



## Ultratech Announces Third Quarter 2009 Results

SAN JOSE, Calif., Oct 15, 2009 (BUSINESS WIRE) -- Ultratech, Inc. (NASDAQGM: UTEK) today announced unaudited results for the three-month and nine-month periods ended October 3, 2009.

For the third quarter of fiscal 2009, Ultratech reported net sales of \$24.9 million, compared to \$34.4 million during the third quarter of 2008. Ultratech's net profit for the third quarter of 2009 was \$1.0 million or \$0.04 per share (diluted), compared to net income of \$3.3 million or \$0.14 per share (diluted) for the same quarter last year. For the first nine months of 2009, Ultratech reported net sales of \$69.2 million, compared to net sales of \$97.6 million in the first nine months of 2008. Ultratech posted net income of \$0.7 million or \$0.03 per share (diluted) during the first nine months of 2009, compared to net income of \$7.8 million or \$0.33 per share (diluted) in the first nine months of 2008.

Arthur W. Zafiropoulo, Chairman and Chief Executive Officer stated, "During the third quarter, Ultratech posted strong results, achieving sequential improvements in revenue, better than expected earnings and a return to profitability."

"Demand for our advanced-packaging products during the quarter drove the performance of the company, as evidenced by Ultratech's increase in new orders," continued Zafiropoulo. "As our customers continue to pursue advanced technologies to produce new semiconductor and semiconductor-related products, Ultratech is demonstrating the capabilities to move customers' ideas to market."

"Ultratech continues to focus on improving operational efficiencies with the goal of driving long-term profitable growth. As business recovers, we are confident that Ultratech will be an early beneficiary of an economic turnaround and expect to continue to outperform our peers as conditions improve," concluded Zafiropoulo.

At October 3, 2009, Ultratech had \$152 million in cash, cash equivalents and short-term investments. Working capital was \$187 million and stockholders' equity was \$8.27 per share based on 23,665,000 total shares outstanding on October 3, 2009.

### **Conference Call Information**

The conference call will be broadcast live over the Internet beginning at 11:00 a.m. Eastern Time / 8:00 a.m. Pacific Time on Thursday, October 15, 2009. To listen to the call over the Internet or to obtain telephone dial-in information for the call, please go to Ultratech's web site at [www.ultratech.com](http://www.ultratech.com).

If you are unable to attend the live conference call, a replay will be available on Ultratech's web site. If you do not have Internet access, a replay of the call will be available three hours after the conclusion of the call and run until 9:00 p.m. Pacific Time, October 22, 2009. You may access the telephone replay by dialing 800-642-1687 for domestic callers, 706-645-9291 for international callers and entering access code: 34344721.

### **Profile**

Ultratech, Inc. (NASDAQGM: UTEK) designs, manufactures and markets photolithography and laser processing equipment. The company's market-leading advanced lithography products deliver superior throughput and higher production yields at a low, overall cost of ownership for bump packaging of integrated circuits and LEDs. Ultratech, a pioneer of laser processing, developed laser spike anneal technology, which increases device yield, improves transistor performance and enables the progression of Moore's Law for 65-nm and below production of state-of-the-art consumer electronics. Founded in 1979, Ultratech celebrates 30 years headquartered in San Jose, Calif. Visit Ultratech online at: [www.ultratech.com](http://www.ultratech.com).

Certain of the statements contained herein, which are not historical facts and which can generally be identified by words such as "anticipates," "expects," "intends," "will," "could," "believes," "estimates," "continue," and similar expressions, are forward-looking statements under Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties, such as risks related to timing, delays, deferrals and cancellations of orders by customers, including as a result of semiconductor manufacturing capacity as well as our customers' financial condition and demand for semiconductors; cyclicalities in the semiconductor and nanotechnology industries; general economic and financial market conditions including impact on capital spending, as well as difficulty in predicting changes in such conditions; rapid technological change and the importance of timely product introductions; customer concentration; our dependence on new product introductions and market acceptance of new products and enhanced versions of our existing products; lengthy sales cycles, including the timing of system installations and acceptances; lengthy and costly development cycles for laser-processing and lithography technologies and applications; integration, development and associated expenses

of the laser processing operation; pricing pressures and product discounts; high degree of industry competition; intellectual property matters; changes in pricing by us, our competitors or suppliers; international sales; timing of new product announcements and releases by us or our competitors; ability to volume produce systems and meet customer requirements; sole or limited sources of supply; effect of capital market fluctuations on our investment portfolio; ability and resulting costs to attract or retain sufficient personnel to achieve our targets for a particular period; dilutive effect of employee stock option grants on net income per share, which is largely dependent upon our achieving and maintaining profitability and the market price of our stock; mix of products sold; outcome of litigation; manufacturing variances and production levels; timing and degree of success of technologies licensed to outside parties; product concentration and lack of product revenue diversification; inventory obsolescence; asset impairment; changes to financial accounting standards; effects of certain anti-takeover provisions; future acquisitions; volatility of stock price; foreign government regulations and restrictions; business interruptions due to natural disasters or utility failures; environmental regulations; and any adverse effects of terrorist attacks in the United States or elsewhere, or government responses thereto, or military actions in Iraq, Afghanistan and elsewhere, on the economy, in general, or on our business in particular. Such risks and uncertainties are described in Ultratech's SEC reports including its Annual Report on Form 10-K filed for the year ended December 31, 2008 and Quarterly Report on Form 10Q for the quarter ended July 4, 2009. Due to these and additional factors, the statements, historical results and percentage relationships set forth herein are not necessarily indicative of the results of operations for any future period. These forward-looking statements are based on management's current beliefs and expectations, some or all of which may prove to be inaccurate, and which may change. We undertake no obligation to revise or update any forward-looking statements to affect any event or circumstance that may arise after the date of this release.

**- Tables to Follow-**

**ULTRATECH, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS**

<i>(In thousands )</i>	<b>Oct. 3, 2009</b>	Dec. 31, 2008*
<b>ASSETS</b>	(Unaudited)	
<u>Current assets:</u>		
Cash, cash equivalents, and short-term investments	\$ 151,510	\$ 158,498
Accounts receivable	25,799	18,318
Inventories	29,303	31,618
Prepaid expenses and other current assets	3,999	4,836
<u>Total current assets</u>	<u>210,611</u>	<u>213,270</u>
Equipment and leasehold improvements, net	12,479	12,788
Other assets	2,923	3,133
<u>Total assets</u>	<u>\$ 226,013</u>	<u>\$ 229,191</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<u>Current liabilities:</u>		
Notes payable	\$ 9,950	\$ 6,000
Accounts payable	6,208	8,830
Deferred product and service income	2,487	4,328
Other current liabilities	5,318	9,923
<u>Total current liabilities</u>	<u>23,963</u>	<u>29,081</u>
Other liabilities	6,402	6,687
Stockholders' equity	195,648	193,423
<u>Total liabilities and stockholders' equity</u>	<u>\$ 226,013</u>	<u>\$ 229,191</u>

\* The balance sheet as of December 31, 2008 has been derived from the audited financial statements as of that date.

**ULTRATECH, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(UNAUDITED)**

<i>(In thousands, except per share amounts)</i>	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>Oct. 3, 2009</b>	Sept. 27, 2008	<b>Oct. 3, 2009</b>	Sept. 27, 2008
Total net sales*	\$ 24,939	\$ 34,436	\$ 69,190	\$ 97,634
Cost of sales:				

Cost of products sold	<b>9,780</b>	15,470	<b>30,480</b>	43,685
Cost of services	<b>2,595</b>	2,250	<b>6,622</b>	6,682
<u>Total cost of sales</u>	<u><b>12,375</b></u>	<u>17,720</u>	<u><b>37,102</b></u>	<u>50,367</u>
Gross profit	<b>12,564</b>	16,716	<b>32,088</b>	47,267
<u>Operating expenses:</u>				
Research, development and engineering	<b>4,573</b>	5,811	<b>14,208</b>	17,594
Selling, general, and administrative	<b>7,262</b>	8,047	<b>20,186</b>	24,207
<u>Operating income (loss)</u>	<u><b>729</b></u>	<u>2,858</u>	<u><b>(2,306)</b></u>	<u>5,466</u>
Interest expense	<b>(16)</b>	(11)	<b>293</b>	(109)
<u>Interest and other income, net</u>	<u><b>327</b></u>	<u>456</u>	<u><b>2,721</b></u>	<u>2,828</u>
Income before income taxes	<b>1,040</b>	3,303	<b>708</b>	8,185
Provision for income taxes	<b>(1)</b>	1	<b>(37)</b>	347
<u>Net income</u>	<u><b>\$ 1,041</b></u>	<u>\$ 3,302</u>	<u><b>\$ 745</b></u>	<u>\$ 7,838</u>
<u>Earnings per share - basic:</u>				
Net income	<b>\$ 0.04</b>	\$ 0.14	<b>\$ 0.03</b>	\$ 0.33
Number of shares used in per share calculations - basic	<b>23,707</b>	23,558	<b>23,664</b>	23,501
<u>Earnings per share - diluted:</u>				
Net income	<b>\$ 0.04</b>	\$ 0.14	<b>\$ 0.03</b>	\$ 0.33
Number of shares used in per share calculations - diluted	<b>23,805</b>	23,865	<b>23,745</b>	23,643
* Systems sales	<b>\$ 18,058</b>	\$ 27,513	<b>\$ 49,721</b>	\$ 75,053
Parts sales	<b>2,992</b>	2,601	<b>8,456</b>	9,264
Service sales	<b>3,889</b>	4,322	<b>10,931</b>	12,917
License sales	<b>-</b>	-	<b>82</b>	400
<u>Total sales</u>	<u><b>\$ 24,939</b></u>	<u>\$ 34,436</u>	<u><b>\$ 69,190</b></u>	<u>\$ 97,634</u>

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SOURCE: Ultratech, Inc.

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