

December 18, 2007

To the Customers and Shareholders of Rudolph Technologies and Applied Precision:

I am extremely pleased to announce that the Rudolph Technologies' acquisition of the net assets of the semiconductor business of Applied Precision has been approved by the board of directors of both companies. Applied Precision's semiconductor business is a leading supplier of precision wafer probe card test and analysis systems and wafer probe process management systems.

We feel confident that this acquisition will be beneficial to our multiple constituencies—customers, shareholders, employees and suppliers. I would like to share with you a few thoughts as to why we feel such confidence.

This acquisition is the result of our planned and deliberate process to continue to strengthen Rudolph Technologies' position as an industry-leading provider of process characterization solutions for both the front end and the back end of the semiconductor fabrication process.

Furthermore, this acquisition combines two successful, growing companies with complementary products and technologies, and allows us to leverage multiple synergies between the two organizations. As reported in 2006 industry data, Applied Precision enjoyed the #1 market share position in the probe card analyzer business. Consequently, this acquisition adds to Rudolph's mission of offering our customers best-of-breed solutions while maintaining the #1 or #2 market share position in our chosen niches.

We also believe that this acquisition will enable our customers to better achieve their goals. As we continue to grow, we become a more capable and more viable business partner; a partner with the scope and scale to provide the solutions, expertise and support our customers need and deserve; a partner that is well positioned to participate in the continuing globalization of the semiconductor market. And, perhaps most importantly, a viable partner that can provide process characterization solutions over multiple technology nodes for our customers to meet tomorrow's process challenges.

Finally, we strongly believe that this acquisition will allow Rudolph Technologies to continue to build on our vision of being able to deliver innovative products, superior services and exceptional shareholder value.

Thank you for your continuing support.

Sincerely,



Paul F. McLaughlin
Chairman and Chief Executive Officer