

CREE, INC.
FINANCIAL RESULTS BY OPERATING SEGMENT
(unaudited)

The following tables reflect the results of the Company's reportable segments as reviewed by the Company's Chief Executive Officer, its Chief Operating Decision Maker (CODM), for the three and twelve months ended June 28, 2020 and June 30, 2019. The CODM does not review inter-segment transactions when evaluating segment performance and allocating resources to each segment. As such, total segment revenue is equal to the Company's consolidated revenue.

<i>(in millions of U.S. Dollars, except percentages)</i>	Three months ended		Change	
	June 28, 2020	June 30, 2019		
Wolfspeed revenue	\$108.4	\$134.2	(\$25.8)	(19)%
<i>Wolfspeed percent of revenue</i>	53 %	53 %		
LED Products revenue	97.3	117.0	(19.7)	(17)%
<i>LED Products percent of revenue</i>	47 %	47 %		
Total revenue	\$205.7	\$251.2	(\$45.5)	(18)%

<i>(in millions of U.S. Dollars, except percentages)</i>	Twelve months ended		Change	
	June 28, 2020	June 30, 2019		
Wolfspeed revenue	\$470.7	\$538.2	(\$67.5)	(13)%
<i>Wolfspeed percent of revenue</i>	52 %	50 %		
LED Products revenue	433.2	541.8	(108.6)	(20)%
<i>LED Products percent of revenue</i>	48 %	50 %		
Total revenue	\$903.9	\$1,080.0	(\$176.1)	(16)%

<i>(in millions of U.S. Dollars, except percentages)</i>	Three months ended		Change	
	June 28, 2020	June 30, 2019		
Wolfspeed gross profit	\$38.3	\$67.4	(\$29.1)	(43)%
<i>Wolfspeed gross margin</i>	35 %	50 %		
LED Products gross profit	22.2	28.3	(6.1)	(22)%
<i>LED Products gross margin</i>	23 %	24 %		
Unallocated costs ⁽¹⁾	(9.7)	(7.0)	(2.7)	(39)%
Consolidated gross profit	\$50.8	\$88.7	(\$37.9)	(43)%
<i>Consolidated gross margin</i>	25 %	35 %		

⁽¹⁾ Unallocated costs for the three months ended June 28, 2020 include \$8.4 million in incremental manufacturing costs relating to COVID-19.

<i>(in millions of U.S. Dollars, except percentages)</i>	Twelve months ended		Change	
	June 28, 2020	June 30, 2019		
Wolfspeed gross profit	\$184.6	\$258.7	(\$74.1)	(29)%
<i>Wolfspeed gross margin</i>	39 %	48 %		
LED Products gross profit	91.1	150.0	(58.9)	(39)%
<i>LED Products gross margin</i>	21 %	28 %		
Unallocated costs ⁽¹⁾	(27.4)	(17.7)	(9.7)	(55)%
Consolidated gross profit	\$248.3	\$391.0	(\$142.7)	(36)%
<i>Consolidated gross margin</i>	27 %	36 %		

⁽¹⁾ Unallocated costs for the twelve months ended June 28, 2020 include \$8.5 million in incremental manufacturing costs relating to COVID-19.