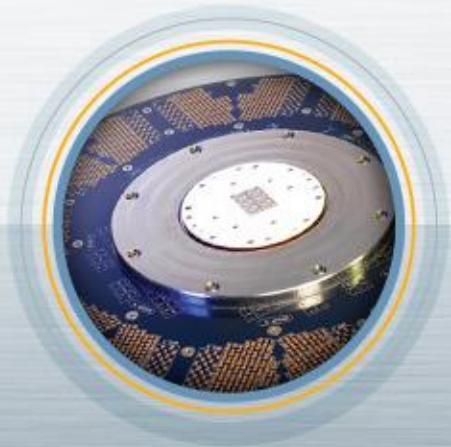
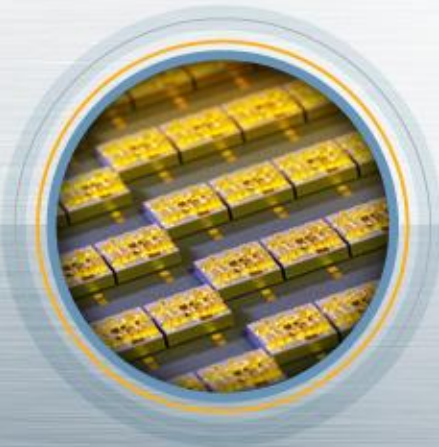


FORMFACTOR INC.



FormFactor Investor Presentation

January 2016



Disclosure

FORWARD-LOOKING STATEMENTS: This presentation contains forward-looking statements within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements other than statements of historical fact, including statements using words such as “expects,” “anticipates,” “targets,” “believes,” “should,” “will,” and statements in the future tense are forward-looking statements. The statements in this presentation that may be deemed forward-looking statements include statements regarding our future resiliency to slower PC-related market demand, the strengthening of our balance sheet, the progression of our strategic position in the marketplace, our future market share growth, our future technology leadership, the growth in demand for products using particular technologies, future M&A opportunities, and future demand for our products, our growth and profitability, and any statements or assumptions underlying any of the foregoing. 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 that could cause our actual future results to differ materially, or cause a material adverse impact on our results. Actual events or results might differ materially from those in any forward-looking statement due to various factors, including, but not limited to: industry conditions that can impact demand for our products and future growth; the relative growth of the SoC, DRAM and Flash memory device markets; the company’s ability to meet accelerating customer roadmaps; the company’s ability to continue to meet its financial targets through semiconductor industry and seasonal cycles; the company’s ability to deliver technology innovation and design, develop, introduce and qualify new products and realize revenue from those new products; projections, including statements regarding business momentum and improved financial performance; and, macro-economic conditions. We describe these and other risks in greater detail under the heading “Risk Factors” and elsewhere in our Annual Report on Form 10-K for the fiscal year ended December 27, 2014, and subsequent filings of the company’s with the U.S. Securities and Exchange Commission (the “SEC”) including those filed on Form 10-Q, which are available at the SEC’s website at www.sec.gov. Copies of the company’s SEC filings are also available at <http://investors.formfactor.com/edgar.cfm>. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our beliefs and assumptions only as of the date made. Except as required by law, we undertake no obligation to update the information in this presentation, to revise any forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in forward-looking statements. All market size and growth data source: VLSIresearch.

NON-GAAP MEASURES: This presentation includes GAAP and non-GAAP financial information. FormFactor excluded from one or more of the non-GAAP measures certain items as indicated. By providing these 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. A reconciliation between our GAAP and non-GAAP measures can be found on the Investor Relations section of our website.

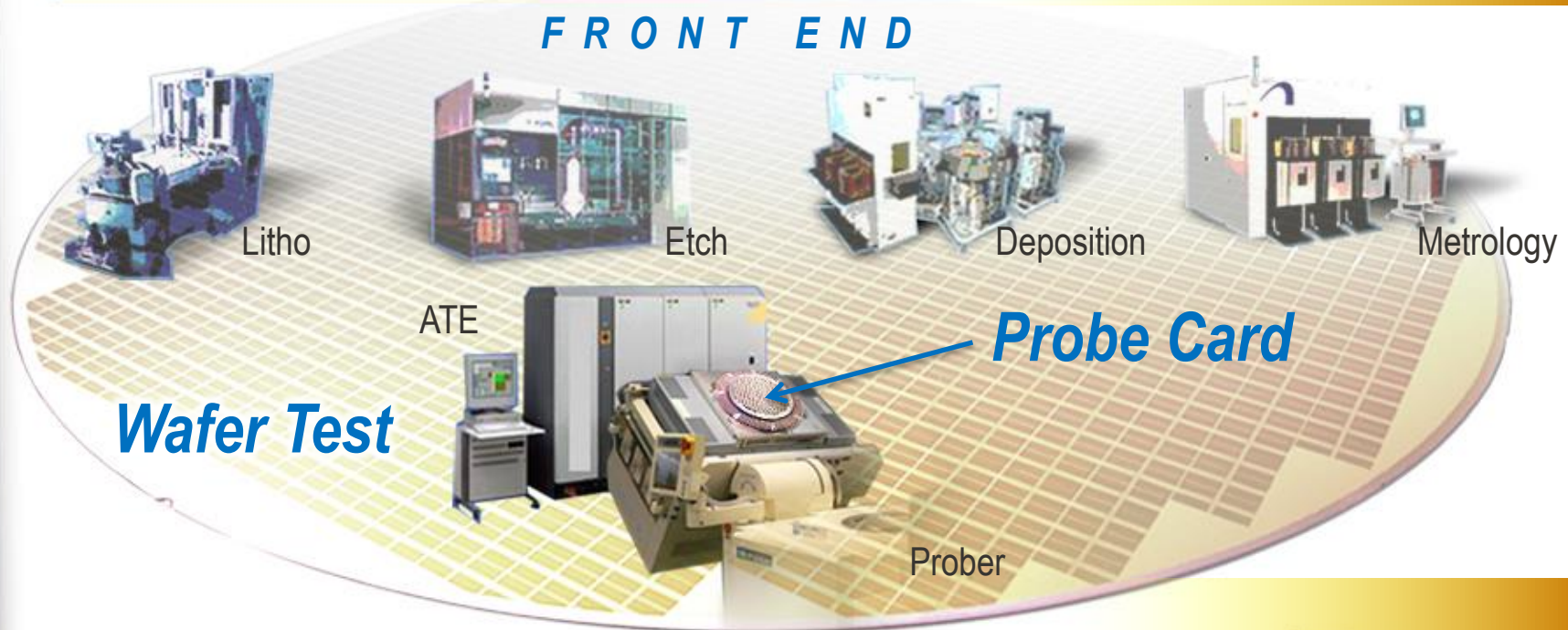
FormFactor at a Glance

- Largest supplier of probe cards to the semiconductor industry
 - Leading >\$1B market growing at >5% CAGR over next 5 years
 - Revenue of \$268.5M in 2014, grew 16% over 2013
 - Grew share of advanced probe card market to >25% in 2014
 - Continued momentum through 2015 along similar themes
 - Headquartered in California, global presence to support customers
- Uniquely leveraging scale and investments across advanced probe card market
- Structurally profitable with high earnings leverage on incremental revenue
 - Delivered 6 consecutive quarters of profitability* and cash generation
 - Demonstrated resilience of financial model despite Q3 2015 demand slowdown
 - Provided Q4 2015 guidance** for a 7th quarter of profitability and cash generation
- Strong (and strengthening) balance sheet to fund EPS growth
 - \$184.3M cash and no debt in Q3'15

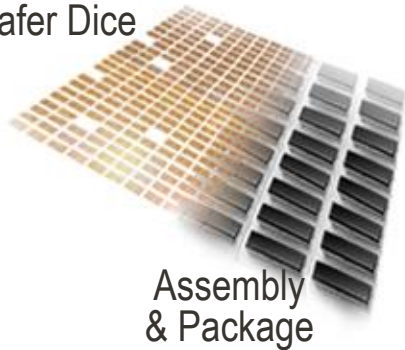
*On a non-GAAP basis

**From 10/28/15 earnings call

FormFactor Owns a Strategic Position in the Semiconductor Manufacturing Process



Wafer Dice



BACK END

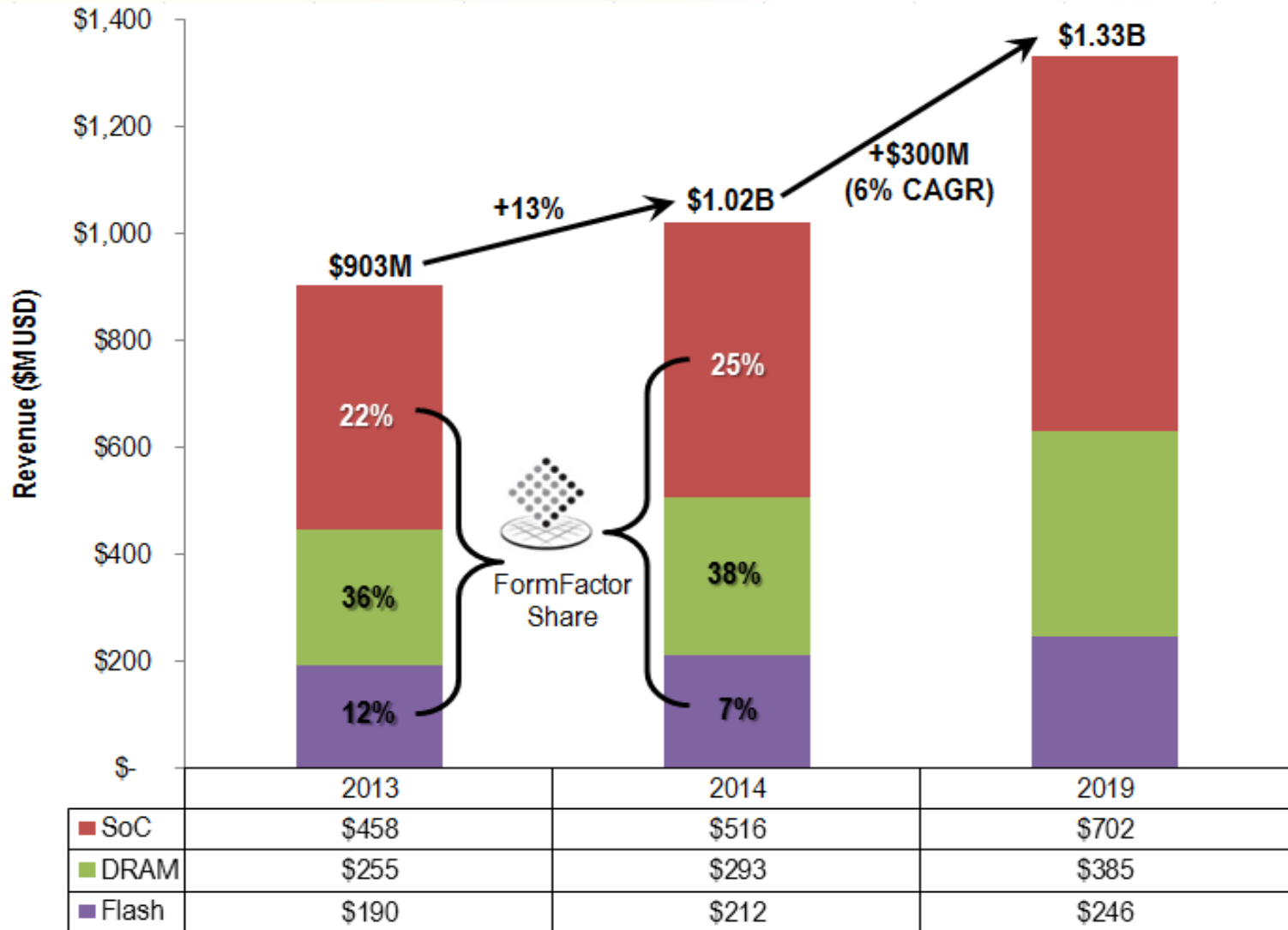


Package
Burn In



ATE
Final Test

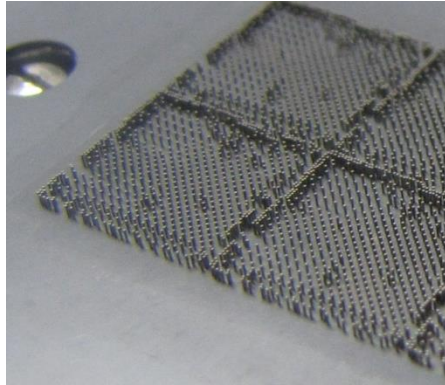
FormFactor - Gaining Share in a Growing Market



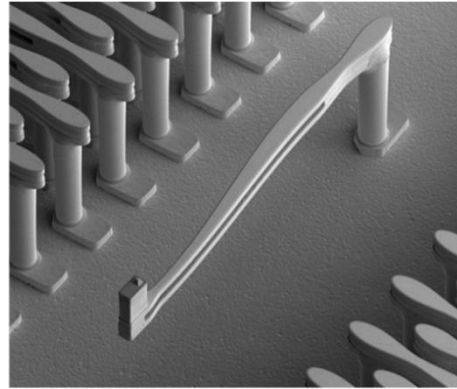
FormFactor's MEMS Technology Leadership

Enabling Customers' Roadmaps With A Key Competitive Advantage

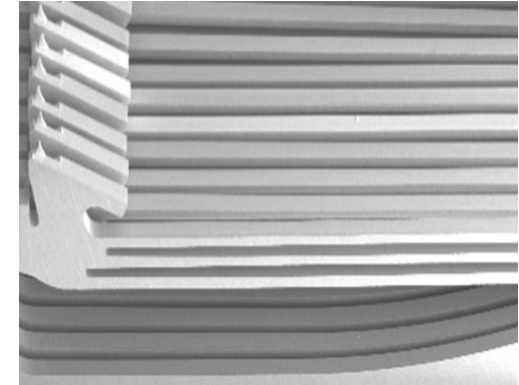
SoC



DRAM



Flash




In 2014, probe cards manufactured with MEMS technology were both the largest and fastest growing part of the market

Source: VLSIresearch



Update on FormFactor's Recent Performance

Structural profitability today with future growth components

Initiative	Result
Sustained profitability and cash generation	<ul style="list-style-type: none"> ✓ \$22.5M of non-GAAP net income and \$36.5M of cash in last 12 months (excluding \$7.0M stock buyback) ✓ Profitable & cash-flow positive for 6 consecutive quarters
Gained market share	<ul style="list-style-type: none"> ✓ Grew revenue by 16% in 2014 against 11% probe card market growth and 13% advanced probe card market growth
Strengthened customer relationships	<ul style="list-style-type: none"> ✓ Ranked 1st Worldwide in Customer Satisfaction in Suppliers of Sub-Systems for 2 years in a row 
Expanded SoC leadership position	<ul style="list-style-type: none"> ✓ Retained strong share for PC/MPU at 14nm and 10nm ✓ Expanded mobile share with copper pillar foundry ramp
Qualified SmartMatrix at all three DRAM manufacturers	<ul style="list-style-type: none"> ✓ All three major DRAM manufacturers now >10% customers
Qualified new Vector product	<ul style="list-style-type: none"> ✓ Qualified at two major NAND Flash manufacturers in 2015

Financial Results and Guidance

	2014 Actual	Q3 2015 Actual	Q4 2015 Guidance*
Revenue (\$M)	\$268.5	\$65.9	\$68M-\$73M
Gross Margin (\$M**)	\$95.8	\$22.0	
Gross Margin (%)	35.7%	33.4%	34%-37%
Operating Expenses (\$M**)	\$79.0	\$18.5	
Net Income (\$M**)	\$18.2	\$3.3	
Diluted EPS**	\$0.32	\$0.06	\$0.07 to \$0.12
Cash Flow*** (\$M)	\$12.7	\$8.6	\$4M-\$7M

*From 10/28/15 earnings call

**Non-GAAP results

***Excluding stock buyback

- Q4 2015 guidance themes*

- Experiencing strong demand during historically weaker seasonal period
- Strong SoC business coupled with stable DRAM demand

Near-Term Model at \$300M Annual Revenue

Financial Metric (non-GAAP)	Result
Revenue	~ \$300M
Gross Margin	36% - 38%
Operating Expenses	27% - 28%
Operating and Net Income	9% - 10%
EBITDA	13% - 14%

Incremental revenue above ~\$250M* breakeven annual revenue level “falls through” to Operating Income at ~60%

Near-Term Components of Revenue & Earnings Growth

- **SoC (\$516M TAM in 2014, 25% FormFactor share):**
 - Increasing devices with demanding technical requirements (e.g., copper pillars) at $\leq 28\text{nm}$
 - Strong leadership position in advanced SoC probe cards
- **DRAM (\$293M TAM in 2014, 38% FormFactor share):**
 - Continued growth in both mobile and server, primarily DDR4 devices on 2Znm nodes
 - Qualified and supporting volume production at all 3 major DRAM manufacturers
- **Flash (\$212M TAM in 2014, 7% FormFactor share):**
 - Continued growth in industry NAND capacity & wafer starts
 - New Vector product qualified at two customers, transitioning away from legacy platform
- Incremental revenue “falls through” to operating income at ~60%

Continuing to execute on “line-of-sight” revenue growth opportunities, expanding both top- and bottom-line

Long-Term Revenue and Earnings Growth Path

Strategic Element	Result
Continued share gains along “line-of-sight” components in SoC, DRAM, Flash	Revenue and EPS growth from increasing share to mid-30’s% in large and growing advanced probe card market
Leverage and re-use of key roadmap technologies and investments across all markets	EPS growth from Gross Margin expansion and R&D Operating Expense efficiency
Lead M&A and consolidation in test consumables, analytical instrumentation, failure analysis, and yield enhancement	Revenue and EPS growth from increased addressable market and market share positions

Summary

- FormFactor owns a structurally profitable market leadership position in production probe cards
- Advanced probe cards offer an attractive growth opportunity
 - >\$1B market growing at >5% CAGR over next 5 years
 - Growth opportunities targeted to produce 8-10% market share gain
- Industry-leading MEMS capability is a competitive advantage in all areas of advanced probe card market
 - Leveraged across SoC, DRAM, and Flash products
 - Probe cards using MEMS are largest and fastest growing part of market
- Model provides significant EPS growth from incremental revenue
 - Organic and M&A growth opportunities