

NOVA MEASURING INSTRUMENTS LTD
Form 6-K
January 15, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

January 15, 2013

Commission File No.: 000-30688

NOVA MEASURING INSTRUMENTS LTD.
(Translation of registrant's name into English)

Building 22 Weizmann Science Park, Rehovot
P.O.B 266
Israel
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Attached hereto and incorporated by way of reference herein are the slide presentations to be presented at the 15th Annual Needham Growth Conference in New York on January 15, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NOVA MEASURING INSTRUMENTS LTD.
(Registrant)

Date: January 15, 2013

By: /s/ Dror David

Dror David
Chief Financial Officer

Investors Presentation
Gabi Seligsohn, President & CEO
Dror David, CFO
January 2013

Nova confidential & proprietary information

1

Cautionary statement regarding forward-looking statements

This presentation includes statements that constitute forward-looking statements within the meaning of safe harbor provisions of the Private Securities Litigation Reform Act of 1995 relating to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievements to be materially different than expressed or implied by these forward looking statements. You should not place undue reliance on forward-looking statements since

they involve known and unknown risks, uncertainties and other factors which are in some cases beyond our control and which could materially affect actual results, level of activity, performance or achievements. These risks and other factors include but are not limited to: our dependency on two product lines; the highly cyclical nature of the markets we target; our inability to reduce spending during a slowdown in the semiconductor industry; our ability to respond effectively on a timely basis to rapid technological changes; our dependency on

OEM suppliers; cyber security risks; risks related to open source technologies; our ability to retain our competitive position despite the ongoing consolidation in our industry; risks associated with our dependence on a single manufacturing facility; our ability to expand our manufacturing capacity or marketing efforts to support our future growth; our dependency on a small number of large customers and small number of suppliers; our dependency on our key employees; risks related to changes in our order backlog; risks related to the financial, political and environmental instabilities in Asia; risks related to our intellectual property; changes in customer demands for our products; new product offerings from our competitors; changes in or an inability to execute our business strategy; unanticipated manufacturing or supply problems; changes in tax requirements; changes in customer demand for our products; risks related to currency fluctuations and risks related to our operations in Israel.

The matters discussed in this presentation also involve risks and uncertainties summarized under the heading “Risk Factors” in Nova’s most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission. These factors are updated from time to time through the filing of reports and registration statements with the Securities and Exchange Commission.

Any forward-looking statements contained in this presentation are made as of the presentation date and Nova Measuring Instruments Ltd. is under no obligation to revise or update these forward-looking statements.

Certain of the information contained herein concerning economic trends and performance is based upon or derived from information provided by third party consultants and other industry sources. We have not independently verified and cannot assure the accuracy of any data obtained by or from these sources.

Nova confidential & proprietary information

Business highlights

- Pure player in the semiconductors optical metrology market, enjoying strong business fundamentals:
- Nova is exposed to the highest growing semiconductor applications serving industry leading manufacturers
- Nova continuously outperforms the industry
- Nova is entering the emerging market of 3D interconnect
- Strong balance sheet with over \$85M in cash reserves available to support the Company's growth plans

2

Nova confidential & proprietary information

Company overview

3

- Founded in 1993 - IPO in 2000
(NASDAQ - NVMI)
 - Headquarters: Rehovot, Israel
 - Global presence:
 - Asia Pacific -
Taiwan, Korea, Singapore, China
 - United States, Japan and Europe
 - Employees: 370
 - Active installed base >1200
systems
 - Listed on NASDAQ and
Tel-Aviv Stock Exchange
-

Nova confidential & proprietary information
Optical CD - leading and emerging technology
Semiconductor
Wafer
Cross-Section
View Using Electron
Microscope
Same View Using
Optical CD
Scatterometry
View
Integrated
Circuit Die
4

Nova confidential & proprietary information

5

Process control for current and future technologies

Nova's products portfolio

SW

NovaMARS SW Packages Fleet Management

SA

NEXT T500 T600

3D-IC

TSV

IM

NEXT i500

Nova confidential & proprietary information

6

Well positioned in most critical segments

7

Memory:

NAND: Design win

1Y (<10nm)

DRAM: < 30nm

Foundry:

Ramping 28 nm.

Design wins:

20,14,11 nm

Source: Barclays, Needham

2012/3 Semi Market - Capital Spending

Strong position with

leading market spenders

Nova confidential & proprietary information

8

7

Well positioned in the right sectors

Source: Gartner

Foundry Revenue

Source: Micron, Gartner

NAND Outlook

Capitalize on strong presence in
memory once spending resumes

Foundry revenues and spending
will continue to grow

Nova confidential & proprietary information

8

Providing an excellent platform for further growth

Nova's winning strategy

Nova

Optical CD

Differentiation

Cluster

Best

Reliability

Highest

Throughput

Shortest Time

to Solution

Best Solution

Quality

Best Tool-to-

Tool Matching

Excellent Global

Services

* Process Equipment Manufacturers

Nova confidential & proprietary information

9

Expecting a further SAM increase of ~ \$100M for 3D-IC starting in 2013/14*

Unification of the metrology market

\$284M

-

-

\$800M-\$900M

Expansion of Nova's

Addressable Market

Thin Film Metrology

Copper Metrology

CD Metrology

Source: Gartner, Yole Research & Company Estimates

* Expected metrology and inspection SAM for 3D Integration

Becoming a Unified Metrology

Market - All Addressable by Optical

Nova confidential & proprietary information
Optical CD - growing adoption rate

10

Source: Gartner

Disruptive Technology to meet the industry's most difficult challenges

Nova confidential & proprietary information

11

Process control needs expand as geometries shrink

Nova's TAM more than tripled 2009-2012

Wafer In

Wafer Out

2013 Opportunity (<28nm)

\$150M - \$200M Opportunity

Implant

Litho

Etch

CVD/EP

CMP

Notes: Company data. Based on Foundry with 100,000 wafer starts per month (updated 1/2013)

<65nm

\$30-40 M

Nova confidential & proprietary information

13

12

Nova Continuously Exceeds Industry Performance

Nova significantly outperforms industry's 5 year CAGR

(2011/2012: Nova -8% vs. Industry -17%)

Source: * Nova Q4/2012 mid point guidance, Gartner Q4/2012, Needham & Co.
Foundry

Nova confidential & proprietary information

13

- Successful launch of Integrated and stand alone metrology:
 - NovaT600 - selected for 11nm/14nm/20nm at multiple foundries
- Nova i500 - selected for 11nm/14nm/20nm/30nm at multiple memory and foundries
- First shipment of 450mm tool to major PEM partner for early development
 - New product introduction for the 3D Interconnect market:
 - Multiple orders and installations at multiple customers
 - Several interactions with additional customers
 - Well positioned to take advantage once industry adopts in HVM

Recent achievements

Will continue to enhance our development and support capabilities for an expanding SAM

Industry Review:
2012 and Beyond

Nova confidential & proprietary information

15

Excellent exposure to growing markets

Source: Jeffries & Company, iSuppli Source: Gartner Q3/12

Tablet Semiconductor Content	% of Tablet BOM	
NAND Flash Memory	7%	P
Mobile DDR DRAM	7%	P
App Processor	5%	P
Baseband / RF	4%	P
Wi-Fi / BT	2%	P
Power Management	2%	P
Accelerometer	1%	P
Memory Controller	1%	P
Touch Controller	1%	P
GPS	<1%	P
Touch Screen Driver	<1%	P
Audio Codec	<1%	P

Expected Contribution to IC growth 2013

16

Share of Growth

28.2%

16.3%

14.5%

11.3%

7.5%

7.3%

5.5%

0.9%

8.6%

Nova confidential & proprietary information

16

70-100K WSPM* needed capacity increase for 28nm at foundries in 2013

Mobile Device Capacity needs for 2x Tech Nodes

* WSPM - Wafer Starts Per Month

Nova confidential & proprietary information
Source: Intel, IDC, Company records
Mobile revolution continues to gain traction

17

High performance low power - new chip designs are the enablers
3D Gates for foundries
3D Gates for Flash
OCD - the only way to measure and control

Nova 2012
and beyond

Nova confidential & proprietary information

19

The need: Low power high performance
3D technology driving Nova application growth

3D

Devices

Planar Transistor

3D Transistor

Requires significant increase in number of Etch and CMP layers

Multi-Chip Packaging with TSV

3D IC

Integration

Single Chip

2010

2012 onwards

Nova introducing novel TSV metrology solution in time for transition to production

Nova confidential & proprietary information

Strategy for taking Nova to the next level

Nova will continue its strategy of investing in creating future growth opportunities

Short

Term

Continue to enhance infrastructure and customer technology

Strong end market position and excellent technological collaboration with leading PEM's

— 28nm ramp up at
foundries and 20nm at
NAND production sites

— Transition to 3D gates

Optical CD the ONLY
way to measure and
control

Mid

Term

Long

Term

— Critical etch steps
requiring closer
monitoring leading to
enhanced transition to IM
for etch

— Gradual move to 3D
interconnect by all
leading customers, and
ramp up during 2014

— 20nm ramp up in
foundries

— Transition to 450mm by 6
leading customers
expected to start 2015/16
onwards

— IM use expected to
significantly extend given
wafer cost and process
complexity

20

Nova confidential & proprietary information
Product strategy drives high margins
Financial performance

21

Continuously adding feature and functionality for customer benefit

Nova confidential & proprietary information

23

Revenues	FY2011	2012F*	Target Model
	\$103M	\$94M	

Total Revenues	100%	100%	
Products Revenues	83%	80%	
Services Revenues	17%	20%	15% - 20%

Total Gross Margins	56%	54%	55%
Products Gross Margins	61%	60%	58%+
Services Gross Margins	36%	30%	30%+

Total Operating Expenses	32%	42%	30% - 35%
R&D, net	18%	26%	16% - 19%
SG&A	14%	16%	14% - 16%

Operating Margin	24%	12%	20% - 25%
------------------	-----	-----	-----------

Financial model

Long - term effective tax rate ~ 15%

22

* 2012 Forecast - based on mid range of Q4/12 guidance

Nova confidential & proprietary information

23

Providing an excellent platform for further growth

Ability to continue growth is well founded

Litho

Etch

CVD/EP

CMP

Further

Growth

Accelerating Op CD Adoption

Outpacing industry growth rate

Expanding Fab footprint

Industry

Mid cycle behavior

Well positioned where money will

be spent

New strategic Initiatives

3D-IC market; 450mm

New Products and features

Expanded Customer Base

Turning penetrations into multi-

tool accounts