

TTM TECHNOLOGIES, INC.
Selected Unaudited Financial Information
(In thousands, except per share data)

	First Quarter		Fourth Quarter
	2016	2015	2015

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS

Net sales	\$ 583,258	\$ 329,164	\$ 668,874
Cost of goods sold	499,695	277,605	560,604
Gross profit	83,563	51,559	108,270
Operating expenses:			
Selling and marketing	17,306	9,455	17,963
General and administrative	36,149	33,990	41,654
Amortization of definite-lived intangibles	5,947	1,874	6,683
Restructuring charges	1,913	479	5,429
Impairment of long-lived assets	3,346	-	-
Gain on sale of asset	-	(2,504)	-
Total operating expenses	64,661	43,294	71,729
Operating income (loss)	18,902	8,265	36,541
Interest expense	(21,784)	(5,765)	(20,208)
Other, net	1,209	(415)	3,925
Income (loss) before income taxes	(1,673)	2,085	20,258
Income tax (provision) benefit	(5,477)	1,361	(10,601)
Net income (loss)	\$ (7,150)	\$ 3,446	\$ 9,657
Net income attributable to noncontrolling interest	(114)	-	(136)
Net income (loss) attributable to stockholders	\$ (7,264)	\$ 3,446	\$ 9,521
Earnings (loss) per share attributable to stockholders:			
Basic	\$ (0.07)	\$ 0.04	\$ 0.10
Diluted	\$ (0.07)	\$ 0.04	\$ 0.09
Weighted-average shares used in computing per share amounts:			
Basic	99,596	83,603	99,134
Diluted	99,596	84,465	126,329

Reconciliation of the numerator and denominator used to calculate basic earnings per share and diluted earnings per share:

Net income attributable to stockholders	\$ 9,521
Add back items: interest expense, net of tax	2,009
Adjusted net income attributable to stockholders	\$ 11,530
Weighted-average shares outstanding	99,134
Dilutive effect of convertible debt	25,940
Dilutive effect of performance-based stock units, restricted stock units and stock options	1,255
Diluted shares	126,329
Earnings per share attributable to stockholders:	
Basic	\$ 0.10
Diluted	\$ 0.09

SELECTED BALANCE SHEET DATA

	March 28, 2016	December 28, 2015
Cash and cash equivalents, including restricted cash	\$ 183,678	\$ 262,630
Accounts and notes receivable, net	431,276	454,001
Inventories	264,555	268,923
Total current assets	908,210	1,022,520
Property, plant and equipment, net	1,075,613	1,103,067
Other non-current assets	512,009	545,717
Total assets	2,495,832	2,640,133
Short-term debt, including current portion of long-term debt	\$ 80,358	\$ 157,375
Accounts payable	308,156	347,916
Total current liabilities	598,406	744,994
Debt, net of discount	1,021,866	1,013,411
Total long-term liabilities	1,079,499	1,068,470
Total equity	817,927	826,669
Total liabilities and equity	2,495,832	2,640,133

SUPPLEMENTAL DATA

	First Quarter		Fourth Quarter	
	2016	2015	2015	2015
Gross margin	14.3%	15.7%		16.2%
Operating margin	3.2%	2.5%		5.5%

End Market Breakdown:

	First Quarter		Fourth Quarter	
	2016	2015	2015	2015
Aerospace/Defense	15%	15%		13%
Automotive	21%	3%		18%
Cellular Phone	9%	30%		18%
Computing/Storage/Peripherals	13%	11%		12%
Medical/Industrial/Instrumentation	16%	9%		13%
Networking/Communications	24%	29%		23%
Other	2%	3%		3%

Stock-based Compensation:

	First Quarter		Fourth Quarter	
	2016	2015	2015	2015
Amount included in:				
Cost of goods sold	\$ 320	\$ 225	\$ 327	
Selling and marketing	210	271	301	
General and administrative	1,716	1,544	2,007	
Total stock-based compensation expense	\$ 2,246	\$ 2,040	\$ 2,635	

Operating Segment Data:

	First Quarter		Fourth Quarter	
	2016	2015	2015	2015
Net sales:				
PCB	\$ 529,945	\$ 310,324	\$ 611,045	
E-M Solutions	56,478	19,462	61,021	
Corporate	-	-	-	
Total sales	586,423	329,786	672,066	
Inter-segment sales	(3,165)	(622)	(3,192)	
Total net sales	\$ 583,258	\$ 329,164	\$ 668,874	
Operating segment income:				
PCB	\$ 49,367	\$ 23,260	\$ 66,320	
E-M Solutions	387	651	2,612	
Corporate	(24,905)	(13,772)	(25,708)	
Total operating segment income	24,849	10,139	43,224	
Amortization of definite-lived intangibles	(5,947)	(1,874)	(6,683)	
Total operating income	18,902	8,265	36,541	
Total other expense	(20,575)	(6,180)	(16,283)	
Income before income taxes	\$ (1,673)	\$ 2,085	\$ 20,258	

RECONCILIATIONS¹

	First Quarter		Fourth Quarter
	2016	2015	2015
Non-GAAP gross profit reconciliation ² :			
GAAP gross profit	\$ 83,563	\$ 51,559	\$ 108,270
Add back item:			
Inventory markup and PP&E step up	-	-	598
Stock-based compensation	320	225	327
Non-GAAP gross profit	<u>\$ 83,883</u>	<u>\$ 51,784</u>	<u>\$ 109,195</u>
Non-GAAP gross margin	14.4%	15.7%	16.3%
Non-GAAP operating income reconciliation ³ :			
GAAP operating income (loss)	\$ 18,902	\$ 8,265	\$ 36,541
Add back items:			
Amortization of definite-lived intangibles	5,947	1,874	6,683
Stock-based compensation	2,246	2,040	2,635
Gain on sale of asset	-	(2,504)	-
Acquisition-related costs	691	8,235	1,521
Inventory markup and PP&E step up	-	-	598
Impairments and restructuring charges	5,259	479	5,429
Non-GAAP operating income	<u>\$ 33,045</u>	<u>\$ 18,389</u>	<u>\$ 53,407</u>
Non-GAAP operating margin	5.7%	5.6%	8.0%
Non-GAAP net income and EPS attributable to stockholders reconciliation ⁴ :			
GAAP net income (loss) attributable to stockholders	\$ (7,264)	\$ 3,446	\$ 9,521
Add back items:			
Amortization of definite-lived intangibles	5,947	1,874	6,683
Stock-based compensation	2,246	2,040	2,635
Non-cash interest expense	6,154	2,625	4,893
Gain on sale of asset	-	(2,504)	-
Acquisition-related costs	691	8,235	1,521
Inventory markup and PP&E step up	-	-	598
Impairments, restructuring and other charges	5,259	479	5,429
Income taxes	821	(5,366)	247
Non-GAAP net income attributable to stockholders	<u>\$ 13,854</u>	<u>\$ 10,829</u>	<u>\$ 31,527</u>
Non-GAAP earnings per diluted share attributable to stockholders	\$ 0.14	\$ 0.13	\$ 0.31
Non-GAAP diluted number of shares ⁵ :			
Diluted shares	99,596	84,465	126,329
Dilutive effect of convertible debt	-	-	(25,940)
Non-GAAP diluted number of shares	<u>99,596</u>	<u>84,465</u>	<u>100,389</u>
Adjusted EBITDA reconciliation ⁶ :			
GAAP net income (loss)	\$ (7,150)	\$ 3,446	\$ 9,657
Add back items:			
Income tax provision (benefit)	5,477	(1,361)	10,601
Interest expense	21,784	5,765	20,208
Amortization of definite-lived intangibles	5,947	1,874	6,683
Depreciation expense	40,227	24,536	39,105
Stock-based compensation	2,246	2,040	2,635
Gain on sale of asset	-	(2,504)	-
Acquisition-related costs	691	8,235	1,521
Impairments, restructuring and other charges	5,259	479	5,429
Adjusted EBITDA	<u>\$ 74,481</u>	<u>\$ 42,510</u>	<u>\$ 95,839</u>
Adjusted EBITDA margin	12.8%	12.9%	14.3%
Free cash flow reconciliation:			
Operating cash flow	17,892	67,354	139,829
Add back items:			
Payment of acquisition-related costs	2,324	4,720	1,522
Adjusted operating cash flow	20,216	72,074	141,351
Capital expenditures, net	(20,116)	(22,776)	(22,967)
Free cash flow	<u>\$ 100</u>	<u>\$ 49,298</u>	<u>\$ 118,384</u>

¹ This information provides a reconciliation of non-GAAP gross profit, non-GAAP operating income, non-GAAP net income attributable to stockholders, non-GAAP EPS attributable to stockholders, and adjusted EBITDA to the financial information in our consolidated condensed statements of operations.

² Non-GAAP gross profit and gross margin measures exclude stock-based compensation expense, inventory markup and PP&E step up

³ Non-GAAP operating income and operating margin measures exclude amortization of intangibles, stock-based compensation expense, gain on sale of assets, inventory markup, acquisition-related costs, asset impairments, restructuring and other charges.

⁴ This information provides non-GAAP net income attributable to stockholders and non-GAAP EPS attributable to stockholders, which are non-GAAP financial measures. Management believes that both measures -- which add back amortization of intangibles, stock-based compensation expense, non-cash interest expense on debt (before consideration of capitalized interest), gain on sale of assets, inventory markup, acquisition-related costs, asset impairments, restructuring and other charges as well as the associated tax impact of these charges and discrete tax items -- provide additional useful information to investors regarding the Company's ongoing financial condition and results of operations.

⁵ Non-GAAP diluted number of shares used in computing non-GAAP earnings per share attributable to stockholders excludes the dilutive effect of convertible debt.

⁶ Adjusted EBITDA is defined as earnings before interest expense, income taxes, depreciation, amortization of intangibles, stock-based compensation expense, gain on sale of assets, inventory markup, acquisition-related costs, asset impairments, restructuring and other charges. We present adjusted EBITDA to enhance the understanding of our operating results, and it is a key measure we use to evaluate our operations. In addition, we provide our adjusted EBITDA because we believe that investors and securities analysts will find adjusted EBITDA to be a useful measure for evaluating our operating performance and comparing our operating performance with that of similar companies that have different capital structures and for evaluating our ability to meet our future debt service, capital expenditures, and working capital requirements. However, adjusted EBITDA should not be considered as an alternative to cash flows from operating activities as a measure of liquidity or as an alternative to net income as a measure of operating results in accordance with accounting principles generally accepted in the United States of America.