

CREE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

<i>(in millions of U.S. Dollars, except per share data)</i>	Three months ended		Twelve months ended	
	June 28, 2020	June 30, 2019	June 28, 2020	June 30, 2019
Revenue, net	\$205.7	\$251.2	\$903.9	\$1,080.0
Cost of revenue, net	154.9	162.5	655.6	689.0
Gross profit	50.8	88.7	248.3	391.0
Gross margin percentage	25 %	35 %	27 %	36 %
Operating expenses:				
Research and development	46.5	40.7	184.2	157.9
Sales, general and administrative	51.3	57.1	211.4	200.7
Amortization or impairment of acquisition-related intangibles	3.6	3.9	14.5	15.6
(Gain) loss on disposal or impairment of other assets	(0.5)	(1.1)	1.4	4.7
Other operating expense	14.2	13.7	46.2	28.0
Operating loss	(64.3)	(25.6)	(209.4)	(15.9)
Operating (loss) income percentage	(31)%	(10)%	(23)%	(1)%
Non-operating (income) expense, net	(26.8)	5.6	(19.0)	29.3
Loss before income taxes	(37.5)	(31.2)	(190.4)	(45.2)
Income tax expense (benefit)	1.4	3.4	0.2	12.7
Net loss from continuing operations	(38.9)	(34.6)	(190.6)	(57.9)
Net loss from discontinued operations	—	(99.2)	—	(317.2)
Net loss	(38.9)	(133.8)	(190.6)	(375.1)
Net income (loss) attributable to noncontrolling interest	0.6	(0.1)	1.1	—
Net loss attributable to controlling interest	(39.5)	(133.7)	(191.7)	(375.1)
Basic and diluted loss per share				
Continuing operations attributable to controlling interest	(\$0.36)	(\$0.33)	(\$1.78)	(\$0.56)
Net loss attributable to controlling interest	(\$0.36)	(\$1.26)	(\$1.78)	(\$3.62)
Weighted average shares - basic and diluted (in thousands)	108,585	105,922	107,935	103,576