



Camtek
See Beyond

INVESTOR PRESENTATION

Rafi Amit, Chairman & CEO

Moshe Eisenberg, CFO

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Parts of almost all of today's latest devices
have been made with the help of *Camtek*

The information presented today contains forward-looking statements that relate to anticipated future operating results and performance. These statements are only predictions based on management's current expectations and assumptions, including with respect to market size, Total Available Market (or "TAM") and revenue targets, and necessarily involve risks and uncertainties. Moreover, our stated revenue targets are inspirational and should not be taken as projections of actual future results. We do not assume any obligation to update the information provided. Actual events or results may differ materially from those projected, including as a result of changing industry and market trends, reduced demand for our products, the timely development of our new products and their adoption by the market, increased competition in the industry, price reductions and other subsequent developments and business conditions, as well as due to risks and other important information identified in the documents filed with the Securities and Exchange Commission, including the Company's Annual Reports on Form 20-F and Reports on Form 6-K.

The presentation includes non-GAAP financial measures which are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management uses both GAAP and non-GAAP measures when evaluating the business internally and therefore believes it is important to make these non-GAAP measures available to the financial community. Reconciliations of non-GAAP measures to the most relevant GAAP amounts are included in the Company press releases.

This presentation includes the company's estimations on Market size and TAM, ("Total Available Market," or "TAM") these estimations can vary and may be differ materially from the reality and are based on internal estimations. TAM or market size is the company's estimation on the total yearly market size.

INTRODUCTION TO CAMTEK

TEL-AVIV STOCK EXCHANGE

NASDAQ®
CAMT

~\$109m

2016E* Revenues

~24%

2Y growth rate*

4,500+

Installed-base

550

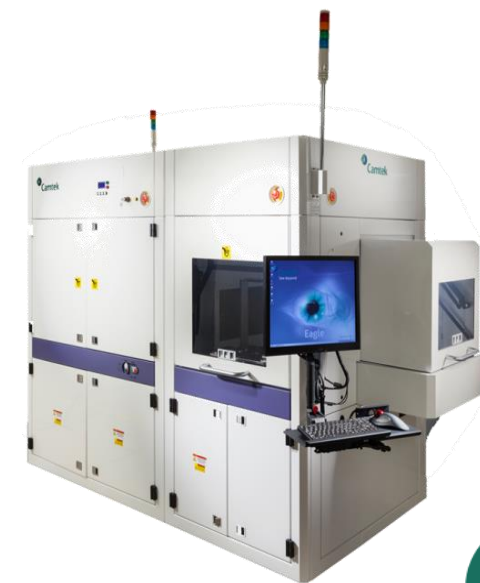
Employees

\$117m

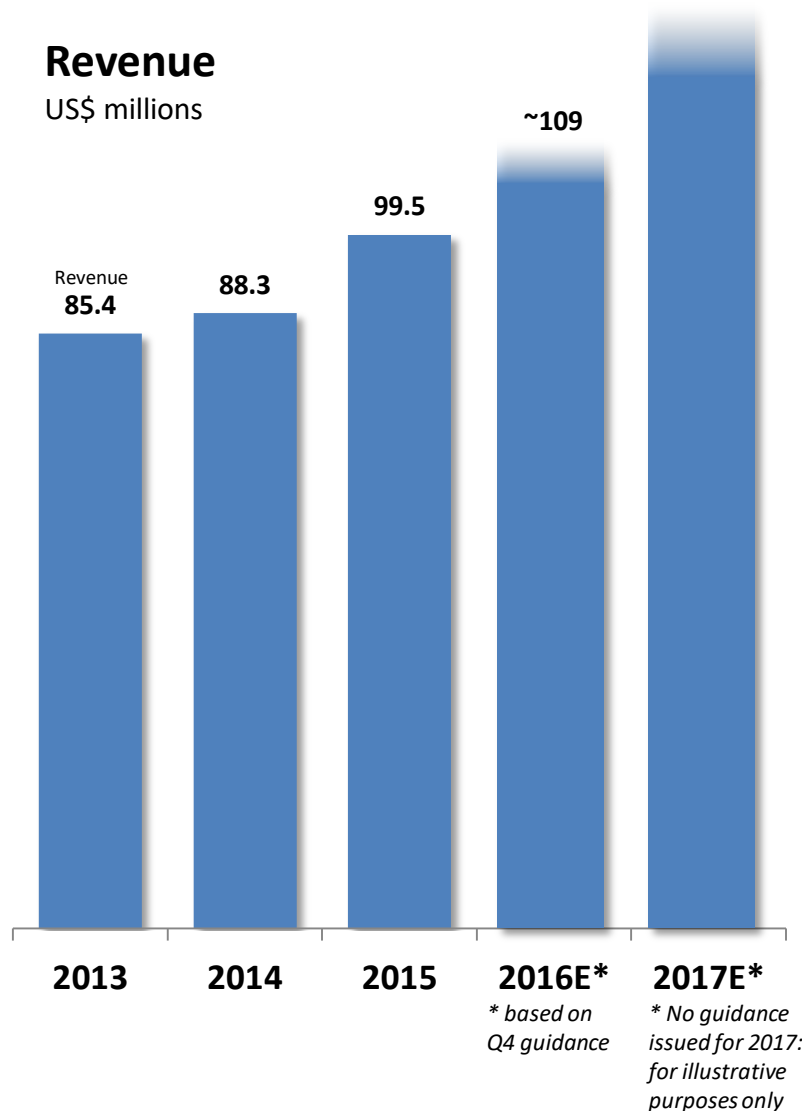
Market Cap*

* based on Q4 guidance, market cap as of Jan 3, 2017

- Develops and sells inspection and metrology systems to the **Semiconductor** (75%) and **PCB** (25%) markets
- Focused on fast growing **Advanced Packaging** sector
- Global presence-
 - HQ: Israel & Hong Kong
 - Production sites: Israel & China



STRONG AND IMPROVING OPERATING PERFORMANCE



Double Digit Growth

in revenue expected in 2017

Profitability expected to improve

in 2017

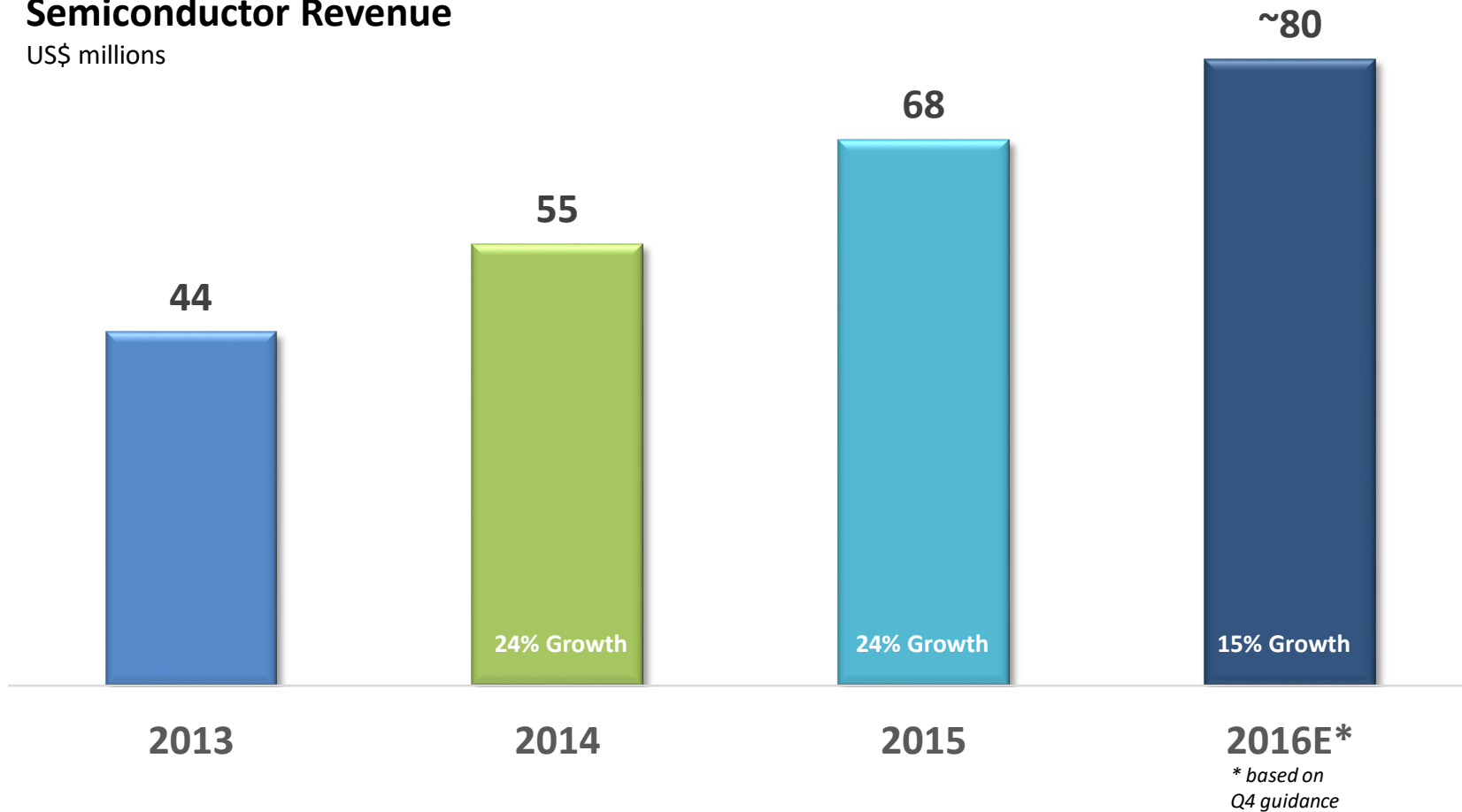
Driven by:

- Semi growth - high margin & leverage
- Reduced FIT expense structure

SEMICONDUCTOR INSPECTION SALES (\$M)

Semiconductor Revenue

US\$ millions



Expected to **double** revenues from 2013 to 2017

OUR STRATEGY IN 2017 AND BEYOND



- **Core focus** is Semiconductors
Aim to **double revenue** in 3-4 years (organically and through M&A)
- **Maintain strong position** in the PCB market:
Maximize value of this BU
- **Complete development** of FIT technology (ink and system)
Expected to take ~15 months
Subsequently find **strategic partner**

MARKET DYNAMICS: THE OPPORTUNITY

Consumer Demand

- Mobile
- Automotive
- Internet Of Things



New Technologies

- Advanced Packaging
- Miniaturization
- Power efficiency
- Speed



Increases production & quality

- More equipment
- Advanced equipment



More Inspection tools

- Zero defects concept
- 100% inspection
- Human inspection phasing out



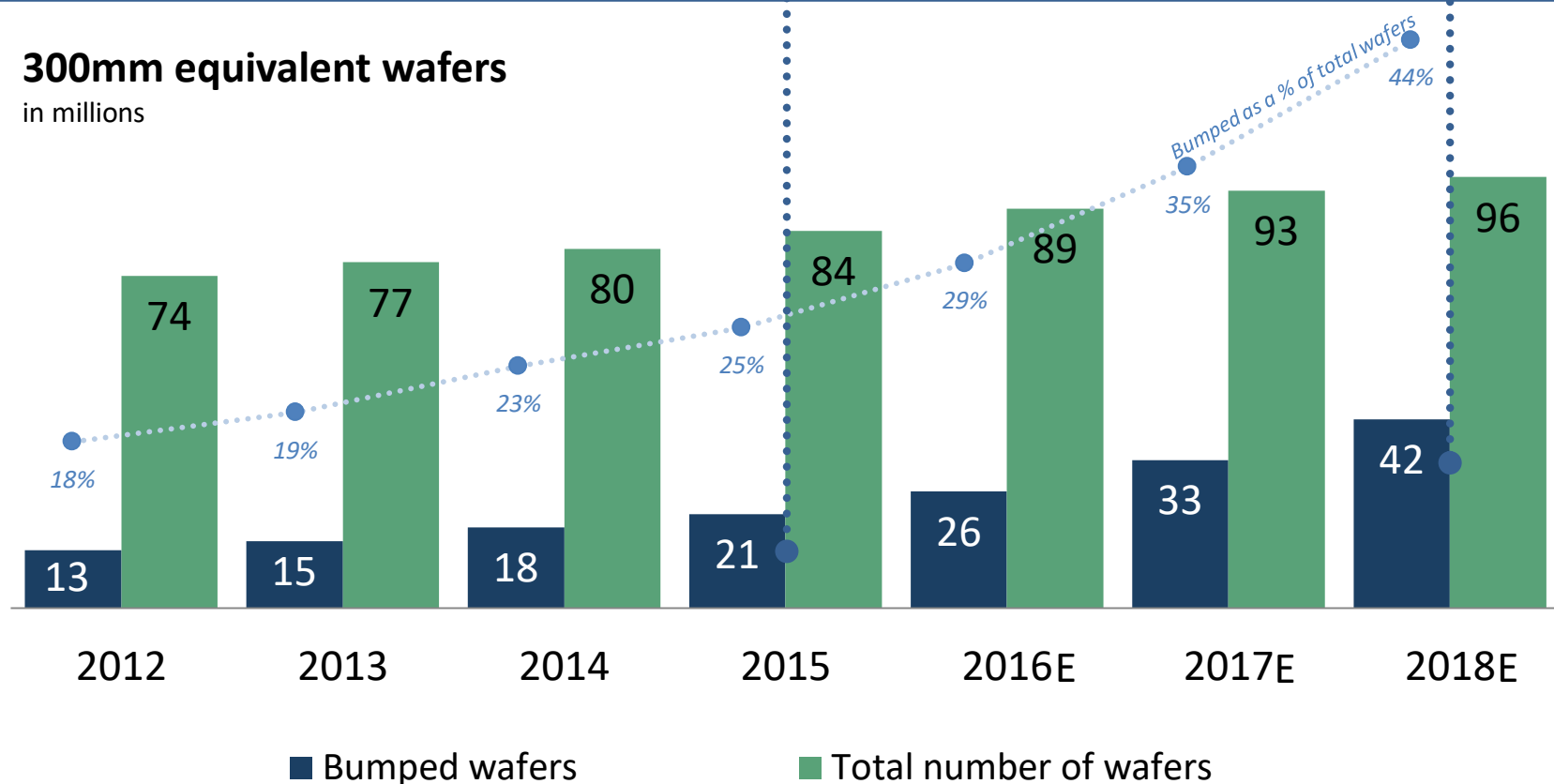
ADVANCED PACKAGING

DRIVING INCREASED INSPECTION & METROLOGY CAPITAL SPENDING

Advanced Packaging penetration expected to double 2015-2018...

300mm equivalent wafers

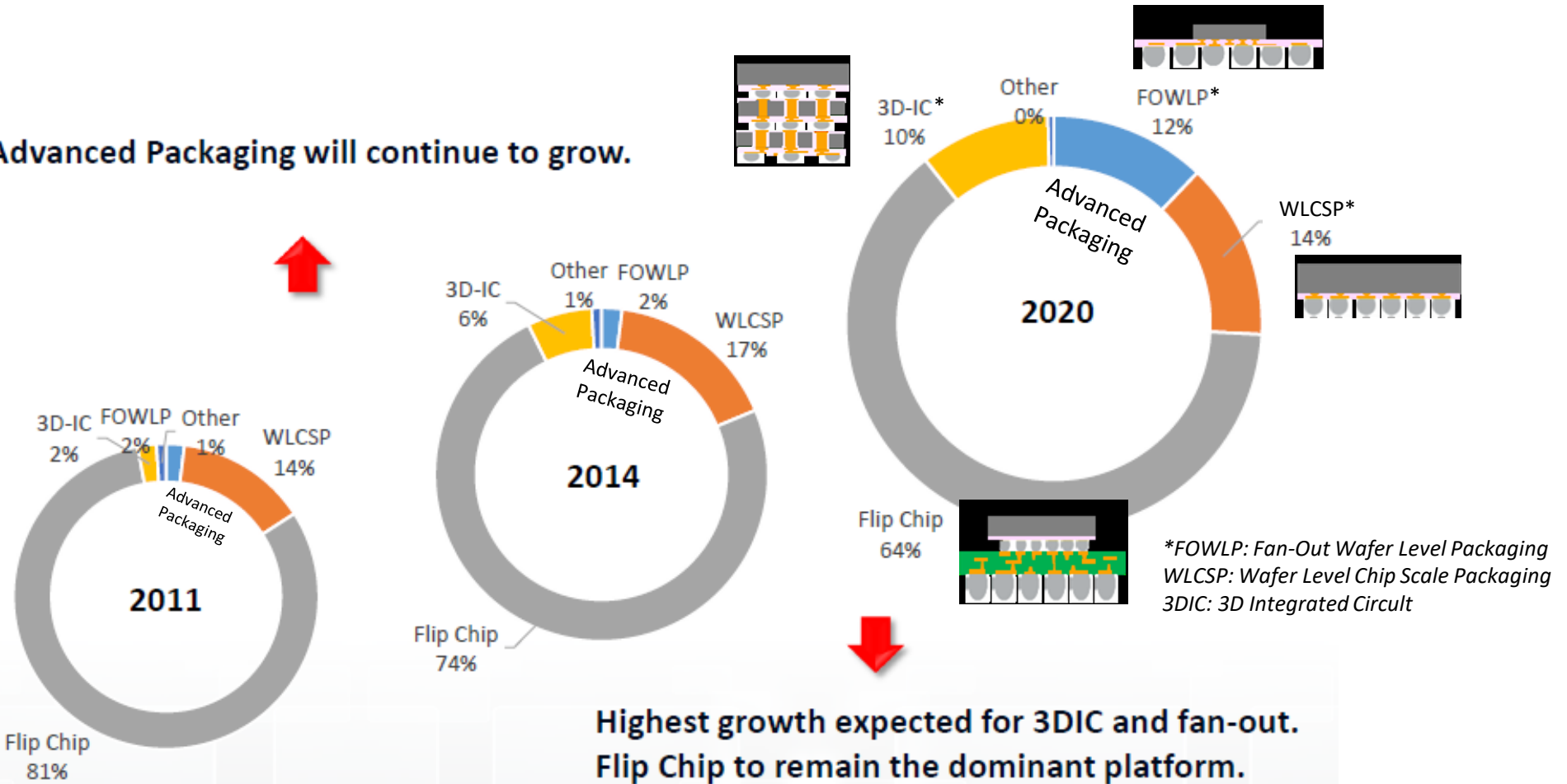
in millions



...and is driving AOI spending growth much faster than overall semi cap

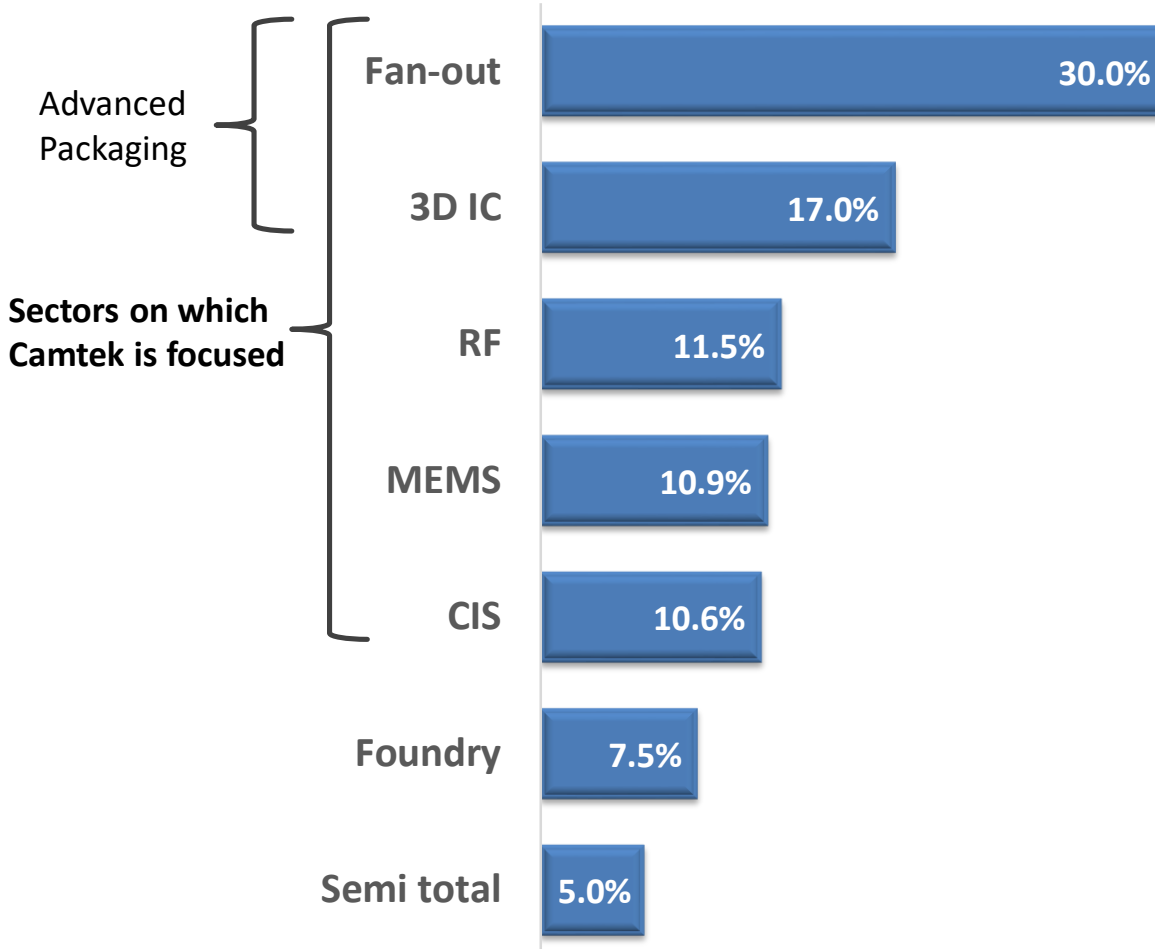
ADVANCED PACKAGING SEGMENTATION

Advanced Packaging will continue to grow.



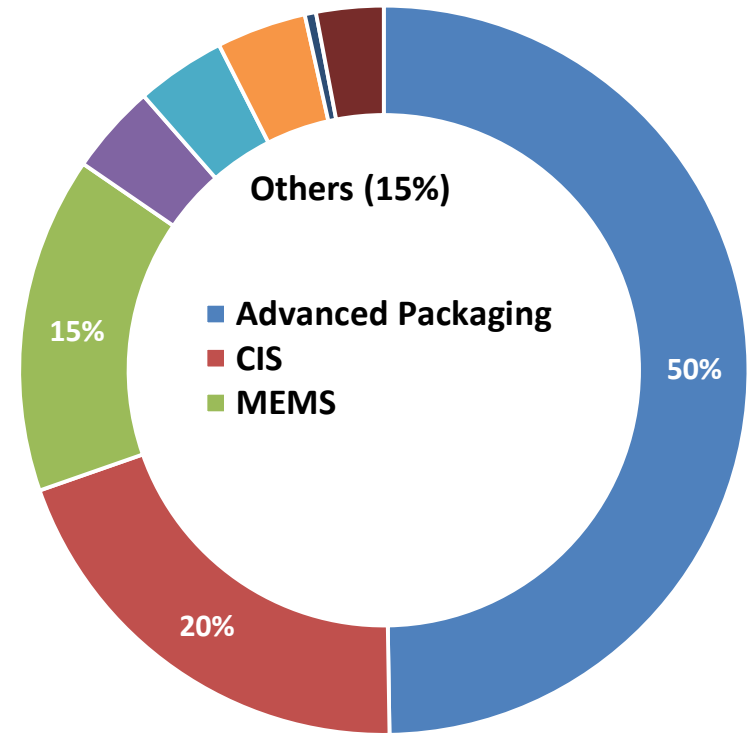
OUR TARGET SEGMENTS SHOW DOUBLE-DIGIT GROWTH

**Growth Rates of Semiconductor Segments
% 2015-2020 CAGR**



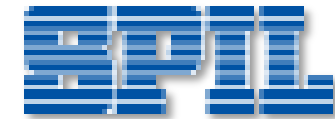
Source: Yole, Gartner

Camtek Semiconductor Install Base
Based on 660 machines installed worldwide



In 2016, Advanced Packaging was ~58%

CAMTEK: STRONG CUSTOMER BASE



Systems installed at 22 out of the
25 top semiconductor spenders

— Strong record of **execution**

- Revenue grew ~80% over past 3 years
- \$45m in 2013 to ~\$80m in 2016

— **#1** in 3D metrology

- Penetrate new strategic accounts

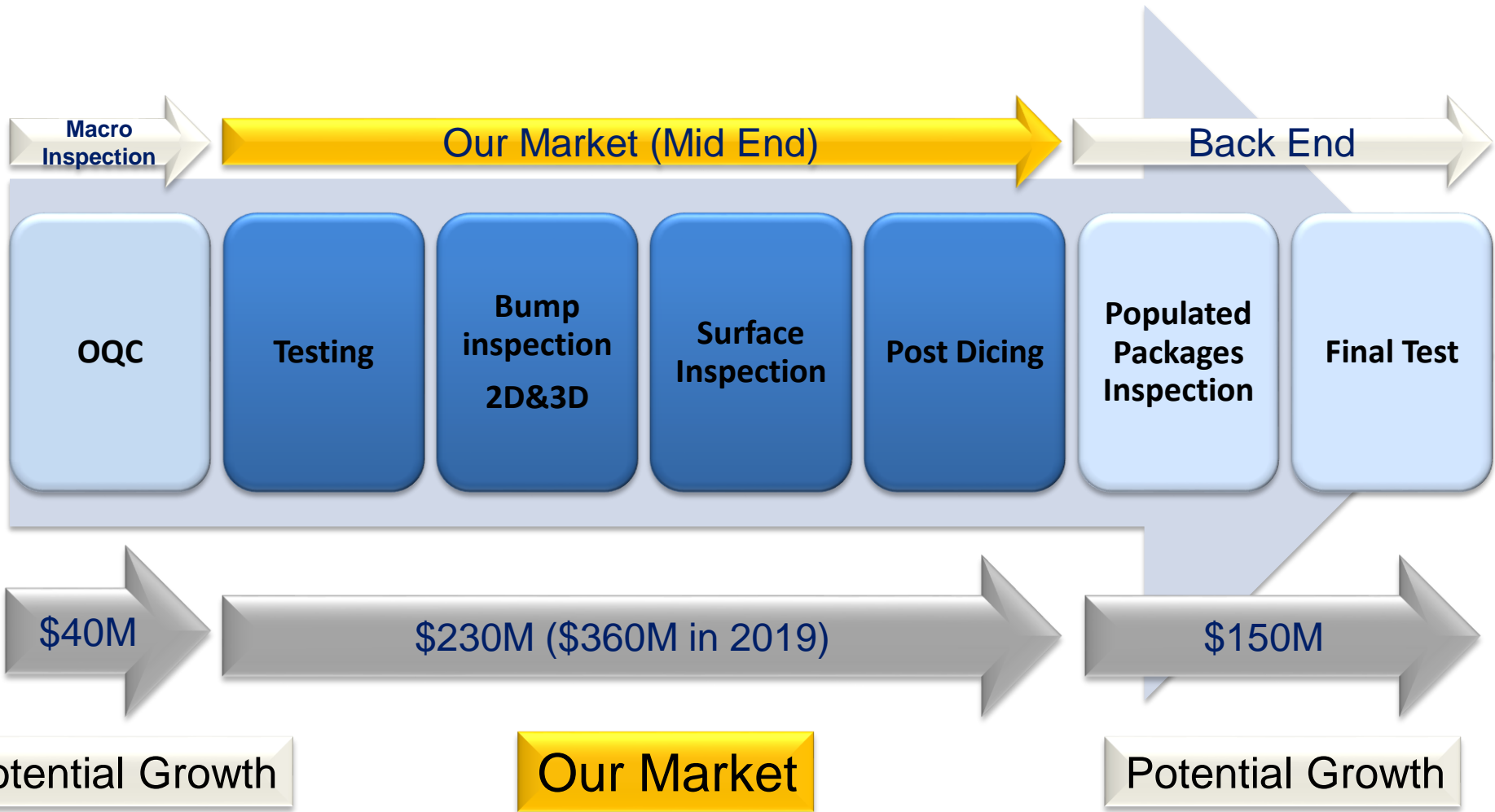
— **Increase** penetration into 2D inspection

- Introducing a new, highly competitive system

— **Expand** into new segments

- Potentially through M&A

OUR POTENTIAL MARKET – MID & BACK END



OUR STRENGTHS AND CORPORATE CULTURE

- High performance systems based on our own proprietary technology
- Strong R&D that can quickly develop new features
- Flexible operation organization that can build systems in short time
- Excellent sales and CS coverage worldwide
- Dedicated employees that can work 24/7
- Putting our customers **FIRST**



RECENT FINANCIAL HIGHLIGHTS

Summary

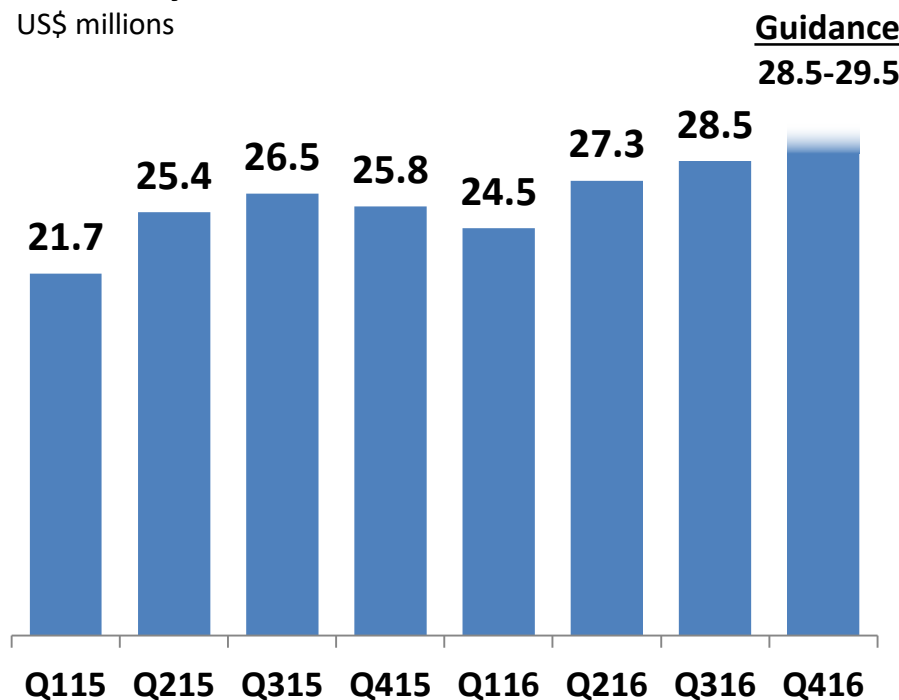
- Q3: revenues up 4% over Q2;
- Gross margin in Q3 on a non-GAAP basis – 44%
- Operating income on a non-GAAP basis -\$2.7m
- Q3-end cash at \$19.7m; No debt

Guidance

- Q4 revenue guidance of \$28.5-29.5m
- **Continued double-digit growth** in semi business into 2017

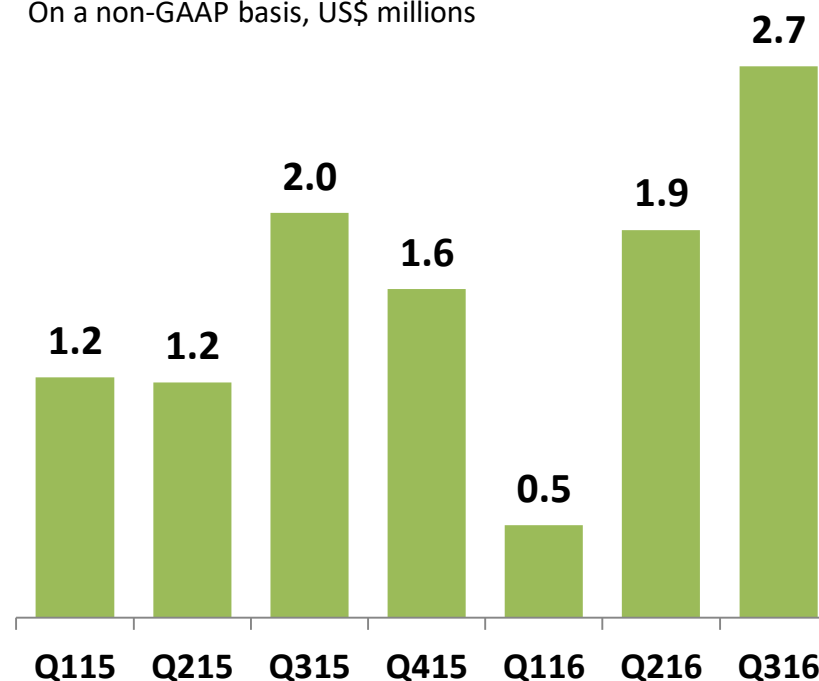
Quarterly revenue

US\$ millions



Quarterly operating income

On a non-GAAP basis, US\$ millions





- 2016 – **record** year
- 2017 - **Double Digit Growth** in revenue expected
 - Profitability expected to **improve**
- **Core focus** is Semiconductors
 - Aim to **double revenue** in 3-4 years (organically and through M&A)
- **Maximizing the value** of PCB BU and FIT



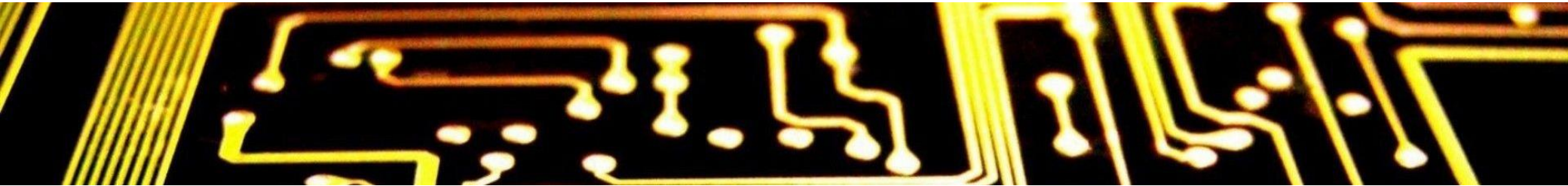
Thank You

GAAP FINANCIAL RESULTS

(US \$ in Millions)	Annual	Annual	Annual	2015				2016		
	FY	FY	FY	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	2013	2014	2015							
Revenues	85.4	88.3	99.3	21.7	25.4	26.3	25.8	24.5	27.3	28.5
Gross Profit	34.4	41	43.1	9.8	10.9	11.8	10.6	10.3	12.7	7.5
<i>Gross Margin</i>	40%	46%	43%	45%	42%	45%	41%	42%	47%	26%
R&D	14.4	14.4	14.9	3.4	3.6	3.7	4.2	4	4.1	3.9
	17%	16%	15%	16%	14%	14%	16%	16%	15%	14%
SG&A	22.3	21.4	23.6	5.3	6.2	5.7	6.4	6	6.9	6
	26%	24%	24%	24%	24%	24%	24%	24%	25%	21%
Reorganisa tion	-	-	-	-	-	-	-	-	-	-4.1
Loss from litigation	-	-	15.6	-	-	-	15.6	-	-	-
Operating Profit (Loss)	1.1	5.1	-10.1	1.1	1.1	1.8	-14.1	0.4	1.7	1.7
<i>Operating Margin</i>	1%	6%	6%	5%	4%	4%	NA	2%	6%	6%
Net Profit (loss)	0	3.3	-10.1	0.1	0.6	1	-11.8	0	1.3	1.1

PCB BUSINESS - OVERVIEW

- Profitable business with moderate growth rate of 3-5% YoY
- Camtek is a leading AOI/AVI provider to the high-end segments
- Future opportunity to merge detection capabilities from PCB to the Semiconductors such as Embedded IC Fan-out on large panels



- Complete development of new generation printer for solder-mask application mainly for the growing Automotive market
- Working together with leading SM makers on developing ink that meets Automotive standards