

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

	Second Quarter		First Quarter	First Two Quarters	
	2014	2013	2014	2014	2013
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS					
Net sales	\$ 297,635	\$ 338,021	\$ 291,895	\$ 589,530	\$ 663,413
Cost of goods sold	259,035	289,564	253,389	512,424	564,226
Gross profit	38,600	48,457	38,506	77,106	99,187
Operating expenses:					
Selling and marketing	8,637	9,559	9,323	17,960	18,749
General and administrative	22,647	26,141	22,518	45,165	52,699
Amortization of definite-lived intangibles	2,236	2,327	2,236	4,472	4,655
Restructuring charges	37	-	(24)	13	-
Impairment of long-lived assets	1,845	-	-	1,845	-
Gain on sale of assets	-	(17,917)	-	-	(17,917)
Total operating expenses	35,402	20,110	34,053	69,455	58,186
Operating income	3,198	28,347	4,453	7,651	41,001
Interest expense	(5,915)	(5,923)	(6,206)	(12,121)	(12,201)
Loss on extinguishment of debt	-	-	(506)	(506)	-
Other, net	121	633	(3,395)	(3,274)	1,634
(Loss) income before income taxes	(2,596)	23,057	(5,654)	(8,250)	30,434
Income tax (provision) benefit	(508)	(9,345)	1,855	1,347	(10,129)
Net (loss) income	(3,104)	13,712	(3,799)	(6,903)	20,305
Net income attributable to noncontrolling interest	-	(575)	-	-	(2,016)
Net (loss) income attributable to stockholders	\$ (3,104)	\$ 13,137	\$ (3,799)	\$ (6,903)	\$ 18,289
(Loss) earnings per share attributable to stockholders:					
Basic	\$ (0.04)	\$ 0.16	\$ (0.05)	\$ (0.08)	\$ 0.22
Diluted	\$ (0.04)	\$ 0.16	\$ (0.05)	\$ (0.08)	\$ 0.22
Weighted-average shares used in computing per share amounts:					
Basic	83,336	82,595	82,925	83,130	82,373
Diluted	83,336	82,975	82,925	83,130	82,908

SELECTED BALANCE SHEET DATA

	June 30, 2014	December 30, 2013
Cash and cash equivalents	\$ 282,043	\$ 330,554
Accounts and notes receivable, net	230,165	277,070
Inventories	146,113	138,145
Total current assets	707,223	804,991
Property, plant and equipment, net	780,445	810,672
Other non-current assets	52,072	57,912
Total assets	1,539,740	1,673,575
Short-term debt, including current portion long-term debt	\$ 127,334	\$ 96,204
Accounts payable	148,973	192,357
Total current liabilities	403,341	458,003
Debt, net of discount	419,156	477,539
Total long-term liabilities	443,952	510,277
Total stockholders' equity	692,447	705,295
Total liabilities and stockholders' equity	1,539,740	1,673,575

SUPPLEMENTAL DATA

	Second Quarter		First Quarter	First Two Quarters	
	2014	2013	2014	2014	2013
Gross margin	13.0%	14.3%	13.2%	13.1%	15.0%
Operating margin	1.1%	8.4%	1.5%	1.3%	6.2%

End Market Breakdown:

	Second Quarter		First Quarter
	2014	2013	2014
Aerospace/Defense	18%	16%	17%
Cellular Phone	12%	17%	15%
Computing/Storage/Peripherals	14%	16%	18%
Medical/Industrial/Instrumentation	11%	8%	10%
Networking/Communications	40%	38%	34%
Other	5%	5%	6%

Stock-based Compensation:

	Second Quarter		First Quarter
	2014	2013	2014
Amount included in:			
Cost of goods sold	\$ 199	\$ 254	\$ 263
Selling and marketing	253	335	335
General and administrative	1,479	1,994	1,570
Total stock-based compensation expense	\$ 1,931	\$ 2,583	\$ 2,168

Operating Segment Data:

	Second Quarter		First Quarter
	2014	2013	2014
Net sales:			
Asia Pacific	\$ 166,699	\$ 209,631	\$ 165,666
North America	131,594	129,669	126,589
Total sales	298,293	339,300	292,255
Inter-segment sales	(658)	(1,279)	(360)
Total net sales	\$ 297,635	\$ 338,021	\$ 291,895
Operating segment income:			
Asia Pacific	\$ (1,925)	\$ 23,642	\$ 3,867
North America	7,359	7,032	2,822
Total operating segment income	5,434	30,674	6,689
Amortization of definite-lived intangibles	(2,236)	(2,327)	(2,236)
Total operating income	3,198	28,347	4,453
Total other expense	(5,794)	(5,290)	(10,107)
(Loss) income before income taxes	\$ (2,596)	\$ 23,057	\$ (5,654)

RECONCILIATIONS¹

	Second Quarter		First Quarter	First Two Quarters	
	2014	2013	2014	2014	2013
Non-GAAP gross profit reconciliation²:					
GAAP gross profit	\$ 38,600	\$ 48,457	\$ 38,506	\$ 77,106	\$ 99,187
Add back item:					
Stock-based compensation	199	254	263	462	557
Non-GAAP gross profit	<u>\$ 38,799</u>	<u>\$ 48,711</u>	<u>\$ 38,769</u>	<u>\$ 77,568</u>	<u>\$ 99,744</u>
Non-GAAP gross margin	13.0%	14.4%	13.3%	13.2%	15.0%
Non-GAAP operating income reconciliation³:					
GAAP operating income	\$ 3,198	\$ 28,347	\$ 4,453	\$ 7,651	\$ 41,001
Add back items:					
Amortization of definite-lived intangibles	2,236	2,327	2,236	4,472	4,655
Stock-based compensation	1,931	2,583	2,168	4,099	4,913
Gain on sale of assets	-	(17,917)	-	-	(17,917)
Impairments and restructuring charges	1,882	-	(24)	1,858	-
Non-GAAP operating income	<u>\$ 9,247</u>	<u>\$ 15,340</u>	<u>\$ 8,833</u>	<u>\$ 18,080</u>	<u>\$ 32,652</u>
Non-GAAP operating margin	3.1%	4.5%	3.0%	3.1%	4.9%
Non-GAAP net income and EPS attributable to stockholders reconciliation⁴:					
GAAP net (loss) income attributable to stockholders	\$ (3,104)	\$ 13,137	\$ (3,799)	\$ (6,903)	\$ 18,289
Add back items:					
Amortization of definite-lived intangibles	2,236	2,327	2,236	4,472	4,655
Stock-based compensation	1,931	2,583	2,168	4,099	4,913
Non-cash interest expense	2,509	2,094	2,523	5,032	4,149
Gain on sale of assets	-	(17,917)	-	-	(17,917)
Impairments, restructuring and other charges	1,882	-	482	2,364	-
Income taxes	(1,587)	5,480	(2,393)	(3,980)	3,400
Non-GAAP net income attributable to stockholders	<u>\$ 3,867</u>	<u>\$ 7,704</u>	<u>\$ 1,217</u>	<u>\$ 5,084</u>	<u>\$ 17,489</u>
Non-GAAP earnings per diluted share attributable to stockholders	\$ 0.05	\$ 0.09	\$ 0.01	\$ 0.06	\$ 0.21
Adjusted EBITDA reconciliation⁵:					
GAAP net (loss) income	\$ (3,104)	\$ 13,712	\$ (3,799)	\$ (6,903)	\$ 20,305
Add back items:					
Income tax provision (benefit)	508	9,345	(1,855)	(1,347)	10,129
Interest expense	5,915	5,923	6,206	12,121	12,201
Amortization of definite-lived intangibles	2,236	2,327	2,236	4,472	4,655
Depreciation expense	23,437	23,118	23,707	47,144	46,255
Stock-based compensation	1,931	2,583	2,168	4,099	4,913
Gain on sale of assets	-	(17,917)	-	-	(17,917)
Impairments, restructuring and other charges	1,882	-	482	2,364	-
Adjusted EBITDA	<u>\$ 32,805</u>	<u>\$ 39,091</u>	<u>\$ 29,145</u>	<u>\$ 61,950</u>	<u>\$ 80,541</u>
Adjusted EBITDA margin	11.0%	11.6%	10.0%	10.5%	12.1%

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.

³ Non-GAAP operating income and operating margin measures exclude amortization of intangibles, stock-based compensation expense, gain on sale of assets, and restructuring and impairment 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, 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 Adjusted EBITDA is defined as earnings before interest expense, income taxes, depreciation, amortization of intangibles, stock-based compensation expense, gain on sale of assets, 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.