

CAMTEK WINS APPEAL OF THE DECISION IN RUDOLPH PATENT INFRINGEMENT CASE

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FOR IMMEDIATE RELEASE

MIGDAL HA'EMEK, Israel, August 23, 2011 – Camtek Ltd. (Nasdaq: CAMT; TASE: CAMT) reported today that the U.S. Court of Appeals for the Federal Circuit, which hears all patent appeals from U.S. federal courts nationwide, issued an opinion yesterday vacating the adverse judgment against Camtek in a patent infringement case brought against it by August Technology Corp. (now Rudolph Technologies, Inc.) in the Federal District Court for the District of Minnesota.

The appellate decision comes six years after August sued Camtek for infringement of its patent (No. 6,826,298) on high-speed semiconductor wafer inspection technology. The District Court, following a jury decision, had entered a judgment of infringement, a permanent injunction against Camtek and an award of \$8.7 million in damages plus interest. The Federal Circuit found that the District Court erred in the construction of a key claim term and vacated the finding of infringement, the damages award and the permanent injunction. The Court of Appeals remanded the case to the District Court for a limited trial based on the corrected claim construction, which significantly narrows the scope of August's patent.

“We are pleased that the Court of Appeals vacated the judgment of infringement, damages and the permanent injunction. We shall now endeavor towards the next step in a favorable outcome with the remaining proceedings,” said Roy Porat, Chief Executive Officer of Camtek Ltd.

Kramer Levin Naftalis & Frankel LLP argued the successful appeal on behalf of Camtek.

ABOUT CAMTEK LTD.

Camtek Ltd provides automated solutions dedicated for enhancing production processes and yield, enabling our customers new technologies in two industries; Semiconductors, Printed Circuit Board (PCB) & IC Substrates. Camtek addresses the specific needs of these industries with dedicated solutions based on a wide and advanced platform of technologies including intelligent imaging, image processing, ion milling and digital material deposition. Camtek's solutions range from micro-to-nano by applying its technologies to the industry-specific requirements.

This press release is available at www.camtek.co.il.

This press release may contain projections or other forward-looking statements regarding future events or the future performance of the Company. These statements are only predictions and may change as time passes. We do not assume any obligation to update that information. Actual events or results may differ materially from those projected, including as a result of changing industry and market trends, reduced demand for our products, the timely development of our new products and their adoption by the market, increased competition in the industry, price reductions as well as due to risks identified in the documents filed by the Company with the SEC.