

NOVA MEASURING INSTRUMENTS LTD
Form 6-K
November 07, 2005

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549
Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the **Securities Exchange Act of**
1934

November 7, 2005

NOVA MEASURING INSTRUMENTS LTD.

Building 22 Weitzmann Science Park, Rehovoth
P.O.B 266

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

Yes No

If "Yes" is marked, indicate below the file number assigned to the
registrant in connection with Rule 12g3-2(b): N/A.

Attached hereto and incorporated by way of reference herein the Registrants notice regarding 2005 Third Quarter Results

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.

November 7, 2005

Nova Measuring Instruments Ltd
Nova Measuring Instruments Ltd (the Registrant)

BY: /S/ Dror David

Dror David
Chief Financial Officer

Company Contact:

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Company Press Release

NOVA MEASURING INSTRUMENTS ANNOUNCES

2005 THIRD QUARTER RESULTS

Rehovoth, Israel November 7, 2005 Nova Measuring Instruments, Ltd. (Nasdaq: NVMI), the market leader in integrated measurement and process control for the semiconductor industry, today reported its results for the third quarter of 2005.

Total revenues for the third quarter of 2005 were \$9.2 million, a 20% sequential increase over revenues of \$7.7 million as reported for the second quarter of 2005, and a 14% decrease compared with revenues of \$10.7 million as reported for the third quarter of 2004.

The Company reported a gross profit of \$3.5 million for the third quarter of 2005 compared with a gross profit of \$2.5 million for the second quarter of 2005, and gross profit of \$5.1 million for the third quarter of 2004. Gross margin for the third quarter of 2005 was 38%, compared with 32% for the second quarter of 2005 and 47% for the third quarter of 2004.

Net loss in the third quarter of 2005 was \$1 million or \$0.06 per share, compared with a net loss of \$1.9 million or \$0.12 per share for the second quarter of 2005 and net income of \$0.8 million or \$0.05 per share in the third quarter of 2004. The company maintained its cash reserves at a total level of \$24 million, including cash and cash equivalents, bank deposits and held to maturity securities, short and long term.

Dr. Giora Dishon, President & CEO of Nova commented, "Our performance this year continues to improve from quarter to quarter and we will continue to work hard to maintain this trend. The quarter's results showed improvements across all financial parameters, and were in fact even better than our expectations and the guidance that we provided. We see the improving conditions in the market, the successful penetration of our copper systems and solutions, as well as the introduction of the new series of the advanced NovaScan 3090 systems, for CMP, Optical CD and Copper, contributing towards our growth. We have recently won two major orders for multiple systems for dielectric and copper CMP in the US and in Asia-Pacific, and we are working on several further opportunities in Japan and Asia-Pacific in close alignment with the process equipment manufacturers."

Dr. Dishon continued, "We are confident that within the semiconductor industry, the evolution towards integrated metrology in multiple process steps (CMP, copper CMP, etch and lithography) will continue and will expand as the industry moves to towards high volume manufacturing at the 90nm and 65nm levels. With our wide offering of systems and solutions for these processes that also include the corresponding stand-alone systems, we believe that we are well placed to take advantage of industry trends. Our cash position remains strong and is more than sufficient to execute our strategy and carry out our plans. We continue to invest significantly in our R&D in order to maintain growth and increase our already large market-share. Looking to the future and towards the more advanced technology nodes such as 45nm, we are developing leading-edge next-generation metrology systems and solutions, which we believe will support our long-term growth."

The Company will host a conference call on November 7, 2005, at 10:00 AM EST. To participate please dial in the U.S: 1-866-229-7198 or internationally: +972-3-918-0609 at least 5 minutes before the start of the call. A conference call presentation will be available for download on the company's website www.nova.co.il, before and during the call. A replay of the call will also be available on Nova's website following the call.

About Nova

Nova Measuring Instruments Ltd. develops, designs and produces integrated process control systems in the semiconductor manufacturing industry. Nova provides a broad range of integrated process control solutions that link between different semiconductor processes and process equipment. The Company's website is www.nova.co.il.

This press release may contain forward-looking statements, including statements related to anticipated growth rates, manufacturing capacity and tax rate. Actual results may differ materially from those projected due to a number of risks, including changes in customer demands for our

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products, new product offerings from our competitors, changes in or an inability to execute our business strategy, unanticipated manufacturing or supply problems, or changes in tax requirements. Nova cannot guarantee future results, levels of activity, performance or achievements. The matters discussed in this press release also involve risks and uncertainties summarized under the heading *Risk Factors* in Nova's Form F-1 filed with the Securities and Exchange Commission on April 9, 2000. These factors are updated from time to time through the filing of reports and registration statements with the Securities and Exchange Commission. Nova Measuring Instruments Ltd. does not assume any obligation to update the forward-looking information contained in this press release.

(Tables to Follow)

NOVA MEASURING INSTRUMENTS LTD.
CONSOLIDATED STATEMENT OF OPERATIONS

(U.S. dollars in thousands, except per share data)

| | Three - month period ended | |
|--------------------------------------|----------------------------|---------------|
| | September 30, 2005 | June 30, 2005 |
| | (unaudited) | |
| REVENUES | | |
| Product sales | 6,913 | 5,603 |
| Services | 2,244 | 2,059 |
| | 9,157 | 7,662 |
| COST OF REVENUES | | |
| Product sales | 3,528 | 3,164 |
| Services | 2,156 | 2,014 |
| | 5,684 | 5,178 |
| GROSS PROFIT | 3,473 | 2,484 |
| OPERATING EXPENSES | | |
| Research & Development expenses, net | 1,990 | 2,114 |
| Sales & Marketing expenses | 1,518 | 1,731 |
| General & Administrative expenses | 1,068 | 758 |
| | 4,576 | 4,603 |
| OPERATING LOSS | (1,103) | (2,119) |
| INTEREST INCOME | 133 | 196 |
| NET LOSS FOR THE PERIOD | (970) | (1,923) |
| LOSS PER SHARE | (0.06) | (0.12) |

Shares used in calculation of basic loss per

| | Three - month period ended | |
|---|----------------------------|--------------------|
| share (in thousnads) | 15,453 | 15,401 |
| NOVA MEASURING INSTRUMENTS LTD. | | |
| CONSOLIDATED STATEMENT OF OPERATIONS | | |
| (U.S. dollars in thousands, except per share data) | | |
| | Three - month period ended | |
| | September 30, 2005 | September 30, 2004 |
| | (unaudited) | |
| REVENUES | | |
| Product sales | 6,913 | 8,602 |
| Services | 2,244 | 2,083 |
| | <u>9,157</u> | <u>10,685</u> |
| COST OF REVENUES | | |
| Product sales | 3,528 | 3,916 |
| Services | 2,156 | 1,702 |
| | <u>5,684</u> | <u>5,618</u> |
| GROSS PROFIT | <u>3,473</u> | <u>5,067</u> |
| OPERATING EXPENSES | | |
| Research & Development expenses, net | 1,990 | 2,124 |
| Sales & Marketing expenses | 1,518 | 1,751 |
| General & Administrative expenses | 1,068 | 591 |
| | <u>4,576</u> | <u>4,466</u> |
| OPERATING PROFIT (LOSS) | <u>(1,103)</u> | <u>601</u> |
| INTEREST INCOME | <u>133</u> | <u>160</u> |
| NET PROFIT (LOSS) FOR THE PERIOD | <u>(970)</u> | <u>761</u> |
| EARNINGS (LOSS) PER SHARE | <u>(0.06)</u> | <u>0.05</u> |
| Shares used in calculation of basic earning (loss) per share (in thousnads) Basic and Diluted | <u>15,453</u> | <u>15,268</u> |

NOVA MEASURING INSTRUMENTS LTD.
CONSOLIDATED STATEMENT OF OPERATIONS

(U.S. dollars in thousands, except per share data)

| | Nine - month period ended | |
|---|---------------------------|--------------------|
| | September 30, 2005 | September 30, 2004 |
| | (unaudited) | |
| REVENUES | | |
| Product sales | 15,879 | 23,994 |
| Services | 5,576 | 6,080 |
| | 21,455 | 30,074 |
| COST OF REVENUES | | |
| Product sales | 8,759 | 11,305 |
| Services | 5,741 | 4,933 |
| | 14,500 | 16,238 |
| GROSS PROFIT | 6,955 | 13,836 |
| OPERATING EXPENSES | | |
| Research & Development expenses, net | 7,021 | 6,295 |
| Sales & Marketing expenses | 4,959 | 4,920 |
| General & Administrative expenses | 2,537 | 1,689 |
| | 14,517 | 12,904 |
| OPERATING PROFIT (LOSS) | (7,562) | 932 |
| INTEREST INCOME | 522 | 348 |
| PROFIT (LOSS) FOR THE PERIOD | (7,040) | 1,280 |
| EARNINGS (LOSS) PER SHARE | (0.46) | 0.08 |
| Shares used in calculation of basic earning (loss) per share (in thousand) Basic and Diluted | 15,427 | 15,251 |

NOVA MEASURING INSTRUMENTS LTD.
CONSOLIDATED BALANCE SHEET

(U.S. dollars in thousands)

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| | As of September 30, 2005 | As of Dec. 31, 2004 |
|--|-----------------------------|---------------------|
| | (unaudited) | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 7,706 | 12,171 |
| Short-term interest-bearing bank deposits | 1,378 | 1,916 |
| Held to maturity securities | 5,732 | 5,280 |
| Trade accounts receivable (net of \$14 and no allowance for doubtful accounts, respectively) | 5,215 | 7,461 |
| Inventories | 4,596 | 5,239 |
| Other current assets | 1,668 | 1,169 |
| | <u>26,295</u> | <u>33,236</u> |
| LONG-TERM ASSETS | | |
| Long-term interest-bearing bank deposits | 2,970 | 2,145 |
| Held to maturity securities | 6,186 | 9,292 |
| Other long-term assets | 358 | 382 |
| Severance pay funds | 2,121 | 2,288 |
| Fixed assets, net | 2,473 | 2,119 |
| | <u>14,108</u> | <u>16,226</u> |
| | <u>40,403</u> | <u>49,462</u> |
| CURRENT LIABILITIES | | |
| Trade accounts payable | 4,380 | 5,016 |
| Other current liabilities | 5,145 | 6,389 |
| | <u>9,525</u> | <u>11,405</u> |
| LONG-TERM LIABILITIES | | |
| Liability for employee termination benefits | 2,849 | 3,075 |
| Deferred Income | 330 | 369 |
| Other long-term liability | 100 | 145 |
| | <u>3,279</u> | <u>3,589</u> |
| SHAREHOLDERS' EQUITY | | |
| Share capital | 46 | 46 |
| Additional paid- in capital | 73,598 | 73,333 |
| Accumulated other comprehensive income (loss) | (86) | 8 |
| Accumulated deficit | (45,959) | (38,919) |
| | <u>27,599</u> | <u>34,468</u> |
| | <u>40,403</u> | <u>49,462</u> |

