

## ESI - Non-GAAP Financials

### Quarterly Trend

(\$000's)

	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2013 Q1	2013 Q2
Bookings	64,059	70,157	77,876	72,516	98,939	40,632	45,425	70,343	74,067	34,989
Shipments	55,865	65,264	63,353	75,093	83,066	69,349	48,998	50,118	58,937	79,209
Backlog	48,831	53,803	68,112	65,535	81,408	52,690	49,415	69,056	84,455	40,236
<b>Revenue</b>	<b>58,471</b>	<b>59,554</b>	<b>67,209</b>	<b>71,577</b>	<b>77,046</b>	<b>81,884</b>	<b>49,807</b>	<b>45,492</b>	<b>58,969</b>	<b>80,152</b>
Gross Profit	22,044	26,584	30,569	31,993	34,345	36,491	21,752	19,359	24,206	34,282
<b>Gross Margin</b>	<b>37.7%</b>	<b>44.6%</b>	<b>45.5%</b>	<b>44.7%</b>	<b>44.6%</b>	<b>44.6%</b>	<b>43.7%</b>	<b>42.6%</b>	<b>41.0%</b>	<b>42.8%</b>
Research & Development	9,798	9,782	9,754	10,041	10,641	10,158	9,899	9,442	8,987	9,814
Selling, service and administrative	11,321	12,988	13,606	13,675	12,443	13,213	12,324	12,017	12,540	13,945
<b>Total OPEX</b>	<b>21,119</b>	<b>22,770</b>	<b>23,360</b>	<b>23,716</b>	<b>23,085</b>	<b>23,371</b>	<b>22,222</b>	<b>21,459</b>	<b>21,527</b>	<b>23,759</b>
OPEX %	36.1%	38.2%	34.8%	33.1%	30.0%	28.5%	44.6%	47.2%	36.5%	29.6%
<b>Operating Income</b>	<b>925</b>	<b>3,813</b>	<b>7,208</b>	<b>8,278</b>	<b>11,261</b>	<b>13,120</b>	<b>(470)</b>	<b>(2,100)</b>	<b>2,679</b>	<b>10,523</b>
Operating Income %	1.6%	6.4%	10.7%	11.6%	14.6%	16.0%	-0.9%	-4.6%	4.5%	13.1%
Other Income/(Expense)	58	187	(39)	(18)	(78)	(406)	47	59	(150)	91
<b>Income Before Taxes</b>	<b>983</b>	<b>4,000</b>	<b>7,170</b>	<b>8,260</b>	<b>11,183</b>	<b>12,714</b>	<b>(423)</b>	<b>(2,040)</b>	<b>2,529</b>	<b>10,614</b>
Tax Provision/(Benefit)	215	1,142	1,266	1,792	3,324	3,374	(927)	(186)	660	3,607
Tax Rate	21.9%	28.5%	17.7%	21.7%	29.7%	26.5%	219.0%	9.1%	26.1%	34.0%
<b>Non-GAAP Net Income/(Loss)</b>	<b>768</b>	<b>2,858</b>	<b>5,904</b>	<b>6,467</b>	<b>7,859</b>	<b>9,340</b>	<b>504</b>	<b>(1,854)</b>	<b>1,868</b>	<b>7,007</b>
Net Income %	1.3%	4.8%	8.8%	9.0%	10.2%	11.4%	1.0%	-4.1%	3.2%	8.7%
<b>Non-GAAP EPS</b>	<b>0.03</b>	<b>0.10</b>	<b>0.21</b>	<b>0.22</b>	<b>0.27</b>	<b>0.32</b>	<b>0.02</b>	<b>(0.06)</b>	<b>0.06</b>	<b>0.23</b>
Average Shares Outstanding	28,313	28,010	28,667	28,956	29,262	29,426	28,849	28,931	29,810	29,961
<b>Operating Cash Flow</b>	<b>14,769</b>	<b>(1,877)</b>	<b>8,358</b>	<b>29,340</b>	<b>(10,868)</b>	<b>26,404</b>	<b>1,407</b>	<b>(2,631)</b>	<b>11,352</b>	<b>11,202</b>
<b>Headcount</b>	<b>597</b>	<b>627</b>	<b>638</b>	<b>648</b>	<b>684</b>	<b>683</b>	<b>655</b>	<b>627</b>	<b>651</b>	<b>679</b>
<b>Reconciliation to GAAP:</b>										
Non-GAAP Net Income/(Loss)	768	2,858	5,904	6,467	7,859	9,340	504	(1,854)	1,868	7,007
Equity Compensation	(2,883)	(2,331)	(2,086)	(2,026)	(4,780)	(2,397)	(2,393)	(1,905)	(2,977)	(1,900)
Acquisition-Related Costs	(514)	(464)	(477)	(459)	(450)	(408)	(401)	(401)	(1,245)	(674)
Other One-Time Charges	889	(280)	(2,138)	682	2,120	(0)	(861)	(6,071)	-	(70)
Tax Effects	1,941	(394)	1,149	1,329	1,164	2,002	1,269	2,565	1,411	848
<b>GAAP Net Income/(Loss)</b>	<b>201</b>	<b>(611)</b>	<b>2,351</b>	<b>5,993</b>	<b>5,913</b>	<b>8,536</b>	<b>(1,881)</b>	<b>(7,665)</b>	<b>(944)</b>	<b>5,211</b>
<b>EPS</b>	<b>0.01</b>	<b>(0.02)</b>	<b>0.08</b>	<b>0.21</b>	<b>0.20</b>	<b>0.29</b>	<b>(0.07)</b>	<b>(0.26)</b>	<b>0.03</b>	<b>0.17</b>

## ESI Second Quarter 2013 Results

### Reconciliation of GAAP to Non-GAAP Results

(000's)

	GAAP	Adjustments			Non-GAAP
		Acquisitions	Share-based Compensation	Other	
<b>Revenue</b>	<b>80,152</b>				<b>80,152</b>
Cost of Sales	46,632	(545)	(217)		45,870
<b>Gross Profit</b>	<b>33,520</b>	545	217	-	<b>34,282</b>
<b>Gross Margin</b>	<b>41.8%</b>				<b>42.8%</b>
Research & Development	10,527	(47)	(666)		9,814
Selling, service and administrative	15,114	(152)	(1,017)		13,945
<b>Total OPEX</b>	<b>25,641</b>	(199)	(1,683)	-	<b>23,759</b>
OPEX %	32.0%				29.6%
<b>Operating Income</b>	<b>7,879</b>	744	1,900	-	<b>10,523</b>
Operating Income %	9.8%				13.1%
Other Income/(Expense)	91	-	-	-	91
<b>Income Before Taxes</b>	<b>7,970</b>	744	1,900	-	<b>10,614</b>
Tax Provision/(Benefit)	2,759				3,607
Tax Rate	34.6%				34.0%
<b>Non-GAAP Net Income/(Loss)</b>	<b>5,211</b>				<b>7,007</b>
Net Income %	6.5%				8.7%
<b>Non-GAAP EPS</b>	<b>0.17</b>				<b>0.23</b>
Average Shares Outstanding	29,961				29,961