



Electro Scientific Industries, Inc.



ESIO NASDAQ

Semiconductor Equipment / Testing

Market Capitalization USD:

\$341.74 mm

CONCERN LEVEL: AVERAGE

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Nicholas Konidaris

Age: 67

CEO Since: 2004

	2009	2010	2011
Base Salary	\$468,598	\$475,781	\$565,667
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$98,780	\$257,303	\$188,039
Benefits and Perquisites	\$5,275	\$0	\$25,174
TOTAL ANNUAL COMPENSATION	\$572,653	\$733,084	\$778,880
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$258,836	\$581,700	\$555,654
Stock Awards	\$895,320	\$623,283	\$1,243,632
TOTAL COMPENSATION	\$1,364,560	\$1,938,067	\$2,578,166
Median of Other Named Executive Officers Total Compensation	\$638,351	\$638,351	\$635,208
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$0	\$765,974	\$811,050
TOTAL REALIZED EQUITY COMPENSATION	\$0	\$765,974	\$811,050

Proxy Date: 5 Jul 2012

Annual Meeting Date: 9 Aug 2012

Equity Reserves: 29.52%

Stock Option Run Rate: 0.67%

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Performance Comparison

■ S&P500 ■ Industry ■ ESIO



Peer Comparisons (TRBC) =Semiconductor Equipment / Testing

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
ESIO	Electro Scientific Industries, Inc.	\$1,364,560	\$1,938,067	\$2,578,166	\$341,744,817
ENTG	Entegris, Inc.	\$1,302,022	\$2,670,021	\$2,477,596	\$861,306,207
KLIC	Kulicke & Soffa Industries, Inc.	\$1,437,133	\$2,796,133	\$4,924,623	\$542,335,793
BRKS	Brooks Automation, Inc.	\$3,174,283	\$1,289,808	\$3,860,233	\$538,387,125
UTEK	Ultratech, Inc.	\$1,899,387	\$3,619,210	\$5,340,242	\$440,126,126
NANO	Nanometrics Incorporated	\$1,156,135	\$1,835,837	\$748,638	\$331,479,106
FORM	FormFactor, Inc.	\$1,709,529	\$1,015,591	\$1,337,523	\$316,792,939

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Advanced Energy Industries, Inc., KLA-Tencor Corporation, ATMI, Inc, Kulicke & Soffa Industries, Inc., Brooks Automation, Inc., Lam Research Corporation, Coherent, Inc., MKS Instruments, Inc., Cohu, Inc., Newport Corporation, Cymer, Inc., Rudolph Technologies, Inc., Entegris, Inc., Teradyne, Inc., FEI Company, Ultratech, Inc., FormFactor, Inc., Varian Semiconductor Equipment Associates, Inc., GSI Group, Inc., Veeco Instruments, Inc., Intevac, Inc., Zygo Corporation.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Barr L. Harmon	Chairman	58	Male	10	Outside Related
David Nierenberg	Member	59	Male	2	Outside Related
Edward C. Gradv	Member	65	Male	4	Outside
Jon D. Tompkins	Member	72	Male	14	Outside

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