

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) May 15, 2017

**PHOTRONICS, INC.**

(Exact name of registrant as specified in its charter)

Connecticut

(State or other jurisdiction of incorporation)

0-15451

(Commission File Number)

06-0854886

(IRS Employer Identification Number)

15 Secor Road, Brookfield, CT

(Address of Principal Executive Offices)

06804

(Zip Code)

Registrant's Telephone Number, including area code (203) 775-9000

(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).**

Emerging growth company

**If an emerging growth company, indicate by check mark 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 1.01 Entry into Material Definitive Agreements.**

On May 15, 2017, Photronics, Inc. (the "Company") entered into Amendment No. 2 to the Third Amended and Restated Credit Agreement by and among the Company, the financial institutions listed on the signature pages thereto and JPMorgan Chase Bank, N.A., as Administrative Agent and as Collateral Agent, under that certain Third Amended and Restated Credit Agreement dated as of December 5, 2013, by and among the Company, the Foreign Subsidiary Borrowers party thereto from time to time, the Lenders party thereto from time to time, the Collateral Agent and the Administrative Agent (the "Credit Agreement"). Amendment No. 2 added the definition of PRC Subsidiary and PRC Transactions, added an exception from the Company's indebtedness covenant for the Company's new joint venture in China described below in an aggregate amount not exceeding \$125,000,000, and added an exception for investments subject to compliance with the total leverage ratio and liquidity as set forth in the Credit Agreement.

On May 16, 2017, the Company entered an agreement with Dai Nippon Printing Co., Ltd. ("DNP") to form a joint venture focused on serving semiconductor manufacturers in China. The agreement states that a subsidiary of DNP will acquire 49.99% of the Company's wholly foreign owned entity in Xiamen, China, with the Company maintaining an ownership of 50.01%. The joint venture's financial results will be included in the consolidated financial statements of the Company. The joint venture, which will be called Photronics DNP Mask Corporation Xiamen (PDMCX), is subject to regulatory approvals and customary closing conditions, and is expected to close by the end of the Company's fiscal year 2017.

PDMCX will be modeled after the successful joint venture formed by the Company and DNP in 2014 to serve the Taiwan market, Photronics DNP Mask Corporation (PDMC). PDMCX will include the state-of-the-art photomask manufacturing facility currently under construction in Xiamen, China. The facility, which is scheduled to begin production by the end of 2018, will feature advanced process technology, experienced personnel, and high-end equipment; and should benefit through shared resources, investment and collaboration between PDMC, the Company and DNP. Each party will contribute cash in proportion to their ownership to fund the previously announced \$160 million investment over five years.

A copy of the Company's press release announcing the transaction is attached to this report as Exhibit 99.1, and is incorporated herein by reference.

### **Item 2.02 Results of Operation and Financial Condition**

On May 17, 2017 the Company issued a press release reporting second quarter fiscal 2017 results.

A copy of the press release is furnished as Exhibit 99.2 to this report. The information contained in this Item 2.02 and the attached Exhibits 99.2, 99.3, 99.4, 99.5 and 99.6 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 and shall not be incorporated by reference in any filing under the Securities Act of 1933 except as shall be expressly set forth by specific reference in such filing.

On May 17, 2017, the Company conducted a conference call during which certain unaudited, non-GAAP financial information related to the Company's operations for the three months ended April 30, 2017 will be disclosed. This information is set forth in Exhibit 99.6.

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EBITDA is a non-GAAP financial measure that the Company defines pursuant to its credit agreement. The Company believes that EBITDA is generally accepted as providing useful information regarding the operational strength and performance of its business, including the ability of the Company to pay interest, service debt and fund capital expenditures. The Company's method for calculating EBITDA may not be comparable to methods used by other companies but is the same method the Company uses for calculating EBITDA under its credit facility.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

[99.1](#) Press Release dated May 17, 2017

[99.2](#) Press Release dated May 17, 2017

[99.3](#) Condensed Consolidated Statements of Income

[99.4](#) Condensed Consolidated Balance Sheets

[99.5](#) Condensed Consolidated Statements of Cash Flows

[99.6](#) Non-GAAP Financial Measures - Reconciliation of GAAP to Non-GAAP Financial Information

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**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.

**PHOTRONICS, INC.**

(Registrant)

**DATE: May 19, 2017**

**BY /s/ *Richelle E. Burr***

Richelle E. Burr

Vice President, General Counsel

PHOTRONICS, INC.



**For Further Information:**  
R. Troy Dewar, CFA  
Director, Investor Relations  
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Press Release

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### Photronics Announces Second Joint Venture with Dai Nippon Printing

BROOKFIELD, CT—(Marketwired – May 17, 2017) —

- Extends successful Taiwan partnership into a new joint venture targeting the growing and strategically important China semiconductor market
- Optimizes investment composition and strategy, while offering advanced process technology and a broad product portfolio

Photronics, Inc. (NASDAQ:PLAB), a worldwide leader in supplying innovative imaging technology solutions for the global electronics industry, today announced an agreement with Dai Nippon Printing Co., Ltd. (DNP) (Tokyo Stock Exchange:7912) to form a joint venture focused on serving semiconductor manufacturers in China. The agreement states that a subsidiary of DNP will acquire 49.99% of Photronics' wholly foreign owned entity in Xiamen, China, with Photronics maintaining an ownership of 50.01%. The joint venture's financial statements will be included in the consolidated financial statements of Photronics. The joint venture, which will be called Photronics DNP Mask Corporation Xiamen (PDMCX), is subject to regulatory approvals and customary closing conditions, and is expected to close by the end of Photronics' fiscal year 2017.

PDMCX will be modeled after the successful joint venture formed by Photronics and DNP in 2014 to serve the Taiwan market, Photronics DNP Mask Corporation (PDMC). PDMCX will include the state-of-the-art photomask manufacturing facility currently under construction in Xiamen, China. The facility, which is scheduled to begin production by the end of 2018, will feature advanced process technology, experienced personnel, and high-end equipment; and should benefit through shared resources, investment and collaboration between PDMC, Photronics and DNP. Each party will contribute cash in proportion to their ownership to fund the previously announced \$160 million investment over five years.

"This combination is a testament to our great success in Taiwan and a strong desire by each party to extend this winning partnership into China for the benefit of local customers and the development of industry infrastructure," said Peter Kirlin, chief executive officer of Photronics. "The growing importance of the China semiconductor market requires that we bring superior global resources and a broad spectrum of cutting edge technologies and methods in order to best ensure our customers' success. The formation of this joint venture provides beneficial critical mass to accelerate meeting those objectives. China customers will benefit through local access to advanced manufacturing processes, industry leading technology, and world-class customer support to improve their time to market and yield ramp. The joint venture also provides an optimal solution for shareholders as we are able to improve capital efficiency while offering advanced process technology and a broad product portfolio."

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"We are extremely satisfied with our relationship with Photronics in Taiwan, and very excited to extend this relationship into the critical China market," said Mitsuru Tsuchiya, Corporate Officer of DNP. "In Taiwan, we have been able to accomplish much more together than we could have separately, and I'm confident that together we will enjoy similar success in China. Our partnership brings the commitment, technology and manufacturing strength of DNP and Photronics to jointly serve the expanding China market, through industry leading local capability backed up by the global technology and manufacturing resources of both parent companies."

In a separate press release issued today, Photronics announced second quarter fiscal 2017 results for the period ended April 30, 2017.

### **Conference Call**

A conference call is scheduled for 8:30 a.m. Eastern time on Wednesday, May 17, 2017. The call can be accessed by logging onto Photronics' web site at [www.photronics.com](http://www.photronics.com). The live dial-in number is (877) 377-7095 or (408) 774-4601 outside of the United States and Canada. The call will be archived on Photronics' web site for instant replay access.

### **About Photronics**

Photronics is a leading worldwide manufacturer of photomasks. Photomasks are high precision quartz plates that contain microscopic images of electronic circuits. A key element in the manufacture of semiconductors and flat panel displays, photomasks are used to transfer circuit patterns onto semiconductor wafers and flat panel substrates during the fabrication of integrated circuits, a variety of flat panel displays and, to a lesser extent, other types of electrical and optical components. They are produced in accordance with product designs provided by customers at strategically located manufacturing facilities in Asia, Europe, and North America. Additional information on the Company can be accessed at [www.photronics.com](http://www.photronics.com)

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements made by or on behalf of Photronics, Inc. and its subsidiaries (the Company). The forward-looking statements contained in this press release and other parts of Photronics' web site involve risks and uncertainties that may affect the Company's operations, markets, products, services, prices, and other factors. These risks and uncertainties include, but are not limited to, economic, competitive, legal, governmental, and technological factors as well as decisions we may make in the future regarding our business, capital structure and other matters. These forward-looking statements generally can be identified by phrases such as "believes", "expects", "anticipates", "plans", "projects", and similar expressions. Accordingly, there is no assurance that the Company's expectations will be realized. For a fuller discussion of the factors that may affect the Company's operations, see "Forward Looking Statements" in the Company's Quarterly and Annual Reports to the Securities and Exchange Commission on Forms 10-Q and 10-K. The Company assumes no obligation to provide revisions to any forward-looking statements.

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**For Further Information:**  
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Press Release

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### Photronics Reports Second Quarter Fiscal 2017 Results

BROOKFIELD, CT—(Marketwired – May 17, 2017) —

- Second quarter sales were \$108.3 million, essentially flat sequentially; strong FPD growth was offset by a decline in IC demand
- Net income attributable to Photronics, Inc. shareholders was \$1.8 million (\$0.03 per diluted share)
- Net cash<sup>1</sup> improved to \$281 million, providing additional financial strength and flexibility to fund growth
- Third quarter 2017 guidance: sales between \$110 and \$120 million; diluted EPS between \$0.05 and \$0.12

Photronics, Inc. (NASDAQ:PLAB), a worldwide leader in supplying innovative imaging technology solutions for the global electronics industry, today reported financial results for fiscal 2017 second quarter ended April 30, 2017.

Second quarter sales were \$108.3 million, essentially flat sequentially and down 12% compared with last year. Sales of integrated circuits (IC) photomasks were \$82.6 million, down 4% sequentially and down 9% compared with last year, while sales of flat panel display (FPD) photomasks were \$25.7 million, up 10% sequentially and down 20% compared with last year.

Net income attributable to Photronics, Inc. shareholders was \$1.8 million (\$0.03 per diluted share), compared with \$1.9 million (\$0.03 per diluted share), for the first quarter of 2017; and \$11.9 million (\$0.16 per diluted share) for the second quarter of 2016, which included a non-recurring tax benefit of \$3.0 million (\$0.03 per diluted share).

"Second quarter revenues were essentially flat compared with the first quarter as improving display photomask sales were offset by a decline in our high-end logic business in Taiwan," said Peter Kirlin, chief executive officer. "FPD sales improved 10% driven by strengthening demand for mainstream masks. IC sales were down, primarily due to weak 28 nm demand in Taiwan. Operating margin decreased mainly due to a drop in gross margin as a result of an unfavorable product mix. We were able to generate cash, building upon our already strong balance sheet. Strategically, we achieved three important milestones since our first quarter report: the first of two new writing tools is being installed to add FPD capacity; construction began on our new China IC facility; and this morning we announced a new joint venture in China."

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In a separate press release issued today, Photronics announced it has entered into a second joint venture with Dai Nippon Printing Co., Ltd. (Tokyo Stock Exchange:7912) focused on serving semiconductor manufacturers in China.

### **Third Quarter 2017 Guidance**

Kirlin continued, "Heading into the third quarter, we are cautiously optimistic that we will achieve sales growth and margin expansion. High-end FPD demand is now strengthening rapidly, and we were running at full capacity as we entered the third quarter; we expect to remain full, even as we add capacity. High-end memory is growing as customers release new designs. And while we expect high-end logic to improve, this may not occur during our third quarter and therefore may not impact our sales until later this year." For the third quarter of 2017, Photronics expects revenues to be between \$110 million and \$120 million and net income attributable to Photronics, Inc. shareholders to be between \$0.05 and \$0.12 per diluted share.

### **Conference Call**

A conference call to discuss these results is scheduled for 8:30 a.m. Eastern time on Wednesday, May 17, 2017. The call can be accessed by logging onto Photronics' web site at [www.photronics.com](http://www.photronics.com). The live dial-in number is (877) 377-7095 or (408) 774-4601 outside of the United States and Canada. The call will be archived on Photronics' web site for instant replay access.

### **Non-GAAP Financial Measures**

Non-GAAP net income attributable to Photronics, Inc. shareholders, non-GAAP earnings per share, and non-GAAP EBITDA are "non-GAAP financial measures" as such term is defined by the Securities and Exchange Commission, and may differ from non-GAAP financial measures used by other companies. The attached financial supplement reconciles Photronics, Inc.'s financial results under GAAP to non-GAAP financial information. Photronics, Inc. believes these non-GAAP financial measures that exclude certain non-cash or non-recurring income or expense items are useful for analysts and investors to evaluate Photronics, Inc.'s future on-going performance because they enable a more meaningful comparison of Photronics, Inc.'s projected earnings and performance with its historical results of prior periods. These non-GAAP metrics are not intended to represent funds available for Photronics, Inc.'s discretionary use and are not intended to represent, or be used as a substitute for, operating income, net income or cash flows from operations data as measured under GAAP. The items excluded from these non-GAAP metrics, but included in the calculation of their closest GAAP equivalent, are significant components of the condensed consolidated statements of income and must be considered in performing a comprehensive assessment of overall financial performance. Non-GAAP financial information is adjusted for the following items:

- Non-recurring tax benefit in fiscal 2016 related to the recognition of certain tax benefits in Taiwan that were determined to be realizable in filings for future tax periods
- Non-recurring net gain on sale of investment in fiscal 2016
- Interest expense, income tax expense/(benefit), depreciation and amortization, and other items are added to GAAP net income to derive non-GAAP EBITDA

#### **Note:**

1. Net cash defined as cash and cash equivalents less long-term borrowings (including current portion), as reported in accordance with GAAP.
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## About Photronics

Photronics is a leading worldwide manufacturer of photomasks. Photomasks are high precision quartz plates that contain microscopic images of electronic circuits. A key element in the manufacture of semiconductors and flat panel displays, photomasks are used to transfer circuit patterns onto semiconductor wafers and flat panel substrates during the fabrication of integrated circuits, a variety of flat panel displays and, to a lesser extent, other types of electrical and optical components. They are produced in accordance with product designs provided by customers at strategically located manufacturing facilities in Asia, Europe, and North America. Additional information on the Company can be accessed at [www.photronics.com](http://www.photronics.com)

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward-looking statements made by or on behalf of Photronics, Inc. and its subsidiaries (the Company). The forward-looking statements contained in this press release and other parts of Photronics’ web site involve risks and uncertainties that may affect the Company’s operations, markets, products, services, prices, and other factors. These risks and uncertainties include, but are not limited to, economic, competitive, legal, governmental, and technological factors as well as decisions we may make in the future regarding our business, capital structure and other matters. These forward-looking statements generally can be identified by phrases such as “believes”, “expects”, “anticipates”, “plans”, “projects”, and similar expressions. Accordingly, there is no assurance that the Company’s expectations will be realized. For a fuller discussion of the factors that may affect the Company's operations, see "Forward Looking Statements" in the Company's Quarterly and Annual Reports to the Securities and Exchange Commission on Forms 10-Q and 10-K. The Company assumes no obligation to provide revisions to any forward-looking statements.

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**PHOTRONICS, INC. AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Income**  
(in thousands, except per share amounts)  
(Unaudited)

	<u>Three Months Ended</u>			<u>Six Months Ended</u>	
	<u>April 30, 2017</u>	<u>January 29, 2017</u>	<u>May 1, 2016</u>	<u>April 30, 2017</u>	<u>May 1, 2016</u>
Net sales	\$ 108,297	\$ 109,831	\$ 122,923	\$ 218,128	\$ 252,879
Costs and expenses:					
Cost of sales	(88,140)	(86,832)	(91,636)	(174,972)	(186,156)
Gross profit	20,157	22,999	31,287	43,156	66,723
Selling, general and administrative	(10,894)	(10,871)	(11,024)	(21,765)	(23,222)
Research and development	(3,726)	(3,485)	(5,447)	(7,211)	(11,148)
Operating income	5,537	8,643	14,816	14,180	32,353
Gain on sale of investment	-	-	-	-	8,785
Other income (expense), net	(3,622)	(2,083)	(2,989)	(5,705)	(2,111)
Income before income taxes	1,915	6,560	11,827	8,475	39,027
Income tax (provision) benefit	(431)	(2,050)	2,326	(2,481)	(1,374)
Net income	1,484	4,510	14,153	5,994	37,653
Net Loss (income) attributable to noncontrolling interests	313	(2,564)	(2,299)	(2,251)	(4,797)
Net income attributable to Photronics, Inc. shareholders	<u>\$ 1,797</u>	<u>\$ 1,946</u>	<u>\$ 11,854</u>	<u>\$ 3,743</u>	<u>\$ 32,856</u>
Earnings per share:					
Basic	<u>\$ 0.03</u>	<u>\$ 0.03</u>	<u>\$ 0.18</u>	<u>\$ 0.05</u>	<u>\$ 0.49</u>
Diluted	<u>\$ 0.03</u>	<u>\$ 0.03</u>	<u>\$ 0.16</u>	<u>\$ 0.05</u>	<u>\$ 0.44</u>
Weighted-average number of common shares outstanding:					
Basic	<u>68,426</u>	<u>68,176</u>	<u>67,372</u>	<u>68,301</u>	<u>67,090</u>
Diluted	<u>69,385</u>	<u>69,169</u>	<u>77,516</u>	<u>69,277</u>	<u>78,326</u>

**PHOTRONICS, INC. AND SUBSIDIARIES****Condensed Consolidated Balance Sheets**

(in thousands)

(Unaudited)

	<b>April 30, 2017</b>	<b>October 30, 2016</b>
<b><u>Assets</u></b>		
Current assets:		
Cash and cash equivalents	\$ 345,724	\$ 314,074
Accounts receivable	91,150	92,636
Inventories	24,537	22,081
Other current assets	11,044	12,795
	<u>472,455</u>	<u>441,586</u>
Total current assets	472,455	441,586
Property, plant and equipment, net	503,900	506,434
Intangible assets, net	19,152	19,854
Other assets	20,064	20,114
	<u>20,064</u>	<u>20,114</u>
Total assets	<u>\$ 1,015,571</u>	<u>\$ 987,988</u>
<b><u>Liabilities and Equity</u></b>		
Current liabilities:		
Current portion of long-term borrowings	\$ 5,503	\$ 5,428
Accounts payable and accrued liabilities	86,465	75,889
	<u>91,968</u>	<u>81,317</u>
Total current liabilities	91,968	81,317
Long-term borrowings	59,147	61,860
Other liabilities	19,702	19,337
Photronics, Inc. shareholders' equity	729,879	710,363
Noncontrolling interests	114,875	115,111
Total equity	<u>844,754</u>	<u>825,474</u>
Total liabilities and equity	<u>\$ 1,015,571</u>	<u>\$ 987,988</u>

**PHOTRONICS, INC. AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Cash Flows**

(in thousands)

(Unaudited)

	<b>Six Months Ended</b>	
	<b>April 30, 2017</b>	<b>May 1, 2016</b>
Cash flows from operating activities:		
Net income	\$ 5,994	\$ 37,653
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	42,378	40,832
Gain on sale of investment	-	(8,785)
Changes in assets, liabilities and other	(1,465)	(4,561)
<b>Net cash provided by operating activities</b>	<b>46,907</b>	<b>65,139</b>
Cash flows from investing activities:		
Purchases of property, plant and equipment	(14,152)	(34,928)
Acquisition of Business	(5,400)	-
Proceeds from sale of investments	167	8,785
Other	(462)	193
<b>Net cash used in investing activities</b>	<b>(19,847)</b>	<b>(25,950)</b>
Cash flows from financing activities:		
Repayments of long-term borrowings	(2,695)	(54,951)
Proceeds from share-based arrangements	2,311	3,046
Other	(23)	(19)
<b>Net cash used in financing activities</b>	<b>(407)</b>	<b>(51,924)</b>
Effect of exchange rate changes on cash	4,997	846
Net increase (decrease) in cash and cash equivalents	31,650	(11,889)
Cash and cash equivalents, beginning of period	314,074	205,867
<b>Cash and cash equivalents, end of period</b>	<b>\$ 345,724</b>	<b>\$ 193,978</b>

**PHOTRONICS, INC. AND SUBSIDIARIES**  
**Non-GAAP Financial Measures**  
**Reconciliation of GAAP to Non-GAAP Financial Information**  
(in thousands, except per share data)  
(Unaudited)

	Three Months Ended			Six Months Ended	
	April 30, 2017	January 29, 2017	May 1, 2016	April 30, 2017	May 1, 2016
<b>Reconciliation of GAAP to Non-GAAP Net Income</b>					
<b>Attributable to Photronics, Inc. Shareholders and EPS</b>					
<b>data</b>					
GAAP net income attributable to Photronics, Inc. shareholders	\$ 1,797	\$ 1,946	\$ 11,854	\$ 3,743	\$ 32,856
Income tax expense/(benefit) (a)	-	-	(3,004)	-	(3,004)
Gain on sale of investment, net of tax (b)	-	-	-	-	(8,753)
Non-GAAP net income attributable to Photronics, Inc. shareholders	<u>\$ 1,797</u>	<u>\$ 1,946</u>	<u>\$ 8,850</u>	<u>\$ 3,743</u>	<u>\$ 21,099</u>
Weighted average number of diluted shares outstanding					
GAAP	<u>69,385</u>	<u>69,169</u>	<u>77,516</u>	<u>69,277</u>	<u>78,326</u>
Non-GAAP	<u>69,385</u>	<u>69,169</u>	<u>77,516</u>	<u>69,277</u>	<u>78,326</u>
Net income per diluted share					
GAAP	<u>\$ 0.03</u>	<u>\$ 0.03</u>	<u>\$ 0.16</u>	<u>\$ 0.05</u>	<u>\$ 0.44</u>
Non-GAAP	<u>\$ 0.03</u>	<u>\$ 0.03</u>	<u>\$ 0.13</u>	<u>\$ 0.05</u>	<u>\$ 0.29</u>
<b>Reconciliation of GAAP Net Income to Non-GAAP</b>					
<b>EBITDA</b>					
GAAP Net Income (c)	\$ 1,484	\$ 4,510	\$ 14,153	\$ 5,994	\$ 37,653
Interest expense	550	559	964	1,109	2,138
Income tax expense/(benefit)	431	2,050	(2,326)	2,481	1,374
Depreciation and amortization	21,345	20,896	20,073	42,241	40,530
Other items (d)	921	937	976	1,858	1,873
Non-GAAP EBITDA	<u>\$ 24,731</u>	<u>\$ 28,952</u>	<u>\$ 33,840</u>	<u>\$ 53,683</u>	<u>\$ 83,568</u>

## Notes:

- (a) Represents tax benefit primarily related to the recognition of prior period tax benefits and other tax positions no longer deemed necessary in Taiwan  
(b) Represents gain on sale of investment in a foreign entity  
(c) Includes net income attributable to noncontrolling interests, and in 2016 includes gain on sale of investment in a foreign entity  
(d) Consists of stock compensation expense