

**RUDOLPH TECHNOLOGIES, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands) - (Unaudited)

	<u>June 30, 2019</u>	<u>December 31, 2018 (Audited)</u>
<b>ASSETS</b>		
<i>Current assets</i>		
Cash, cash equivalents and marketable securities	\$ 179,850	\$ 175,072
Accounts receivable, net	62,142	64,194
Inventories	106,836	96,820
Prepaid and other assets	<u>15,717</u>	<u>14,821</u>
<i>Total current assets</i>	364,545	350,907
Net property, plant and equipment	18,575	18,874
Intangibles, net	29,169	29,943
Other assets	<u>31,694</u>	<u>18,316</u>
<b>Total assets</b>	<u><u>\$ 443,983</u></u>	<u><u>\$ 418,040</u></u>
 <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<i>Current liabilities</i>		
Accounts payable and accrued liabilities	\$ 24,501	\$ 30,681
Other current liabilities	<u>20,681</u>	<u>14,310</u>
<i>Total current liabilities</i>	45,182	44,991
Other non-current liabilities	<u>21,301</u>	<u>11,161</u>
<i>Total liabilities</i>	66,483	56,152
Stockholders' equity	<u>377,500</u>	<u>361,888</u>
<b>Total liabilities and stockholders' equity</b>	<u><u>\$ 443,983</u></u>	<u><u>\$ 418,040</u></u>

(Financial tables to follow)

**RUDOLPH TECHNOLOGIES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share amounts) - (Unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2019	March 31, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Revenue	\$ 61,511	\$ 60,892	\$ 77,476	\$ 122,403	\$ 150,572
Cost of revenue	29,600	28,873	35,740	58,473	66,415
Gross profit	<u>31,911</u>	<u>32,019</u>	<u>41,736</u>	<u>63,930</u>	<u>84,157</u>
Operating expenses:					
Research and development	13,056	12,718	12,733	25,774	24,516
Selling, general and administrative	13,050	11,306	11,946	24,356	24,739
Amortization	<u>387</u>	<u>387</u>	<u>383</u>	<u>774</u>	<u>763</u>
Total operating expenses	<u>26,493</u>	<u>24,411</u>	<u>25,062</u>	<u>50,904</u>	<u>50,018</u>
Operating income	5,418	7,608	16,674	13,026	34,139
Interest income, net	(860)	(806)	(476)	(1,666)	(867)
Other expense (income), net	<u>157</u>	<u>(381)</u>	<u>(140)</u>	<u>(224)</u>	<u>42</u>
Income before income taxes	6,121	8,795	17,290	14,916	34,964
Provision for income taxes	<u>595</u>	<u>1,219</u>	<u>2,593</u>	<u>1,814</u>	<u>5,137</u>
Net income	<u>\$ 5,526</u>	<u>\$ 7,576</u>	<u>\$ 14,697</u>	<u>\$ 13,102</u>	<u>\$ 29,827</u>
Earnings per share:					
Basic	\$ 0.18	\$ 0.25	\$ 0.46	\$ 0.42	\$ 0.94
Diluted	\$ 0.18	\$ 0.24	\$ 0.45	\$ 0.42	\$ 0.92
Weighted average shares outstanding:					
Basic	31,126	30,916	31,859	31,058	31,760
Diluted	31,398	31,266	32,437	31,369	32,377

(Financial tables to follow)

**RUDOLPH TECHNOLOGIES, INC.**  
**NON-GAAP FINANCIAL SUMMARY**

(In thousands, except percentage and per share amounts) - (Unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2019	March 31, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Revenue	\$ 61,511	\$ 60,892	\$ 77,476	\$ 122,403	\$ 150,572
Gross profit	\$ 31,972	\$ 32,082	\$ 41,851	\$ 64,054	\$ 84,333
<i>Gross margin as percentage of revenue</i>	52.0%	52.7%	54.0%	52.3%	56.0%
Operating expenses	\$ 22,030	\$ 21,924	\$ 22,713	\$ 43,954	\$ 45,843
Operating income	\$ 9,942	\$ 10,158	\$ 19,138	\$ 20,100	\$ 38,490
<i>Operating margin as a percentage of revenue</i>	16.2%	16.7%	24.7%	16.4%	25.6%
Net income	\$ 8,987	\$ 9,551	\$ 16,552	\$ 18,538	\$ 32,898
Net income per diluted share	\$ 0.29	\$ 0.31	\$ 0.51	\$ 0.59	\$ 1.02

**RECONCILIATION OF U.S. GAAP GROSS PROFIT,  
OPERATING EXPENSES AND OPERATING INCOME TO NON-GAAP  
GROSS PROFIT, OPERATING EXPENSES AND OPERATING INCOME**  
(In thousands, except percentages) - (Unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2019	March 31, 2019	June 30, 2018	June 30, 2019	June 30, 2018
U.S. GAAP gross profit	\$ 31,911	\$ 32,019	\$ 41,736	\$ 63,930	\$ 84,157
Pre-tax non-GAAP items:					
Share-based compensation expense	61	63	115	124	176
Non-GAAP gross profit	\$ 31,972	\$ 32,082	\$ 41,851	\$ 64,054	\$ 84,333
<i>U.S. GAAP gross margin as a percentage of revenue</i>	51.9%	52.6%	53.9%	52.2%	55.9%
<i>Non-GAAP gross margin as a percentage of revenue</i>	52.0%	52.7%	54.0%	52.3%	56.0%
U.S. GAAP operating expenses	\$ 26,493	\$ 24,411	\$ 25,062	\$ 50,904	\$ 50,018
Pre-tax non-GAAP items:					
Merger related expenses	2,464	—	—	2,464	—
Amortization of intangibles	387	387	383	774	763
Share-based compensation expense	1,612	2,100	1,966	3,712	3,412
Non-GAAP operating expenses	\$ 22,030	\$ 21,924	\$ 22,713	\$ 43,954	\$ 45,843
Non-GAAP operating income	\$ 9,942	\$ 10,158	\$ 19,138	\$ 20,100	\$ 38,490
<i>GAAP operating margin as a percentage of revenue</i>	8.8%	12.5%	21.5%	10.6%	22.7%
<i>Non-GAAP operating margin as a percentage of revenue</i>	16.2%	16.7%	24.7%	16.4%	25.6%

(Financial table to follow)

**RUDOLPH TECHNOLOGIES, INC.**  
**RECONCILIATION OF U.S. GAAP NET INCOME TO**  
**NON-GAAP NET INCOME**  
(In thousands, except share and per share data) - (Unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2019	March 31, 2019	June 30, 2018	June 30, 2019	June 30, 2018
U.S. GAAP net income	\$ 5,526	\$ 7,576	\$ 14,697	\$ 13,102	\$ 29,827
Pre-tax non-GAAP items					
Merger related expenses	2,464	—	—	2,464	—
Amortization of intangibles	387	387	383	774	763
Share-based compensation expense	1,673	2,163	2,081	3,836	3,588
Net tax benefit adjustments	(1,063)	(575)	(609)	(1,638)	(1,280)
Non-GAAP net income	\$ 8,987	\$ 9,551	\$ 16,552	\$ 18,538	\$ 32,898
Non-GAAP net income per diluted share	\$ 0.29	\$ 0.31	\$ 0.51	\$ 0.59	\$ 1.02

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