	125,148	374,051	397,229
Gross margin percentage	29.7 %	30.6%	30.5 %	31.8%
Operating expenses:				
Research and development	41,871	43,823	127,363	137,537
Sales, general and administrative	64,489	71,860	214,443	213,927
Amortization or impairment of acquisition-related intangibles	7,318	6,749	21,442	19,743
(Gain) loss on disposal or impairment of long-lived assets	(104)	1,459	16,483	3,641
Total operating expenses	113,574	123,891	379,731	374,848
Operating (loss) income	(4,541)	1,257	(5,680)	22,381
Operating income percentage	(1.2)%	0.3%	(0.5)%	1.8%
Non-operating income (expense), net	717	(866)	(14,075)	3,766
(Loss) income before income taxes	(3,824)	391	(19,755)	26,147
Income tax (benefit) expense	(3,976)	(85)	(8,860)	2,739
Net income (loss)	<u>\$ 152</u>	<u>\$ 476</u>	<u>\$ (10,895)</u>	<u>\$ 23,408</u>
Diluted earnings (loss) per share	\$ —	\$ —	\$ (0.11)	\$ 0.20
Shares used in diluted per share calculation:	101,221	111,590	102,157	116,304

*As revised to reflect the correction of an immaterial error. For additional information, see the Company's Form 10-Q for the quarterly period ended March 27, 2016 to be filed with the Securities and Exchange Commission on April 27, 2016.