CREE, INC. UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (in thousands, except par value)

Accounts receivable, net 207,565 Income tax receivable 2,837 Inventories 306,389 Prepaid expenses 26,674 Other current assets 20,793 Current assets held for sale — Total current assets 1,229,798 Property and equipment, net 668,299 Goodwill 620,330 Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 \$2,900 Accrued contract liabilities 38,443 Total current liabilities 293,596 Long-term debt — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127		September 23, 2018	June 24, 2018
Cash, cash equivalents, and short-term investments \$665,540 Accounts receivable, net 207,565 Income tax receivable 2,837 Inventories 306,389 Prepaid expenses 26,674 Other current assets 20,793 Current assets held for sale — Total current assets 1,229,798 Property and equipment, net 668,299 Goodwill 602,330 Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 \$1 Accrued salaries and wages 56,552 \$1 Income taxes payable 137 Accrued contract liabilities \$1,250 Other current liabilities \$3,843 \$3,443 \$3,243 Total current liabilities: \$2,331 \$3,331 \$3,331			
Accounts receivable 2,837 Income tax receivable 2,837 Inventories 306,389 Prepaid expenses 26,674 Other current assets 20,793 Current assets held for sale	ets:		
Income tax receivable 2,837 Inventories 306,389 Prepaid expenses 26,674 Other current assets 20,793 Current assets held for sale —	ash equivalents, and short-term investments	\$665,540	\$387,085
Inventories 306,389 Prepaid expenses 26,674 Other current assets 20,793 Current assets held for sale	its receivable, net	207,565	153,875
Prepaid expenses 26,674 Other current assets 20,793 Current assets held for sale — Total current assets 1,229,798 Property and equipment, net 668,299 Goodwill 620,330 Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accrued salaries and wages \$147,214 \$1 Accrued salaries and wages \$6,552 \$1 Income taxes payable 137 Accrued contract liabilities \$1,250 Other current liabilities \$23,596 \$1 Long-term liabilities: \$293,596 \$1 Long-term liabilities: \$2,331 \$2 Convertible notes, net 452,590 \$2 Deferred income taxes 2,331 \$2 Other long-term liabilities 20,399 \$2	tax receivable	2,837	2,434
Other current assets 20,793 Current assets held for sale — Total current assets 1,229,798 Property and equipment, net 668,299 Goodwill 620,330 Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 \$1 Accrued salaries and wages 56,552 \$1 Income taxes payable 137 \$1,250 Other current liabilities \$1,250 \$1 Other current liabilities \$293,596 \$1 Long-term liabilities: \$2,331 \$2 Long-term liabilities \$2,331 \$2 Convertible notes, net 452,590 \$2 Deferred income taxes \$2,331 \$2 Other long-term liabilities \$2,331 \$2	ries	306,389	296,015
Current assets held for sale — Total current assets 1,229,798 Property and equipment, net 668,299 Goodwill 520,330 Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: 3,472,14 5 Accounts payable, trade \$147,214 5 Accrued salaries and wages 56,552 1 Income taxes payable 137 1 Accrued contract liabilities 51,250 1 Other current liabilities 38,443 1 Total current liabilities: 293,596 Long-term liabilities: 2 2 Long-term liabilities 2,331 2 Other long-term liabilities 2,331 3 Other long-term liabilities 2,331 3 Total long-term liabilities 3,234	expenses	26,674	28,310
Total current assets 1,229,798 Property and equipment, net 668,299 Goodwill 620,330 Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: \$4,214 \$4 Accounts payable, trade \$147,214 \$4 Accrued salaries and wages \$6,552 \$5 Income taxes payable 137 \$6 Accrued contract liabilities \$1,250 \$6 Other current liabilities \$38,443 \$6 Total current liabilities: \$293,596 Long-term liabilities: \$2,331 \$6 Convertible notes, net \$452,590 \$6 Deferred income taxes \$2,331 \$6 Other long-term liabilities \$2,331 \$6 Convertible notes, net \$452,590 \$6 Deferred income taxes	urrent assets	20,793	20,191
Property and equipment, net 668,299 Goodwill 620,330 Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 5 Accrued salaries and wages 56,552 1ncome taxes payable 137 Accrued contract liabilities \$1,250 0ther current liabilities 38,443 Total current liabilities 293,596 Long-term liabilities: 293,596 Long-term liabilities: - Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2	assets held for sale	-	2,180
Property and equipment, net 668,299 Goodwill 620,330 Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 5 Accrued salaries and wages \$6,552 1 Income taxes payable 137 Accrued contract liabilities \$1,250 Other current liabilities \$38,443 1 Total current liabilities 293,596 Long-term liabilities:	tal current assets	1,229,798	890,090
Intangible assets, net 381,396 Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 \$1 Accrued salaries and wages 56,552 Income taxes payable 137 Accrued contract liabilities 51,250 Other current liabilities 38,443 Total current liabilities 293,596 Other current liabilities: 293,596 Long-term liabilities: 2,331 Other long-term debt — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2	d equipment, net		661,319
Other long-term investments 50,240 Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 \$1 Accrued salaries and wages 56,552 Income taxes payable 137 Accrued contract liabilities \$1,250 Other current liabilities \$293,596 Long-term liabilities: 293,596 Other current liabilities: \$2,331 Other long-term debt \$2,331 Other long-term debt \$2,331 Other long-term liabilities \$2,331 Other long-term liabilities \$2,339 \$2,331 Other long-term liabilities \$20,399 \$2,399 \$2,300<		620,330	620,330
Deferred income taxes 5,713 Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 5 Accrued salaries and wages 56,552 1ncome taxes payable 137 Accrued contract liabilities 51,250 Other current liabilities 38,443 Total current liabilities 293,596 Long-term liabilities: Long-term debt — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2	ssets, net	381,396	390,054
Other assets 11,838 Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable, trade \$147,214 \$1 Accrued salaries and wages 56,552 \$1 Income taxes payable 137 \$1,250 Other current liabilities \$38,443 \$1 Total current liabilities 293,596 \$1 Long-term debt — \$2,331 Convertible notes, net 452,590 \$2 Deferred income taxes 2,331 \$2 Other long-term liabilities 20,399 \$2 Total long-term liabilities 475,320 \$3 Shareholders' equity: \$2 \$2,676,507 \$2 Additional paid-in-capital \$2,676,507 \$2	term investments	50,240	57,501
Total assets \$2,967,614 \$2 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: \$147,214 \$1 Accounts payable, trade \$147,214 \$1 Accrued salaries and wages \$6,552 \$1 Income taxes payable 137 \$1,250 Other current liabilities \$38,443 \$2 Total current liabilities \$293,596 \$2 Long-term liabilities: \$2 \$2,331 \$2 Convertible notes, net \$452,590 \$2 \$2 Deferred income taxes \$2,331 \$2 \$2 \$3 \$2 Other long-term liabilities \$20,399 \$2 \$3	come taxes	5,713	6,451
LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities: \$147,214	3	11,838	11,800
Current liabilities: \$147,214 <td>tal assets</td> <td>\$2,967,614</td> <td>\$2,637,545</td>	tal assets	\$2,967,614	\$2,637,545
Current liabilities: \$147,214 <td>(ES AND SHAREHOLDERS' FOULTY</td> <td></td> <td></td>	(ES AND SHAREHOLDERS' FOULTY		
Accounts payable, trade \$147,214 \$147,214 Accrued salaries and wages 56,552 Income taxes payable 137 Accrued contract liabilities 51,250 Other current liabilities 38,443 Total current liabilities 293,596 Long-term liabilities: — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: 127 Additional paid-in-capital 2,676,507 2			
Accrued salaries and wages 56,552 Income taxes payable 137 Accrued contract liabilities 51,250 Other current liabilities 38,443 Total current liabilities 293,596 Long-term liabilities: — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: 127 Additional paid-in-capital 2,676,507 2		\$147.214	\$151,307
Income taxes payable 137 Accrued contract liabilities 51,250 Other current liabilities 38,443 Total current liabilities 293,596 Long-term liabilities: — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2			53,458
Accrued contract liabilities 51,250 Other current liabilities 38,443 Total current liabilities 293,596 Long-term liabilities: — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2	-	· · · · · · · · · · · · · · · · · · ·	
Other current liabilities 38,443 Total current liabilities 293,596 Long-term liabilities: — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2			<u> </u>
Total current liabilities 293,596 Long-term liabilities: Long-term debt — Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2			43,528
Long-term liabilities: Long-term debt Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2			248,293
Long-term debt Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2		_,,,,,,	_ :0,_>5
Convertible notes, net 452,590 Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2	iabilities:		
Deferred income taxes 2,331 Other long-term liabilities 20,399 Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2	erm debt	_	292,000
Other long-term liabilities20,399Total long-term liabilities475,320Shareholders' equity: Common stock127Additional paid-in-capital2,676,5072	tible notes, net	452,590	_
Total long-term liabilities 475,320 Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2	d income taxes	2,331	3,056
Shareholders' equity: Common stock 127 Additional paid-in-capital 2,676,507 2	ong-term liabilities	20,399	22,115
Common stock127Additional paid-in-capital2,676,5072	tal long-term liabilities	475,320	317,171
Common stock127Additional paid-in-capital2,676,5072	rs' equity:		
		127	127
			2,549,123
<u> </u>			596
Accumulated deficit (483,478)	• •		(482,710)
			2,067,136
Non-controlling interest 4,878			4,945
			\$2,637,545