

**NANOMETRICS INCORPORATED**  
**RECONCILIATION OF GAAP TO NON-GAAP RESULTS**  
(In thousands, except per share amounts)  
(Unaudited)

	Fiscal 2008					Fiscal 2009					Fiscal 2010
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
Income (loss) from operations	\$ (945)	\$ (19,044)	\$ (60,023)	\$ (3,452)	\$ (83,464)	\$ (9,038)	\$ (6,475)	\$ 1,489	\$ 665	\$ (13,359)	\$ 5,946
Non-GAAP Adjustments:											
Amortization of intangible assets	1,285	1,330	600	316	3,531	369	337	418	411	1,535	389
Depreciation	989	981	862	843	3,675	761	664	862	865	3,152	835
Amortization of demonstration systems	285	259	337	342	1,223	286	418	369	332	1,405	285
Restructuring charge	870	-	655	-	1,525	689	445	-	-	1,134	-
Asset impairment charge	-	13,213	55,332	-	68,545	-	1,899	-	-	1,899	344
Stock-based compensation	918	1,081	1,138	744	3,881	318	403	852	481	2,054	929
Gain on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP Operating Income (Loss)	\$ 3,402	\$ (2,180)	\$ (1,099)	\$ (1,207)	\$ (1,084)	\$ (6,615)	\$ (2,309)	\$ 3,990	\$ 2,754	\$ (2,180)	\$ 8,728