

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

	Fourth Quarter		Third Quarter		Full Year	
	2015	2014	2015	2015	2014	2014
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS						
Net sales	\$ 668,874	\$ 390,912	\$ 652,005	\$ 2,095,488	\$ 1,325,717	\$ 1,325,717
Cost of goods sold	560,604	322,437	562,887	1,785,351	1,131,028	1,131,028
Gross profit	108,270	68,475	89,118	310,137	194,689	194,689
Operating expenses:						
Selling and marketing	17,963	9,926	17,642	57,361	36,919	36,919
General and administrative	41,654	30,046	39,456	167,109	100,944	100,944
Amortization of definite-lived intangibles	6,683	1,935	6,421	18,888	8,387	8,387
Restructuring charges	5,429	(7)	2,003	7,941	55	55
Impairment of long-lived assets	-	-	-	-	1,845	1,845
Gain on sale of asset	-	-	-	(2,504)	-	-
Total operating expenses	71,729	41,900	65,522	248,795	148,150	148,150
Operating income (loss)	36,541	26,575	23,596	61,342	46,539	46,539
Interest expense	(20,208)	(5,691)	(21,002)	(59,753)	(23,830)	(23,830)
Loss on extinguishment of debt	-	-	-	(802)	(506)	(506)
Other, net	3,925	1,620	3,998	8,189	88	88
Income (loss) before income taxes	20,258	22,504	6,592	8,976	22,291	22,291
Income tax (provision) benefit	(10,601)	(8,566)	(8,730)	(34,594)	(7,598)	(7,598)
Net income (loss)	\$ 9,657	\$ 13,938	\$ (2,138)	\$ (25,618)	\$ 14,693	\$ 14,693
Net income attributable to noncontrolling interest	(136)	-	(99)	(264)	-	-
Net income (loss) attributable to stockholders	\$ 9,521	\$ 13,938	\$ (2,237)	\$ (25,882)	\$ 14,693	\$ 14,693
Earnings (loss) per share attributable to stockholders:						
Basic	\$ 0.10	\$ 0.17	\$ (0.02)	\$ (0.28)	\$ 0.18	\$ 0.18
Diluted	\$ 0.09	\$ 0.17	\$ (0.02)	\$ (0.28)	\$ 0.18	\$ 0.18
Weighted-average shares used in computing per share amounts:						
Basic	99,134	83,345	99,128	92,675	83,238	83,238
Diluted	126,329	84,205	99,128	92,675	83,941	83,941

Reconciliation of the numerator and denominator used to calculate basic earnings per share and diluted earnings per share for the quarter ended Q4 2015

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

	December 28, 2015	December 29, 2014
Cash and cash equivalents, including restricted cash	\$ 262,630	\$ 279,042
Accounts and notes receivable, net	454,001	307,933
Inventories	268,923	145,187
Total current assets	1,022,520	798,123
Property, plant and equipment, net	1,103,067	754,718
Other non-current assets	545,717	48,448
Total assets	2,671,304	1,601,289
Short-term debt, including current portion of long-term debt	\$ 157,375	\$ 128,045
Accounts payable	347,916	217,326
Total current liabilities	744,994	496,012
Debt, net of discount	1,044,582	374,642
Total long-term liabilities	1,099,641	389,813
Total equity	826,669	715,464
Total liabilities and equity	2,671,304	1,601,289

SUPPLEMENTAL DATA

	Fourth Quarter		Third Quarter	Full Year	
	2015	2014	2015	2015	2014
Gross margin	16.2%	17.5%	13.7%	14.8%	14.7%
Operating margin	5.5%	6.8%	3.6%	2.9%	3.5%

End Market Breakdown:

	Fourth Quarter		Third Quarter
	2015	2014	2015
Aerospace/Defense	13%	14%	14%
Automotive	18%	3%	17%
Cellular Phone	18%	35%	16%
Computing/Storage/Peripherals	12%	10%	12%
Medical/Industrial/Instrumentation	13%	8%	14%
Networking/Communications	23%	27%	25%
Other	3%	3%	2%

Stock-based Compensation:

	Fourth Quarter		Third Quarter
	2015	2014	2015
Amount included in:			
Cost of goods sold	\$ 327	\$ 197	\$ 322
Selling and marketing	301	263	294
General and administrative	2,007	1,287	2,056
Total stock-based compensation expense	\$ 2,635	\$ 1,747	\$ 2,672

Operating Segment Data:

	Fourth Quarter		Third Quarter
	2015	2014	2015
Net sales:			
PCB	\$ 611,045	\$ 372,465	\$ 604,771
E-M Solutions	61,021	19,073	49,658
Corporate	-	-	-
Total sales	672,066	391,538	654,429
Inter-segment sales	(3,192)	(626)	(2,424)
Total net sales	\$ 668,874	\$ 390,912	\$ 652,005
Operating segment income:			
PCB	\$ 66,320	\$ 37,236	\$ 52,191
E-M Solutions	2,612	744	(1,729)
Corporate	(25,708)	(9,470)	(20,445)
Total operating segment income	43,224	28,510	30,017
Amortization of definite-lived intangibles	(6,683)	(1,935)	(6,421)
Total operating income	36,541	26,575	23,596
Total other expense	(16,283)	(4,071)	(17,004)
Income before income taxes	\$ 20,258	\$ 22,504	\$ 6,592

RECONCILIATIONS¹

	Fourth Quarter		Third Quarter	Full Year	
	2015	2014	2015	2015	2014
Non-GAAP gross profit reconciliation²:					
GAAP gross profit	\$ 108,270	\$ 68,475	\$ 89,118	\$ 310,137	\$ 194,689
Add back item:					
Inventory markup and PP&E step up	598	-	8,214	16,220	-
Stock-based compensation	327	197	322	1,117	866
Non-GAAP gross profit	<u>\$ 109,195</u>	<u>\$ 68,672</u>	<u>\$ 97,654</u>	<u>\$ 327,474</u>	<u>\$ 195,555</u>
Non-GAAP gross margin	16.3%	17.6%	15.0%	15.6%	14.8%
Non-GAAP operating income reconciliation³:					
GAAP operating income (loss)	\$ 36,541	\$ 26,575	\$ 23,596	\$ 61,342	\$ 46,539
Add back items:					
Amortization of definite-lived intangibles	6,683	1,935	6,421	18,888	8,387
Stock-based compensation	2,635	1,747	2,672	9,661	7,800
Gain on sale of asset	-	-	-	(2,504)	-
Acquisition-related costs	1,521	4,349	2,065	34,448	5,981
Inventory markup and PP&E step up	598	-	8,214	16,220	-
Impairments and restructuring charges	5,429	(7)	2,003	7,941	1,900
Non-GAAP operating income	<u>\$ 53,407</u>	<u>\$ 34,599</u>	<u>\$ 44,971</u>	<u>\$ 145,996</u>	<u>\$ 70,607</u>
Non-GAAP operating margin	8.0%	8.9%	6.9%	7.0%	5.3%
Non-GAAP net income and EPS attributable to stockholders reconciliation⁴:					
GAAP net income (loss) attributable to stockholders	\$ 9,521	\$ 13,938	\$ (2,237)	\$ (25,882)	\$ 14,693
Add back items:					
Amortization of definite-lived intangibles	6,683	1,935	6,421	18,888	8,387
Stock-based compensation	2,635	1,747	2,672	9,661	7,800
Non-cash interest expense	4,893	2,585	4,819	15,626	10,165
Gain on sale of asset	-	-	-	(2,504)	-
Acquisition-related costs	1,521	4,349	2,065	34,448	5,981
Inventory markup and PP&E step up	598	-	8,214	16,220	-
Impairments, restructuring and other charges	5,429	(7)	2,003	8,743	2,406
Income taxes	247	(1,332)	(122)	5,869	(10,121)
Non-GAAP net income attributable to stockholders	<u>\$ 31,527</u>	<u>\$ 23,215</u>	<u>\$ 23,835</u>	<u>\$ 81,069</u>	<u>\$ 39,311</u>
Non-GAAP earnings per diluted share attributable to stockholders	\$ 0.31	\$ 0.28	\$ 0.24	\$ 0.87	\$ 0.47
Non-GAAP diluted number of shares⁵:					
Diluted shares	126,329	84,205	100,035	93,640	83,941
Dilutive effect of convertible debt	(25,940)	-	-	-	-
Non-GAAP diluted number of shares	<u>100,389</u>	<u>84,205</u>	<u>100,035</u>	<u>93,640</u>	<u>83,941</u>
Adjusted EBITDA reconciliation⁶:					
GAAP net income (loss)	\$ 9,657	\$ 13,938	\$ (2,138)	\$ (25,618)	\$ 14,693
Add back items:					
Income tax provision (benefit)	10,601	8,566	8,730	34,594	7,598
Interest expense	20,208	5,691	21,002	59,753	23,830
Amortization of definite-lived intangibles	6,683	1,935	6,421	18,888	8,387
Depreciation expense	39,105	24,318	40,091	133,508	95,349
Stock-based compensation	2,635	1,747	2,672	9,661	7,800
Gain on sale of asset	-	-	-	(2,504)	-
Acquisition-related costs	1,521	4,349	2,065	34,448	5,981
Inventory markup	-	-	6,792	14,200	-
Impairments, restructuring and other charges	5,429	(7)	2,003	8,743	2,406
Adjusted EBITDA	<u>\$ 95,839</u>	<u>\$ 60,537</u>	<u>\$ 87,638</u>	<u>\$ 285,673</u>	<u>\$ 166,044</u>
Adjusted EBITDA margin	14.3%	15.5%	13.4%	13.6%	12.5%
Free cash flow reconciliation:					
Operating cash flow	139,829	52,407	14,735	237,462	129,810
Add back items:					
Payment of accreted interest on convertible sr. notes	-	-	-	8,730	1,324
Payment of acquisition-related costs	1,522	2,123	6,610	36,210	2,123
Adjusted operating cash flow	141,351	54,530	21,345	282,402	133,257
Capital expenditures, net	(22,967)	(26,262)	(30,345)	(99,718)	(108,571)
Free cash flow	<u>\$ 118,384</u>	<u>\$ 28,268</u>	<u>\$ (9,000)</u>	<u>\$ 182,684</u>	<u>\$ 24,686</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.