

Revenue by Geographical Region

(millions)

	<u>Q2'10</u>	<u>Q1'10</u>	<u>Q2'09</u>
North America	\$ 11.4	\$ 8.6	\$ 6.2
Europe	\$ 2.6	\$ 2.1	\$ 1.2
Japan	\$ 12.3	\$ 4.5	\$ 14.0
Asia Pacific	\$ 31.3	\$ 24.5	\$ 9.8
Total Revenues	\$ 57.6	\$ 39.7	\$ 31.2

Revenue by Market

(millions)

	<u>Q2'10</u>	<u>Q1'10</u>	<u>Q2'09</u>
DRAM	\$ 42.4	\$ 31.8	\$ 25.3
Flash	\$ 8.4	\$ 3.5	\$ 1.8
Logic	\$ 6.8	\$ 4.4	\$ 4.1
Total Revenues	\$ 57.6	\$ 39.7	\$ 31.2

GAAP to Non-GAAP Reconciliation

(in thousands, except for per share amounts)

	Three Months Ended	
	June 26, 2010	June 27, 2009
GAAP Net loss	\$ (33,864)	\$ (65,846)
Deferred tax valuation allowance	-	44,683
Stock-based compensation, net of related income-tax impact *	3,894	4,722
Restructuring charges, net of related income-tax impact*	2,513	167
Non-GAAP Net loss	<u>\$ (27,457)</u>	<u>\$ (16,274)</u>
Non-GAAP Net loss per share:		
Basic and Diluted	<u>\$ (0.55)</u>	<u>\$ (0.33)</u>
Weighted-average number of shares used in per share calculations:		
Basic and Diluted	<u>50,084</u>	<u>49,394</u>

The presentation provides the calculations for Non-GAAP net loss and Non-GAAP net loss per share. FormFactor excluded the following items from one or more of the non-GAAP measures: stock-based compensation expense and restructuring and impairment charges. 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.

Q2 2010 GAAP to Non-GAAP Reconciliation

(in thousands, except for per share amounts)

	GAAP	Adjustments		Non-GAAP
	Q2 2010	Stock-based compensation	Restructuring	Q2 2010
Revenues	\$ 57,640	\$ -	\$ -	\$ 57,640
Cost of revenues	54,709	994	-	53,715
Gross profit (loss)	2,931	(994)	-	3,925
Operating expenses:				
Research and development	15,997	1,963	-	14,034
Selling, general and administrative	18,725	937	-	17,788
Restructuring charges	2,513	-	2,513	-
Total operating expenses	37,235	2,900	2,513	31,822
Operating loss	(34,304)	(3,894)	(2,513)	(27,897)
Interest income, net	722	-	-	722
Other income (expense), net	(82)	-	-	(82)
Loss before income taxes	(33,664)	(3,894)	(2,513)	(27,257)
Provision for (benefit from) income taxes	200	-	-	200
Net loss	\$ (33,864)	\$ (3,894)	\$ (2,513)	\$ (27,457)
Net loss per share:				
Basic and Diluted	\$ (0.68)	\$ (0.08)	\$ (0.05)	\$ (0.55)
Weighted-average number of shares used in per share calculations:				
Basic and Diluted	50,084	50,084	50,084	50,084

The presentation provides a reconciliation of Q2 2010 non-GAAP financial measures to the most directly comparable GAAP financial measures. FormFactor excluded stock based compensation expense and restructuring and impairment charges to obtain the non-GAAP financial measures. 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.