

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

<i>(in millions of U.S. Dollars, except per share data)</i>	Three months ended		Nine months ended	
	March 29, 2020	March 31, 2019	March 29, 2020	March 31, 2019
Revenue, net	\$215.5	\$274.0	\$698.2	\$828.7
Cost of revenue, net	154.1	173.5	500.7	526.4
Gross profit	61.4	100.5	197.5	302.3
Gross margin percentage	28 %	37 %	28 %	36 %
<b>Operating expenses:</b>				
Research and development	46.7	40.7	137.7	117.2
Sales, general and administrative	49.7	50.6	160.1	143.7
Amortization or impairment of acquisition-related intangibles	3.7	3.9	10.9	11.7
Loss on disposal or impairment of other assets	0.3	5.3	2.1	5.7
Other operating expense	10.8	11.1	31.8	14.3
Operating (loss) income	(49.8)	(11.1)	(145.1)	9.7
Operating (loss) income percentage	(23)%	(4)%	(21)%	1 %
Non-operating expense, net	14.5	8.4	7.8	23.7
<b>Loss before income taxes</b>	(64.3)	(19.5)	(152.9)	(14.0)
Income tax (benefit) expense	(2.9)	2.8	(1.2)	9.3
<b>Net loss from continuing operations</b>	(61.4)	(22.3)	(151.7)	(23.3)
Net loss from discontinued operations	—	(205.4)	—	(218.0)
<b>Net loss</b>	(61.4)	(227.7)	(151.7)	(241.3)
Net income attributable to noncontrolling interest	0.2	0.1	0.5	0.1
<b>Net loss attributable to controlling interest</b>	(61.6)	(227.8)	(152.2)	(241.4)
<b>Basic and diluted loss per share</b>				
Continuing operations attributable to controlling interest	(\$0.57)	(\$0.22)	(\$1.41)	(\$0.23)
Net loss attributable to controlling interest	(\$0.57)	(\$2.20)	(\$1.41)	(\$2.35)
Weighted average shares - basic and diluted (in thousands)	108,115	103,659	107,718	102,807