

STATEMENT OF OPERATIONS INFORMATION

	Fiscal Years			FY 2015				FY 2016				FY 2017			
	2015	2016	2017	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
<b>Net Revenues</b>															
Products	\$ 154,817	\$ 185,066	\$ 214,877	\$ 42,934	\$ 41,154	\$ 37,182	\$ 33,546	\$ 39,214	\$ 47,445	\$ 49,631	\$ 48,776	\$ 48,175	\$ 53,576	\$ 45,571	\$ 67,555
Service	32,550	36,063	43,744	7,442	7,475	8,496	9,137	8,275	8,322	9,083	10,383	11,139	10,851	11,104	10,650
<b>Total revenues</b>	<b>187,367</b>	<b>221,129</b>	<b>258,621</b>	<b>50,376</b>	<b>48,629</b>	<b>45,678</b>	<b>42,683</b>	<b>47,489</b>	<b>55,767</b>	<b>58,714</b>	<b>59,159</b>	<b>59,314</b>	<b>64,427</b>	<b>56,675</b>	<b>78,205</b>
<b>Costs of revenues</b>															
Cost of products	\$ 79,241	\$ 85,391	\$ 100,683	21,779	20,936	19,285	17,241	18,079	21,736	22,810	22,766	25,401	25,337	21,276	28,669
Cost of service	16,433	20,160	20,627	4,586	3,972	3,706	4,169	4,484	5,164	5,066	5,446	5,278	5,364	4,549	5,436
<b>Subtotal cost of revenues</b>	<b>\$ 95,674</b>	<b>\$ 105,551</b>	<b>\$ 121,310</b>	<b>26,365</b>	<b>24,908</b>	<b>22,991</b>	<b>21,410</b>	<b>22,563</b>	<b>26,900</b>	<b>27,876</b>	<b>28,212</b>	<b>30,679</b>	<b>30,701</b>	<b>25,825</b>	<b>34,105</b>
<b>Non-GAAP gross profit</b>	<b>91,693</b>	<b>115,578</b>	<b>137,311</b>	<b>24,011</b>	<b>23,722</b>	<b>22,687</b>	<b>21,273</b>	<b>24,926</b>	<b>28,867</b>	<b>30,838</b>	<b>30,947</b>	<b>28,635</b>	<b>33,726</b>	<b>30,850</b>	<b>44,100</b>
Severance included in cost of revenues	-	-	404	-	-	-	-	-	-	-	-	136	53	138	77
Amortization of intangible assets included in cost of product revenues	2,026	1,454	206	632	457	468	469	435	442	434	143	52	52	52	50
<b>Total cost of revenues</b>	<b>97,700</b>	<b>107,005</b>	<b>121,920</b>	<b>26,997</b>	<b>25,365</b>	<b>23,459</b>	<b>21,879</b>	<b>22,998</b>	<b>27,342</b>	<b>28,310</b>	<b>28,355</b>	<b>30,867</b>	<b>30,806</b>	<b>26,015</b>	<b>34,232</b>
<b>Gross profit</b>	<b>89,667</b>	<b>114,124</b>	<b>136,701</b>	<b>23,379</b>	<b>23,265</b>	<b>22,219</b>	<b>20,804</b>	<b>24,491</b>	<b>28,425</b>	<b>30,404</b>	<b>30,804</b>	<b>28,447</b>	<b>33,621</b>	<b>30,660</b>	<b>43,973</b>
<b>Operating expenses</b>															
Research and development	32,701	31,443	36,494	8,159	8,157	8,579	7,806	8,068	7,511	7,868	7,996	8,600	9,089	8,825	9,980
Selling	28,055	30,181	30,491	7,116	7,029	6,760	7,150	7,249	7,823	7,495	7,614	7,884	7,169	7,553	7,885
General and administrative	22,444	23,381	25,710	5,767	5,544	5,590	5,543	5,420	5,755	5,975	6,231	6,307	6,361	6,605	6,437
<b>Non-GAAP operating expenses</b>	<b>83,200</b>	<b>85,005</b>	<b>92,695</b>	<b>21,042</b>	<b>20,730</b>	<b>20,929</b>	<b>20,499</b>	<b>20,737</b>	<b>21,089</b>	<b>21,338</b>	<b>21,841</b>	<b>22,791</b>	<b>22,619</b>	<b>22,983</b>	<b>24,302</b>
<b>Non-GAAP income (loss) from operations</b>	<b>8,493</b>	<b>30,573</b>	<b>44,616</b>	<b>2,969</b>	<b>2,992</b>	<b>1,758</b>	<b>774</b>	<b>4,189</b>	<b>7,778</b>	<b>9,500</b>	<b>9,106</b>	<b>5,844</b>	<b>11,107</b>	<b>7,867</b>	<b>19,798</b>
Amortization of intangible assets included in operating expenses	114	24	-	38	25	26	25	24	-	-	-	-	-	-	-
Restructuring	1,380	-	-	58	-	-	1,322	-	-	-	-	-	-	-	-
Severance Costs	-	-	845	-	-	-	-	-	-	-	-	148	120	68	509
Executive search costs	-	-	355	-	-	-	-	-	-	-	-	-	230	125	-
<b>Total operating expenses</b>	<b>84,694</b>	<b>85,029</b>	<b>93,895</b>	<b>21,138</b>	<b>20,755</b>	<b>20,955</b>	<b>21,846</b>	<b>20,761</b>	<b>21,089</b>	<b>21,338</b>	<b>21,841</b>	<b>22,939</b>	<b>22,969</b>	<b>23,176</b>	<b>24,811</b>
<b>Income (loss) from operations</b>	<b>4,973</b>	<b>29,095</b>	<b>42,806</b>	<b>2,241</b>	<b>2,510</b>	<b>1,264</b>	<b>(1,042)</b>	<b>3,730</b>	<b>7,336</b>	<b>9,066</b>	<b>8,963</b>	<b>5,508</b>	<b>10,652</b>	<b>7,484</b>	<b>19,162</b>
Other income (expense)	595	40	492	632	(348)	267	44	117	(449)	149	223	(42)	258	36	240
<b>Non-GAAP income (loss) before income taxes</b>	<b>9,088</b>	<b>30,589</b>	<b>45,108</b>	<b>3,601</b>	<b>2,644</b>	<b>2,025</b>	<b>818</b>	<b>4,282</b>	<b>7,329</b>	<b>9,649</b>	<b>9,329</b>	<b>5,802</b>	<b>11,365</b>	<b>7,903</b>	<b>20,038</b>
<b>Income (loss) before income taxes</b>	<b>5,568</b>	<b>29,135</b>	<b>43,298</b>	<b>2,873</b>	<b>2,162</b>	<b>1,531</b>	<b>(998)</b>	<b>3,847</b>	<b>6,887</b>	<b>9,215</b>	<b>9,186</b>	<b>5,466</b>	<b>10,910</b>	<b>7,520</b>	<b>19,402</b>
Provision (benefit) for income taxes	2,663	(14,900)	13,096	317	817	713	816	380	856	1,332	(17,468)	114	2,622	1,756	8,604
<b>Net income (loss)</b>	<b>\$ 2,905</b>	<b>\$ 44,036</b>	<b>\$ 30,202</b>	<b>\$ 2,556</b>	<b>\$ 1,345</b>	<b>\$ 818</b>	<b>\$ (1,814)</b>	<b>\$ 3,467</b>	<b>\$ 6,031</b>	<b>\$ 7,883</b>	<b>\$ 26,654</b>	<b>\$ 5,352</b>	<b>\$ 8,288</b>	<b>\$ 5,764</b>	<b>\$ 10,798</b>
Valuation allowance on deferred tax assets and other adjustments	-	(18,443)	-	-	-	-	-	-	-	-	(18,443)	-	-	-	-
Tax Reform	-	-	2,569	-	-	-	-	-	-	-	-	-	-	-	2,569
Adj. to tax provision: discrete tax items and tax effect of non-GAAP adjustments	-	-	(2,772)	-	-	-	-	-	-	-	-	(901)	(948)	(491)	(432)
<b>Non-GAAP net income (loss)</b>	<b>\$ 6,425</b>	<b>\$ 27,071</b>	<b>\$ 31,809</b>	<b>\$ 3,284</b>	<b>\$ 1,827</b>	<b>\$ 1,312</b>	<b>\$ 2</b>	<b>\$ 3,926</b>	<b>\$ 6,473</b>	<b>\$ 8,317</b>	<b>\$ 8,354</b>	<b>\$ 4,787</b>	<b>\$ 7,795</b>	<b>\$ 5,656</b>	<b>\$ 13,571</b>
<b>Earnings per share</b>															
Basic	\$ 0.12	\$ 1.79	\$ 1.19	\$ 0.11	\$ 0.06	\$ 0.03	\$ (0.07)	\$ 0.14	\$ 0.25	\$ 0.32	\$ 1.07	\$ 0.21	\$ 0.33	\$ 0.23	\$ 0.43
Diluted	\$ 0.12	\$ 1.75	\$ 1.17	\$ 0.11	\$ 0.06	\$ 0.03	\$ (0.07)	\$ 0.14	\$ 0.24	\$ 0.31	\$ 1.04	\$ 0.21	\$ 0.32	\$ 0.22	\$ 0.42
<b>Non-GAAP EPS</b>	<b>\$ 0.26</b>	<b>\$ 1.08</b>	<b>\$ 1.23</b>	<b>\$ 0.14</b>	<b>\$ 0.08</b>	<b>\$ 0.05</b>	<b>\$ 0.00</b>	<b>\$ 0.16</b>	<b>\$ 0.26</b>	<b>\$ 0.33</b>	<b>\$ 0.33</b>	<b>\$ 0.19</b>	<b>\$ 0.30</b>	<b>\$ 0.22</b>	<b>\$ 0.53</b>
<b>Shares used in EPS calculation</b>															
Basic	24,058	24,655	25,334	23,866	24,020	24,145	24,203	24,308	24,524	24,826	24,949	25,133	25,307	25,494	25,378
Diluted	24,375	25,153	25,919	24,257	24,285	24,352	24,446	24,597	24,927	25,282	25,514	25,833	25,906	25,932	25,819
<b>Income Statement Metrics As a % of Revenue</b>															
Product revenue	82.6%	83.7%	83.1%	85.2%	84.6%	81.4%	78.6%	82.6%	85.1%	84.5%	82.4%	81.2%	83.2%	80.4%	86.4%
Service revenue	17.4%	16.3%	16.9%	14.8%	15.4%	18.6%	21.4%	17.4%	14.9%	15.5%	17.6%	18.8%	16.8%	19.6%	13.6%
Product Gross Margin (non-GAAP)	48.8%	53.9%	53.1%	49.3%	49.1%	48.1%	48.6%	53.9%	54.2%	54.0%	53.3%	47.3%	52.7%	53.3%	57.6%
Service Gross Margin (non-GAAP)	49.5%	44.1%	52.8%	38.4%	46.9%	56.4%	54.4%	45.8%	37.9%	44.2%	47.5%	52.6%	50.6%	59.0%	49.0%
Other Costs Included in GAAP Cost of Revenues	1.1%	0.7%	0.2%	1.3%	0.9%	1.0%	1.1%	0.9%	0.8%	0.7%	0.2%	0.3%	0.2%	0.3%	0.2%
Non-GAAP Gross Margin	48.9%	52.3%	53.1%	47.7%	48.8%	49.7%	49.8%	52.5%	51.8%	52.5%	52.3%	48.3%	52.4%	54.4%	56.4%
GAAP Gross Margin	47.9%	51.6%	52.9%	46.4%	47.8%	48.6%	48.7%	51.6%	51.0%	51.8%	52.1%	48.0%	52.2%	54.1%	56.2%
Non-GAAP Operating Expenses	44.4%	38.4%	35.8%	41.8%	42.6%	45.8%	48.0%	43.7%	37.8%	36.3%	36.9%	38.4%	35.1%	40.6%	31.1%
GAAP Operating Expenses	45.2%	38.5%	36.3%	42.0%	42.7%	45.9%	51.2%	43.7%	37.8%	36.3%	36.9%	38.7%	35.7%	40.9%	31.7%
Non-GAAP Operating Income	4.6%	13.8%	17.3%	5.9%	6.1%	3.8%	1.8%	8.8%	13.9%	16.2%	15.4%	9.9%	17.2%	13.9%	25.3%
GAAP Operating Income	2.7%	13.2%	16.6%	4.4%	5.2%	2.8%	-2.4%	7.9%	13.2%	15.4%	15.2%	9.3%	16.5%	13.2%	24.5%
Non-GAAP income (loss) before income taxes	4.8%	13.8%	17.4%	7.1%	5.4%	4.4%	1.9%	9.1%	13.1%	16.4%	15.8%	9.8%	17.6%	13.9%	25.6%
GAAP income (loss) before income taxes	3.0%	13.2%	16.7%	5.7%	4.4%	3.3%	-2.3%	8.1%	12.3%	15.7%	15.5%	9.2%	16.9%	13.3%	24.8%
Non-GAAP Net Income	3.4%	12.2%	12.3%	6.5%	3.8%	2.9%	0.0%	8.3%	11.6%	14.2%	14.1%	8.1%	12.1%	10.0%	17.4%
GAAP Net Income	1.6%	19.9%	11.7%	5.1%	2.8%	1.8%	-4.3%	7.3%	10.8%	13.4%	45.1%	9.0%	12.9%	10.2%	13.8%

	Fiscal Years			FY 2015				FY 2016				FY 2017			
	2015	2016	2017	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
<b>Cash Flow Metrics</b>															
Cash Flow from Operations	\$ 1,571	\$ 45,685	\$ 20,603	\$ (5,874)	\$ (1,283)	\$ 9,505	\$ (777)	\$ 499	\$ 12,721	\$ 20,881	\$ 11,584	\$ 3,075	\$ 7,183	\$ 5,126	\$ 5,219
Capital Expenditures	\$ (1,846)	\$ (3,999)	\$ (5,204)	\$ (502)	\$ (541)	\$ (322)	\$ (481)	\$ (610)	\$ (1,918)	\$ (821)	\$ (650)	\$ (47)	\$ (1,489)	\$ (806)	\$ (2,862)
<b>Free Cash Flow</b>	<b>\$ (275)</b>	<b>\$ 41,686</b>	<b>\$ 15,399</b>	<b>\$ (6,376)</b>	<b>\$ (1,824)</b>	<b>\$ 9,183</b>	<b>\$ (1,258)</b>	<b>\$ (111)</b>	<b>\$ 10,803</b>	<b>\$ 20,060</b>	<b>\$ 10,934</b>	<b>\$ 3,028</b>	<b>\$ 5,694</b>	<b>\$ 4,320</b>	<b>\$ 2,357</b>
Stock-Based Compensation Expense	\$ 6,248	\$ 7,666	\$ 8,819	\$ 1,571	\$ 1,411	\$ 1,682	\$ 1,584	\$ 1,689	\$ 1,743	\$ 2,000	\$ 2,234	\$ 2,164	\$ 2,163	\$ 2,447	\$ 2,044
Depreciation and Amortization	\$ 9,075	\$ 8,295	\$ 6,920	\$ 2,324	\$ 2,231	\$ 2,271	\$ 2,249	\$ 2,176	\$ 2,129	\$ 2,135	\$ 1,855	\$ 1,854	\$ 1,698	\$ 1,667	\$ 1,701
<b>Balance Sheet Metrics</b>															
Cash, cash equivalents and marketable securities	\$ 83,085	\$ 129,961	\$ 117,029	\$ 77,049	\$ 74,789	\$ 84,626	\$ 83,085	\$ 83,344	\$ 95,984	\$ 118,527	\$ 129,961	\$ 132,096	\$ 135,693	\$ 140,356	\$ 117,029
A/R	\$ 37,832	\$ 39,457	\$ 62,458	\$ 39,072	\$ 44,441	\$ 37,573	\$ 37,832	\$ 44,482	\$ 54,099	\$ 41,182	\$ 39,457	\$ 48,419	\$ 46,966	\$ 41,261	\$ 62,458
Inventories	\$ 50,605	\$ 41,293	\$ 54,394	\$ 38,236	\$ 43,113	\$ 49,941	\$ 50,605	\$ 54,031	\$ 50,705	\$ 43,676	\$ 41,293	\$ 44,824	\$ 50,536	\$ 58,341	\$ 54,394
A/P	\$ 11,675	\$ 11,342	\$ 13,858	\$ 11,913	\$ 13,358	\$ 15,882	\$ 11,675	\$ 13,212	\$ 11,004	\$ 8,562	\$ 11,342	\$ 18,614	\$ 14,926	\$ 17,180	\$ 13,858
Working capital	\$ 132,903	\$ 174,353	\$ 196,019	\$ 125,497	\$ 127,982	\$ 132,679	\$ 132,903	\$ 140,423	\$ 150,468	\$ 163,316	\$ 174,353	\$ 183,752	\$ 196,871	\$ 205,805	\$ 196,019
Tangible book value	\$ 176,046	\$ 234,421	\$ 249,945	\$ 169,122	\$ 171,988	\$ 175,718	\$ 176,046	\$ 182,729	\$ 193,331	\$ 206,423	\$ 234,421	\$ 244,325	\$ 255,062	\$ 262,128	\$ 249,945
Cash per share	\$ 3.43	\$ 5.18	\$ 4.75	\$ 3.21	\$ 3.11	\$ 3.50	\$ 3.43	\$ 3.42	\$ 3.89	\$ 4.76	\$ 5.18	\$ 5.24	\$ 5.33	\$ 5.49	\$ 4.75
TBV per share	\$ 7.27	\$ 9.35	\$ 10.15	\$ 7.05	\$ 7.15	\$ 7.27	\$ 7.27	\$ 7.50	\$ 7.83	\$ 8.29	\$ 9.35	\$ 9.68	\$ 10.01	\$ 10.25	\$ 10.15
Days sales outstanding (DSO)	72	72	67	70	82	74	80	84	87	63	60	73	66	66	72
Inventory turns	2.2	2.2	2.4	2.8	2.3	1.8	1.7	1.7	2.1	2.6	2.7	2.7	2.4	1.8	2.5
Shares outstanding at end of period (per share calcs)	24,224	25,070	24,629	23,974	24,059	24,177	24,224	24,372	24,692	24,898	25,070	25,228	25,474	25,567	24,629
<b>Headcount (ending)</b>	<b>518</b>	<b>532</b>	<b>592</b>	<b>526</b>	<b>530</b>	<b>540</b>	<b>518</b>	<b>519</b>	<b>520</b>	<b>527</b>	<b>532</b>	<b>534</b>	<b>559</b>	<b>570</b>	<b>592</b>

**SUPPLEMENTAL REVENUE INFORMATION**

<b>Revenue segmentation by product/service</b>															
Automated	58%	58%	59%	61%	60%	46%	49%	60%	48%	60%	62%	58%	60%	55%	60%
Integrated	17%	20%	16%	9%	13%	24%	24%	18%	33%	17%	11%	16%	16%	14%	19%
Materials Characterization	7%	6%	8%	6%	7%	10%	5%	5%	4%	8%	9%	7%	7%	12%	8%
Service	17%	16%	17%	24%	20%	20%	22%	17%	15%	15%	18%	19%	17%	20%	14%
<b>Total revenues</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Revenue segmentation by geography</b>															
North America	20%	14%	13%	18%	31%	17%	11%	15%	16%	14%	*	23%	13%	11%	*
South Korea	16%	20%	36%	29%	15%	15%	*	18%	*	20%	34%	31%	49%	39%	28%
China	*	20%	12%	*	*	15%	12%	14%	23%	27%	14%	11%	11%	*	16%
Taiwan	25%	12%	*	29%	19%	25%	27%	11%	*	11%	17%	20%	*	*	*
EMEA	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Japan	17%	12%	16%	*	*	17%	36%	15%	12%	*	14%	*	14%	*	31%
Singapore	*	*	*	*	21%	*	*	21%	30%	13%	*	*	*	17%	12%
Remainder of world	22%	22%	23%	24%	14%	11%	14%	6%	19%	16%	21%	15%	12%	32%	13%
<b>Total revenues</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>101%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Product Revenues by end market</b>															
DRAM	19%	19%	14%	33%	15%	22%	5%	20%	12%	23%	22%	13%	21%	15%	9%
NAND	31%	51%	51%	13%	40%	33%	43%	52%	67%	42%	43%	40%	52%	36%	67%
<b>Total Memory</b>	<b>51%</b>	<b>70%</b>	<b>65%</b>	<b>46%</b>	<b>55%</b>	<b>55%</b>	<b>47%</b>	<b>72%</b>	<b>79%</b>	<b>65%</b>	<b>65%</b>	<b>53%</b>	<b>73%</b>	<b>50%</b>	<b>76%</b>
<b>Total Logic</b>	<b>8%</b>	<b>6%</b>	<b>6%</b>	<b>16%</b>	<b>4%</b>	<b>7%</b>	<b>5%</b>	<b>3%</b>	<b>8%</b>	<b>7%</b>	<b>1%</b>	<b>7%</b>	<b>1%</b>	<b>13%</b>	<b>2%</b>
<b>Total Foundry</b>	<b>32%</b>	<b>18%</b>	<b>19%</b>	<b>33%</b>	<b>29%</b>	<b>26%</b>	<b>41%</b>	<b>19%</b>	<b>10%</b>	<b>20%</b>	<b>25%</b>	<b>32%</b>	<b>21%</b>	<b>20%</b>	<b>9%</b>
<b>Other Devices and Substrates</b>	<b>9%</b>	<b>6%</b>	<b>10%</b>	<b>5%</b>	<b>12%</b>	<b>12%</b>	<b>6%</b>	<b>6%</b>	<b>3%</b>	<b>8%</b>	<b>9%</b>	<b>8%</b>	<b>5%</b>	<b>16%</b>	<b>13%</b>
<b>Total product revenues</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>10% Customers</b>															
Samsung	13%	*	26%	30%	*	*	*	*	*	*	15%	22%	30%	32%	22%
Intel	*	18%	11%	*	*	*	*	16%	24%	19%	14%	16%	*	14%	*
SK Hynix	11%	15%	13%	13%	10%	15%	*	17%	*	19%	19%	14%	23%	*	*
Micron	16%	20%	12%	*	32%	14%	10%	26%	36%	15%	*	*	*	19%	15%
Toshiba	10%	*	11%	*	*	13%	27%	12%	*	*	*	*	10%	*	24%
TSMC	19%	10%	*	22%	17%	17%	21%	10%	*	10%	16%	17%	*	*	*

\* Comprised less than 10% of revenues or otherwise not broken out separately

**NOTE: Beginning in Q1 2016, sales of upgrades are now included in Product Revenues, instead of Service Revenues. All prior periods presented herein have been revised to include upgrade sales in Product Revenue, and the cost of upgrade sales in Cost of Product Revenue.**

Percentages may not add up to 100%, as they are rounded to the nearest percent.