

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

<i>(in millions of U.S. Dollars, except per share data)</i>	Three months ended		Six months ended	
	December 27, 2020	December 29, 2019	December 27, 2020	December 29, 2019
Revenue, net	\$127.0	\$120.7	\$242.5	\$248.4
Cost of revenue, net	85.7	85.1	165.7	160.3
Gross profit	41.3	35.6	76.8	88.1
Gross margin percentage	33 %	29 %	32 %	35 %
<b>Operating expenses:</b>				
Research and development	45.5	38.7	86.7	73.9
Sales, general and administrative	46.8	45.0	90.8	94.0
Amortization or impairment of acquisition-related intangibles	3.6	3.6	7.2	7.2
Loss on disposal or impairment of other assets	0.4	0.8	0.7	1.6
Other operating expense	2.6	10.9	11.2	17.0
Operating loss	(57.6)	(63.4)	(119.8)	(105.6)
Operating loss percentage	(45)%	(53)%	(49)%	(43)%
Non-operating (income) expense, net	(3.1)	(5.0)	10.8	(6.6)
<b>Loss before income taxes</b>	(54.5)	(58.4)	(130.6)	(99.0)
Income tax benefit	(0.2)	(0.5)	(1.0)	(1.8)
<b>Net loss from continuing operations</b>	(54.3)	(57.9)	(129.6)	(97.2)
Net (loss) income from discontinued operations	(28.4)	3.9	(137.2)	5.4
<b>Net loss</b>	(82.7)	(54.0)	(266.8)	(91.8)
Net income from discontinued operations attributable to noncontrolling interest	0.3	0.3	0.6	0.3
<b>Net loss attributable to controlling interest</b>	(\$83.0)	(\$54.3)	(\$267.4)	(\$92.1)
<b>Basic and diluted loss per share</b>				
Continuing operations	(\$0.49)	(\$0.54)	(\$1.18)	(\$0.90)
Net loss attributable to controlling interest	(\$0.75)	(\$0.50)	(\$2.42)	(\$0.86)
Weighted average shares - basic and diluted (in thousands)	110,688	107,925	110,297	107,519