

Company Contact:

Dror David, Chief Financial Officer
Nova Measuring Instruments Ltd.
Tel: +972-73-229-5760
E-mail: info@novameasuring.com
www.novameasuring.com

Investor Relations Contacts:

Hayden/ MS-IR LLC
Miri Segal
Tel: +917-607-8654
E-mail: msegal@ms-ir.com
Or
Brett Maas
Tel: +646-536-7331
E-mail: brett@haydenir.com

Company Press Release

Nova Receives Over \$10 Million in XPS Orders from Multiple Foundry Customers

Orders Supports Expectations for 4th Consecutive Record Revenue Year and Expand Growth Momentum Into 2017

Rehovot, Israel, January 9, 2017 – Nova Measuring Instruments (Nasdaq: NVMI), a leading innovator and a key provider of metrology solutions for advanced process control used in semiconductor manufacturing, today announced that it has received over \$10 million in XPS orders from multiple Foundry customers.

The orders were received for multiple VeraFlex III platforms to be utilized for materials and thickness measurements in the most critical gate layers. These orders drove 2016 fourth quarter bookings to record levels, supporting management's expectation for a record fourth quarter and a fourth consecutive year of record revenues.

"The growing demand for our XPS solutions is evident by these multiple orders, which increase our confidence in the attractiveness of our unique portfolio, combining materials and thickness measurements for the most advanced wafer fabrications steps," commented Eitan Oppenheim, President and Chief Executive Officer of Nova. "Our solid and established OCD position in the Foundry segment supported the recent XPS penetration efforts in multiple leading customers, which materialized with these new orders. We expect additional cross-selling opportunities across all of our product lines as we move forward in 2017, validating our strong strategic position in the marketplace."

"With these final orders in 2016 we expect the fourth quarter to be a very strong conclusion to another record year, reflecting the demand we experience for our entire portfolio of solutions, including XPS and OCD," continued Mr. Oppenheim. "Based on the recent booking stream in the fourth quarter, we enter 2017 with growing momentum and increased confidence in our continued growth."

About Nova: Nova Measuring Instruments delivers continuous innovation by providing advanced metrology solutions for the semiconductor manufacturing industry. Deployed with the world's largest integrated-circuit manufacturers, Nova's products deliver state-of-the-art, high-performance metrology solutions for effective process control throughout the semiconductor fabrication lifecycle. Nova's product portfolio, which combines high-precision hardware and cutting-edge software, supports the development and production of the most advanced devices in today's high-end semiconductor market. Nova's technical innovation and market leadership enable customers to improve process performance, enhance products' yields and accelerate time

to market. Nova acts as a partner to semiconductor manufacturers from its offices around the world. Additional information may be found at www.novameasuring.com.

Nova is traded on the NASDAQ & TASE under the symbol NVMI.

This press release contains 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 performance, such as statements regarding, but are not limited to, anticipated growth opportunities and projections about our business and its future revenues, expenses and profitability. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied in those forward looking statements. Factors that may affect our results, performance, circumstances or achievements include, but are not limited to, the following: our dependency on three product lines; our dependency on a small number of large customers and small number of suppliers; the highly cyclical and competitive nature of the markets we target and we operate in; 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 ability to recognize the benefits of ReVera acquisition and risks that the acquisition may disrupt current plans and operations and impact relationships with customers, distributors and suppliers; our dependency on PEMs; risks related to exclusivity obligations and non-limited liability that may be included in our commercial agreements and arrangements; our ability to retain our competitive position despite the ongoing consolidation in our industry; risks related to our dependence on our manufacturing facilities; risks related to changes in our order backlog; risks related to the worldwide financial instabilities; risks related to our intellectual property; new product offerings from our competitors; unanticipated manufacturing or supply problems; risks related to government programs we participate in; risks related to taxation; changes in customer demand for our products; risks related to currency fluctuations, risks related to acquisitions we may pursue and risks related to our operations in Israel. We 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 Annual Report on Form 20-F for the year ended December 31, 2015 filed with the Securities and Exchange Commission on February 29, 2016. 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.