

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 17, 2020

TTM TECHNOLOGIES, INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State of Incorporation)

0-31285
(Commission
File Number)

91-1033443
(I.R.S. Employer
Identification No.)

200 East Sandpointe, Suite 400, Santa Ana, CA
(Address of principal executive offices)

92707
(Zip Code)

(714) 327-3000
Registrant's telephone number, including area code

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	TTMI	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by checkmark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On April 17, 2020, pursuant to the terms of the previously announced Equity Interests Purchase Agreement, dated January 20, 2020 (the "Purchase Agreement"), by and among TTM Technologies, Inc. (the "Company"), TTM Technologies China Limited, a wholly-owned subsidiary of the Company and AKM Meadville Electronics (Xiamen) Co., Ltd. (the "Purchaser"), the Company completed the transfer of ownership to the Purchaser of all of the issued and outstanding equity interests of Shanghai Kaiser Electronics Co., Ltd. ("SKE"), Shanghai Meadville Electronics Co., Ltd. ("SME"), Shanghai Meadville Science & Technology Co., Ltd. ("SP") and Guangzhou Meadville Electronics Co., Ltd. ("GME," for a base purchase price of \$550 million in cash, subject to customary purchase price adjustments (the "Transaction"). The base purchase price does not include certain accounts receivable of the divested business, which is estimated to total approximately \$95 million and is expected to be collected during the next three to four months. The date in China at the time of the closing of the Transaction was April 18, 2020.

The foregoing description of the Transaction does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Purchase Agreement, which was filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on January 22, 2020, and which is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On April 19, 2020, the Company issued a press release announcing the closing of the Transaction. A copy of the Company's press release is furnished with this Report as Exhibit 99.1 and is incorporated herein by reference.

Certain Information

The information furnished in this Item 7.01, including Exhibit 99.1, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Cautionary Note Regarding Forward-Looking Statements

This Report contains forward-looking statements that relate to future events or performance. The Company cautions you that such statements are simply predictions and actual events or results may differ materially. These statements reflect the Company's current expectations, and the Company does not undertake to update or revise these forward looking statements, even if experience or future changes make it clear that any projected results expressed or implied in this or other Company statements will not be realized. Further, these statements involve risks and uncertainties, many of which are beyond the Company's control, which could cause actual results to differ materially from the forward-looking statements. These forward-looking statements include statements related to: the potential adverse effect of the announcement relating to the Transaction could have on the market price of the Company's stock, the potential impact of the announcement or consummation of the proposed transactions on the parties' relationships with third parties, which may make it more difficult to maintain business and operational relationships; the level of accounts receivable in the divested business at the time of closing and related impact on the Company's working capital requirements as a result of excluding accounts receivable from the sale; and potential changes in domestic or global economic conditions. For a description of additional factors that may cause the Company's actual results, performance or expectations to differ from any forward-looking statements, please review the information set forth in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's public reports filed with the Securities and Exchange Commission.

Item 9.01. Financial Statements and Exhibits.**(b) Pro Forma Financial Information.**

The Company's unaudited pro forma condensed consolidated balance sheet as of December 30, 2019, unaudited pro forma condensed consolidated statement of earnings for each of the fiscal years ended December 30, 2019, December 31, 2018 and January 1, 2018 (collectively, the "Unaudited Pro Forma Condensed Consolidated Financial Statements"), and notes thereto, are filed as Exhibit 99.2 hereto and are incorporated herein by reference.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
2.1*	Equity Interests Purchase Agreement, dated as of January 20, 2020, by and among TTM Technologies, Inc., TTM Technologies China Limited and AKMMeadville Electronics (Xiamen) Co., Ltd.*
99.1	Press Release dated April 19, 2020.
99.2	Unaudited Pro Forma Condensed Consolidated Financial Statements and accompanying notes.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form8-K dated January 22, 2020.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TTM TECHNOLOGIES, INC.

Date: April 23, 2020

/s/ Daniel J. Weber

By: Daniel J. Weber

Senior Vice President, General Counsel & Secretary



Press Release

**TTM Technologies, Inc. Completes Previously Announced Sale of Mobility Business Unit Following
Receipt of Chinese Regulatory Clearances
TTM to Focus on Longer Cycle Growth Markets**

Santa Ana, CA – April 19, 2020 TTM Technologies, Inc. (NASDAQ: TTMI) (“TTM”) today announced the completion of the divestiture of its four China manufacturing plants comprising substantially all of the assets of its Mobility business unit. The Buyer is AKMMeadville Electronics (Xiamen) Co., Ltd. (“AKMMeadville”), a Chinese consortium consisting of Meizhi Investment (Xiamen) Co., Ltd., Xiamen Semiconductor Investment Group Co., Ltd., AKM Electronics Industrial (Panyu) Ltd. (“AKM”), and Anmei Ventures (Xiamen) Equity Investment Partnership (Limited Partnership) (“Anmei”).

The transaction is an important step in advancing TTM’s stated strategy of increasing its focus on growth markets characterized by long product cycles such as aerospace and defense, automotive, medical, industrial, instrumentation and networking/communications that more fully leverage TTM’s early engagement capabilities and industry leading differentiated solutions, while decreasing its focus on seasonal, consumer-oriented markets such as cellular.

“I am very pleased to announce completion of this transaction even as the health and economic risks for the global economy related to the coronavirus (COVID-19) have escalated over the past several months.” said Tom Edman, CEO of TTM. “We expect that the remaining TTM business will be less seasonal and will benefit as we serve longer cycle markets that better fit our strategic direction. We remain excited about the anticipated growth opportunities in 5G infrastructure, cloud data centers, aerospace and defense electronics, and increasing automotive electronic content. Finally, the cash proceeds from this sale will further strengthen our balance sheet during a period of global economic uncertainty and provide capital capacity for future growth investments.”

The transaction is structured as the sale of TTM’s Mobility business unit consisting of its four China manufacturing plants on a debt free, cash free basis for a total of \$550 million in cash, subject to working capital adjustments at closing. Net proceeds from the sale of these four plants are expected to be deployed to invest in the business or reduce our debt. The sale does not include certain accounts receivable of the business unit as of the closing date, now estimated to be approximately \$95 million, which we expect to collect during the next 3 to 4 months. The current estimated accounts receivable is less than previously disclosed due to an earlier than expected closing of the transaction.

The proceeds shall be paid in US dollars in tranches after we receive regulatory clearance for the funds to be remitted to TTM out of China. If TTM has not received the proceeds by August 7th, TTM will be able to exercise bank guarantees payable in US dollars by the Hong Kong branches of third party banks which were provided by the buyer as security for financing the transaction.

In the fiscal year 2019, the Mobility business unit generated revenues of \$556 million, non-GAAP operating income of \$14.8 million and adjusted EBITDA of \$90.5 million.¹

¹A reconciliation of non-GAAP operating income and adjusted EBITDA to GAAP operating income has been provided in the table included in this press release under the heading “Mobility Business Unit Operating Income and EBITDA Reconciliation.”

First Quarter Investor Conference Call and Webcast

As previously announced, TTM Technologies will release its first quarter 2020 financial results after the market closes on Wednesday, April 29th, 2020 and will host a conference call on Wednesday, April 29nd, at 4:30 p.m. Eastern Time/1:30 p.m. Pacific Time to discuss its first quarter 2020 performance. At that time the company will issue financial guidance for the second quarter of 2020.

Telephone access is available by dialing 800-309-1256 or international 720-543-0314 (ID 557290). The conference call will also be simulcast on the company’s website, www.ttm.com, and will remain accessible for one week following the live event.



About TTM

TTM Technologies, Inc. is a major global PCB manufacturer, focusing on quick-turn and volume production of technologically advanced PCBs, backplane assemblies and electro-mechanical solutions as well as a global designer and manufacturer of RF and microwave components and assemblies. TTM stands for time-to-market, representing how TTM's time-critical, one-stop manufacturing services enable customers to shorten the time required to develop new products and bring them to market. Additional information can be found at www.ttm.com.

About AKM

AKM Electronics Industrial (Panyu) Ltd. is a wholly owned subsidiary of AKM Industrial Company Limited ("AKM"), a Hong Kong listed company (01639) established in 1993. AKM specializes in the manufacture of flexible printed circuits (FPC) and related electronic component assembly and provides customers with one-stop services from its plants in China and India. Additional information can be found at www.akmmv.com.

Forward-Looking Statements

This release contains forward-looking statements that relate to future events or performance. TTM cautions you that such statements are simply predictions and actual events or results may differ materially. These statements reflect TTM's current expectations, and TTM does not undertake to update or revise these forward looking statements, even if experience or future changes make it clear that any projected results expressed or implied in this or other TTM statements will not be realized. Further, these statements involve risks and uncertainties, many of which are beyond TTM's control, which could cause actual results to differ materially from the forward-looking statements. For a description of additional factors that may cause TTM's actual results, performance or expectations to differ from any forward-looking statements, please review the information set forth in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of TTM's public reports filed with the SEC.

Use of Non-GAAP Financial Measures

This release includes information about the Mobility business unit's non-GAAP operating income and adjusted EBITDA, which are non-GAAP financial measures. TTM presents non-GAAP financial information to enable investors to see TTM through the eyes of management and to provide better insight into TTM's ongoing financial performance.

A material limitation associated with the use of the above non-GAAP financial measures is that they have no standardized measurement prescribed by GAAP and may not be comparable to similar non-GAAP financial measures used by other companies. TTM compensates for these limitations by providing full disclosure of each non-GAAP financial measure and reconciliation to the most directly comparable GAAP financial measure. However, the non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.



Mobility Business Unit Operating Income and EBITDA Reconciliation

<i>(Millions)</i>	<u>FY 2019</u>
Revenues	556,098
GAAP Operating Income	10,492
Amortization of intangibles	2,698
Restructuring, acquisition-related, and other charges	<u>1,601</u>
Non-GAAP Operating Income	14,791
GAAP Net Income	11,742
Income tax provision	115
Interest expense	1,147
Amortization of intangibles	2,698
Depreciation expense	73,204
Restructuring, acquisition-related, and other charges	<u>1,601</u>
Adjusted EBITDA	90,509

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TTM TECHNOLOGIES, INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On April 17, 2020, pursuant to the terms of the previously announced Equity Interests Purchase Agreement, dated January 20, 2020 (the Purchase Agreement), by and among TTM Technologies, Inc. (the Company), TTM Technologies China Limited, a wholly-owned subsidiary of the Company and AKMMeadville Electronics (Xiamen) Co., Ltd. (the Purchaser), the Company completed the transfer of ownership to the Purchaser of all of the issued and outstanding equity interests of Shanghai Kaiser Electronics Co., Ltd. (SKE), Shanghai Meadville Electronics Co., Ltd. (SME), Shanghai Meadville Science & Technology Co., Ltd. (SP) and Guangzhou Meadville Electronics Co., Ltd. (GME) for a base purchase price of \$550 million in cash, subject to customary purchase price adjustments (the Transaction). The base purchase price does not include certain accounts receivable of the divested business, which is estimated to total approximately \$95 million and is expected to be collected during the next three to four months.

The following unaudited pro forma condensed consolidated balance sheet as of December 30, 2019, unaudited pro forma condensed consolidated statement of earnings for each of the fiscal years ended December 30, 2019, December 31, 2018 and January 1, 2018 (collectively, the Unaudited Pro Forma Condensed Consolidated Financial Statements), and notes thereto, [have been presented as if the Transaction had occurred on January 2, 2017, the last day of fiscal year 2016.

The Unaudited Pro Forma Condensed Consolidated Financial Statements have been derived from historical financial statements prepared in accordance with U.S. generally accepted accounting principles (US GAAP) and are presented based on information currently available. They are intended for informational purposes only and are not intended to represent the Company's financial position or results of operations had the Transaction occurred on the date indicated, or to project the Company's financial performance for any future period.

The Unaudited Pro Forma Condensed Consolidated Financial Statements and the accompanying notes should be read in conjunction with the audited consolidated financial statements and accompanying notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Company's Form 10-K for the year ended December 30, 2019.

The Unaudited Pro Forma Condensed Consolidated Financial Statements have been prepared for illustrative purposes only and are not intended to represent or be indicative of the consolidated financial position or results of operations in future periods or the results that actually would have been achieved had the Company completed the Transaction as of and for the respective periods presented. The adjustments to the Unaudited Pro Forma Condensed Consolidated Financial Statements are based on what the Company believes are reasonable under the circumstances. The pro forma adjustments are preliminary and have been made solely for the purpose of providing the Unaudited Pro Forma Condensed Consolidated Financial Statements.

The Company has made significant assumptions and estimates in preparing the Unaudited Pro Forma Condensed Consolidated Financial Statements. These preliminary estimates and assumptions are subject to change. The final determinations will likely differ from these preliminary estimates and the differences could be material.

As of December 30, 2019

(in thousands)

	Historical	Pro Forma Adjustments		Pro Forma
ASSETS				
Current assets:				
Cash and cash equivalents	400,154	464,664	[a], [b]	864,818
Accounts receivable, net	503,664	(66)	[b]	503,598
Contract assets	288,235	(33,635)	[b]	254,600
Inventories	122,019	(8,266)	[b]	113,753
Prepaid expenses and other current assets	28,612	(5,269)	[b]	23,343
Total current assets	1,342,684	417,428		1,760,112
Property, plant and equipment, net	1,022,929	(344,728)	[b]	678,201
Operating lease right-of-use assets	24,156	(1,983)	[b]	22,173
Goodwill	774,791	(68,267)	[b]	706,524
Definite-lived intangibles, net	332,008	(6,328)	[b]	325,680
Deposits and other non-current assets	64,365	(57,274)	[b]	7,091
	<u>3,560,933</u>	<u>(61,152)</u>		<u>3,499,781</u>
LIABILITIES AND EQUITY				
Current liabilities:				
Short-term debt, including current portion of long-term debt	249,975	—		249,975
Accounts payable	483,566	(153,700)	[b]	329,866
Contract liabilities	3,838	—		3,838
Accrued salaries, wages and benefits	98,720	(13,606)	[b]	85,114
Other	110,567	(18,085)	[b]	92,482
Total current liabilities	946,666	(185,391)		761,275
Long-term debt, net of discount and issuance costs	1,225,962	—		1,225,962
Operating lease liabilities	16,517	(1,104)	[b]	15,413
Other long-term liabilities	92,751	25,138	[b]	117,889
Total long-term liabilities	1,335,230	24,034		1,359,264
Commitments and contingencies (Note 14)				
Equity:				
Common stock, \$0.001 par value; 300,000 shares authorized, 105,510 and 103,687 shares issued and outstanding at December 30, 2019 and December 31, 2018, respectively	106	—		106
Additional paid-in capital	814,708	—		814,708
Retained earnings	474,309	100,205	[c]	574,514
Accumulated other comprehensive loss	(10,086)	—		(10,086)
Total stockholders' equity	1,279,037	100,205		1,379,242
	<u>3,560,933</u>	<u>(61,152)</u>		<u>3,499,781</u>

TTM TECHNOLOGIES, INC.
Unaudited Pro Forma Consolidated Condensed Statements of Operations
For the Year Ended December 30, 2019
(In thousands, except per share data)

<i>(in thousands)</i>	Historical	Pro Forma Adjustments (d)	Pro Forma
Net sales	\$ 2,689,308	\$ (556,098)	\$ 2,133,210
Cost of goods sold	2,287,625	(531,592)	1,756,033
Gross profit	401,683	(24,506)	377,177
Operating expenses:			
Selling and marketing	74,011	(4,840)	69,171
General and administrative	152,096	(4,875)	147,221
Amortization of definite-lived intangibles	48,474	(2,698)	45,776
Restructuring charges	6,981	(1,601)	5,380
Total operating expenses	281,562	(14,014)	267,548
Operating income from continuing operations	120,121	(10,492)	109,629
Other income (expense):			
Interest expense	(83,234)	1,147	(82,087)
Other, net	9,297	(2,513)	6,784
Total other expense, net	(73,937)	(1,366)	(75,303)
Income from continuing operations before income taxes	46,184	(11,858)	34,326
Income tax (provision) benefit from continuing operations	(4,883)	3,119	[e] (1,764)
Net income from continuing operations	<u>\$ 41,301</u>	<u>\$ (8,739)</u>	<u>\$ 32,562</u>
Earnings per share from continuing operations:			
Basic earnings per share	\$ 0.39		\$ 0.31
Diluted earnings per share	\$ 0.39		\$ 0.31
Weighted average shares outstanding:			
Basic	105,195		105,195
Diluted	106,332		106,332

See accompanying notes to unaudited pro forma consolidated condensed financial statements.

TTM TECHNOLOGIES, INC.
Unaudited Pro Forma Consolidated Condensed Statements of Operations
For the Year Ended December 31, 2018
(In thousands, except per share data)

<i>(in thousands)</i>	Historical	Pro Forma Adjustments (d)	Pro Forma
Net sales	\$ 2,847,261	\$ (638,774)	\$ 2,208,487
Cost of goods sold	2,390,227	(582,471)	1,807,756
Gross profit	457,034	(56,303)	400,731
Operating expenses:			
Selling and marketing	73,313	(3,231)	70,082
General and administrative	159,437	(7,464)	151,973
Amortization of definite-lived intangibles	59,681	(2,698)	56,983
Restructuring charges	5,518	(858)	4,660
Total operating expenses	297,949	(14,251)	283,698
Operating income from continuing operations	159,085	(42,052)	117,033
Other income (expense):			
Interest expense	(78,958)	3,194	(75,764)
Other, net	9,641	(5,662)	3,979
Total other expense, net	(69,317)	(2,468)	(71,785)
Income from continuing operations before income taxes	89,768	(44,520)	45,248
Income tax benefit from continuing operations	83,816	7,233 [c]	91,049
Net income from continuing operations	<u>\$ 173,584</u>	<u>\$ (37,287)</u>	<u>\$ 136,297</u>
Earnings per share from continuing operations:			
Basic earnings per share	\$ 1.68		\$ 1.32
Diluted earnings per share	\$ 1.38		\$ 1.11
Weighted average shares outstanding:			
Basic	103,355		103,355
Diluted	134,036		134,036

See accompanying notes to unaudited pro forma consolidated condensed financial statements.

TTM TECHNOLOGIES, INC.
Unaudited Pro Forma Consolidated Condensed Statements of Operations
For the Year Ended January 1, 2018
(In thousands, except per share data)

<i>(in thousands)</i>	Historical	Pro Forma Adjustments (d)	Pro Forma
Net sales	\$ 2,658,592	\$ (728,186)	\$ 1,930,406
Cost of goods sold	2,229,011	(605,630)	1,623,381
Gross profit	429,581	(122,556)	307,025
Operating expenses:			
Selling and marketing	65,856	(5,992)	59,864
General and administrative	126,141	(10,558)	115,583
Amortization of definite-lived intangibles	23,634	—	23,634
Restructuring charges	1,190	—	1,190
Total operating expenses	216,821	(16,550)	200,271
Operating income from continuing operations	212,760	(106,006)	106,754
Other income (expense):			
Interest expense	(53,898)	3,133	(50,765)
Loss on extinguishment of debt	(768)	—	(768)
Other, net	(18,136)	4,586	(13,550)
Total other expense, net	(72,802)	7,719	(65,083)
Income from continuing operations before income taxes	139,958	(98,287)	41,671
Income tax (provision) benefit from continuing operations	(15,231)	15,761	[e] 530
Net income from continuing operations	124,727	(82,526)	42,201
Less: Net income from continuing operations attributable to the noncontrolling interest	(513)	—	(513)
Net income from continuing operations attributable to TTM Technologies, Inc. stockholders	<u>\$ 124,214</u>	<u>\$ (82,526)</u>	<u>\$ 41,688</u>
Earnings per share from continuing operations attributable to TTM Technologies, Inc. stockholders:			
Basic earnings per share	\$ 1.22		\$ 0.41
Diluted earnings per share	\$ 1.04		\$ 0.39
Weighted average shares outstanding:			
Basic	101,580		101,580
Diluted	132,476		106,536

* Weighted average shares outstanding for diluted does not include the effect of shares of common stock related to the Convertible Senior Notes, based on the if-converted method, as the impact would be anti-dilutive.

See accompanying notes to unaudited pro forma consolidated condensed financial statements.

Additional Financial Information

The following is a summary of the unaudited quarterly pro forma results of operations for fiscal year 2019 (in thousands, except per share data):

	For the Quarter Ended			
	April 1, 2019	July 1, 2019	September 30, 2019	December 30, 2019
Net sales	\$ 536,445	\$ 526,877	\$ 534,173	\$ 535,715
Cost of goods sold	437,619	434,029	448,915	435,470
Gross profit	98,826	92,848	85,258	100,245
Operating expenses:				
Selling and marketing	17,560	16,898	17,153	17,560
General and administrative	34,566	33,633	37,461	41,560
Amortization of definite-lived intangibles	16,152	10,593	9,500	9,531
Restructuring charges	432	2,732	12	2,204
Total operating expenses	68,710	63,856	64,126	70,855
Operating income from continuing operations	30,116	28,992	21,132	29,390
Other income (expense):				
Interest expense	(21,135)	(20,553)	(20,423)	(19,975)
Other, net	(356)	3,008	5,875	(1,742)
Total other expense, net	(21,491)	(17,545)	(14,548)	(21,717)
Income from continuing operations before income taxes	8,625	11,447	6,584	7,673
Income tax provision from continuing operations	(443)	(588)	(338)	(394)
Net income from continuing operations	\$ 8,182	\$ 10,859	\$ 6,246	\$ 7,279
Earnings per share from continuing operations:				
Basic earnings per share	\$ 0.08	\$ 0.10	\$ 0.06	\$ 0.07
Diluted earnings per share	\$ 0.08	\$ 0.10	\$ 0.06	\$ 0.07
Weighted average shares outstanding:				
Basic	104,315	105,470	105,492	105,502
Diluted *	105,614	106,107	106,474	107,135

* Weighted average shares outstanding for diluted does not include the effect of shares of common stock related to the Convertible Senior Notes, based on the if-converted method, as the impact would be anti-dilutive.

TTM TECHNOLOGIES, INC.
Notes to Unaudited Pro Forma Consolidated Condensed Financial Statements

The following adjustments have been reflected in the unaudited pro forma consolidated condensed financial statements:

[a] Reflects estimated net cash proceeds from the Mobility sale of \$530.0 million, representing the gross sales price of \$550.0 million less estimated transaction costs. The net cash proceeds ultimately recognized may change based on adjustments to transaction costs.

The pro forma adjustment to cash was calculated as follows (in thousands):

Estimated proceeds, net of transaction costs	\$530,000
Cash tax, see note [f]	(45,000)
	<u>\$485,000</u>

[b] Represents the removal of the assets and liabilities related to Mobility from the unaudited Pro Forma Consolidated Balance Sheet.

[c] Represents the estimated after-tax gain on Mobility sale of \$100.2 million, which was calculated as follows (in thousands):

Estimated proceeds, net of transaction costs	\$ 530,000
Mobility assets, see note [b]	(546,152)
Mobility liabilities, see note [b]	186,920
Pre-tax gain on sale of Mobility	170,768
Taxes on the sale of Mobility at blended statutory rate of 41.38%	(70,563)
After- tax gain on sale of Mobility	<u>\$ 100,205</u>

The after-tax gain on sale of Mobility ultimately recognized may change based on working capital adjustments to proceeds and adjustments to transaction costs.

[d] Amounts reflect the pro forma effect of eliminating the results of operations of Mobility for the years ended December 30, 2019, December 31, 2018, and January 1, 2018, respectively, from the presentation of continuing operations in these unaudited Pro Forma Consolidated Statements of Operations.

[e] The pro forma income tax benefit (provision) from continuing operations for the years ended December 30, 2019, December 31, 2018, and January 1, 2018, respectively, was computed under the "with-and-without" approach. Under the "with-and-without" approach, the pro forma income tax expense or benefit was determined by excluding the tax effects of tax adjustments solely attributable to the assets and liabilities of Mobility. The pro forma adjustments represent the removal of these amounts for the years ended December 30, 2019, December 31, 2018, and January 1, 2018, respectively, from the unaudited Pro Forma Consolidated Statements of Operations, and the removal of deferred tax liabilities from the unaudited Pro Forma Consolidated Balance Sheet as of December 30, 2019, associated with intangible assets of Mobility.

[f] Represents the cash taxes estimated to be due on the sale including withholding taxes in China on transfer of the equity interests and federal and state taxes in the U.S. as a result of GILTI (global intangible low taxed income) and/or repatriation of the proceeds to the U.S.