

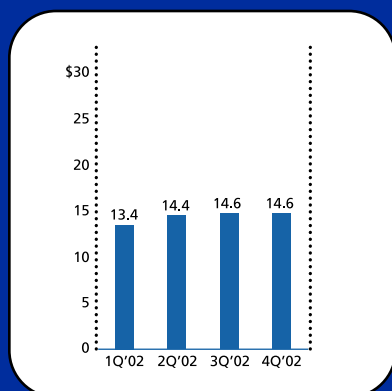


Corporate Profile

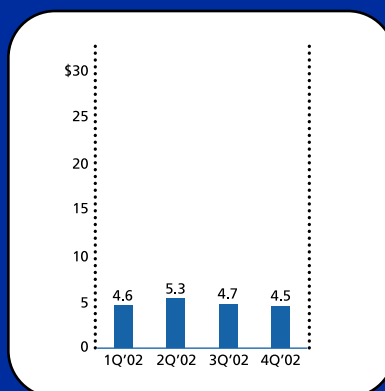
Founded in 1983, Adept is one of the world's leading producers of intelligent factory automation components and systems for small parts assembly, material handling, and ultra-precision process applications in the semiconductor, fiber optics telecommunications, automotive, and consumer and durable goods industries. As components in these markets get smaller, manual assembly of finished products has become increasingly challenging due to extended cycle times, low yields and overall inefficiencies. Adept has been a pioneer of vision guided and automated small-parts assembly technology designed to address these challenges. Today the company continues to be a leader in the development and commercialization of cutting-edge, intelligent factory automation from fully integrated process solutions or workcells to individual robots to advanced controller and application software. The company's integrated systems include automatic and semi-automatic precision alignment, laser welding, and epoxy bonding systems for photonics manufacturers, wafer-handling front-end systems for the semiconductor equipment industry, and highly adaptable, process-ready automation platforms for systems integrators and third-party developers. Individual automation components include robots, configurable linear modules, semiconductor load ports, nanopositioners, machine and motion controllers, and advanced machine vision technology, as well as a broad range of software tools.

Financial Highlights

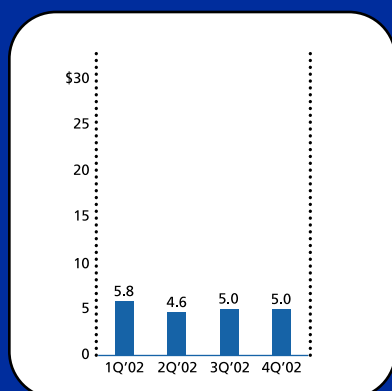
Revenues (\$M)



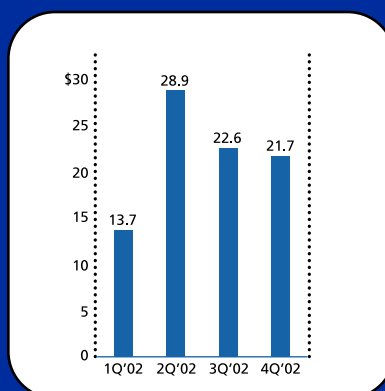
Gross Margin (\$M)



Research & Development (\$M)



Cash & Investments (\$M)



To Our Shareholders,



Extremely challenging business conditions and global economic weakness took a heavy toll on Adept Technology's performance during the past fiscal year. Yet, with 19 years experience as a leading automation innovator, we have not lost confidence in our ability to meet these challenges. We believe that the diversity and strength of our product lines, together with the cost savings measures that we have undertaken, will enable us to successfully navigate the current economic slowdown.

Revenue for our fiscal 2002 year totaled \$57 million, a decrease of 43.2% compared with 2001's revenue of \$100.3 million. Adept reported a net loss for the year of \$59.8 million, or \$4.37 per share, \$32.6 million of which was non-cash. This compares to a net loss of \$35.2 million, or \$3.02 per share, for fiscal 2001. Before restructuring and other non-recurring charges, we posted a pretax operating loss from continuing operations of \$30.2 million, compared to a pretax operating loss of \$23.7 million in 2001.

Clearly, these results are very disappointing to all of us. Over a relatively short span of time, we went from anticipating a continuation of growth to taking sweeping actions to resize the company and conserve cash. During the past year we have reduced headcount, consolidated facilities, sold non-strategic businesses, eliminated some excess capacity, and taken appropriate write-offs. We have continued to maintain sufficient operating funds by not only cutting expenses but also by partnering with JDS Uniphase Corporation, a key customer, who in turn invested \$25 million in Adept. Yet, even though we reduced expenses, we have maintained a high level of new product investment, and several of our initiatives are now complete resulting in a powerful and exciting new set of products to introduce to the market in time for what we believe will be an improving capital spending environment.

Our new products include an innovative line of controls based on FireWire® architecture, six axis robots, and precision mechanisms, which give us one of the broadest product offerings of any assembly robotics company. These products, combined with our depth of process knowledge, should enable Adept to pursue high growth opportunities in semiconductor, photonics, and life sciences as well as augment our historical markets of automotive, consumer products, and electronics.

We continue to develop products and strategies to leverage our technology and sales channels so we can increase revenue at a higher rate than expenses. For some time Adept has had a multimillion dollar OEM motion control business through sales of our controls to other equipment manufacturers. Over the last

“Factory automation is no longer an option for most manufacturers; it is a necessity. This is the trend that will drive the next wave of growth at Adept.”

Brian R. Carlisle
Chairman of the Board and Chief Executive Officer

several years we have been developing a significantly lower cost line of vision-guided motion controllers, which utilize a network architecture to eliminate masses of cables and wiring interconnect boards. These products have received a glowing reception with OEM customers and we believe this product line will augment our semiconductor business and that as the semiconductor industry recovers our business will benefit. This last year was a challenging time for the semiconductor market, yet we continued to deliver controls, components and tools in modest volumes for new program qualifications. Additionally, we are seeing synergy between our work in photonics assembly automation processes and our activities in the semiconductor backend market as photonics components are increasingly designed to fit into semiconductor-like packages.

We believe that our growth will be driven by the increasing miniaturization trends in final assembly, as assembly tolerances for some products begin to exceed the precision levels that people can reliably perform. Miniaturization will continue and has already reached the point for certain products such as photonics and disk drives where even the lowest cost labor in China cannot reliably assemble the shrinking products. As this miniaturization trend continues, we believe that very few companies will be able to compete with us in this area. Our customers have confirmed that our precision automation solutions are highly justified by yield improvement and product cost reduction. Adept’s suite of controls, components and platforms can easily be configured to address various applications both by Adept and our integrator channel. We continue to work directly with end users to address their challenges but we are also developing our strategy to address what appears to be a long-term shift to migrate final product assembly from large OEMs to contract manufacturers.

In the current slowdown, our financial management and reputation for quality and innovation, will enable us to continue to build upon a nucleus of technological talent, as well as skilled and dedicated manufacturing and support personnel. We have great confidence in our people, products and capabilities, and we believe that the investments we have made will yield growth and improved financial performance in the years ahead.



Brian R. Carlisle
Chairman of the Board and Chief Executive Officer

Strategy

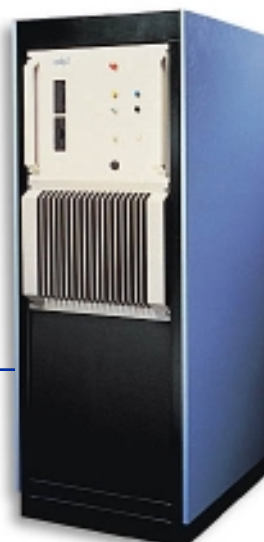
"We believe that our growth will be driven by the miniaturization trends in final assembly."

Just as Adept's controller is getting smaller so are the parts and products our customers are assembling, testing and packaging. This miniaturization trend presents new challenges for manufacturers and Adept has developed solutions for these challenges. Adept remains a leader in vision-guided motion controls and architecture. The investment in research and development made by the company over the past two years has resulted in an innovative control architecture using FireWire® technology, powerful vision and a broadened line of robots. As Adept goes forward we will continue to leverage our technology to address new challenges in assembly, packaging and material handling.

"Our world is shrinking..."



Adept SC Controller—1983



Adept CC Controller—1987

Technology

Adept pioneered vision guidance eighteen years ago, and today we are the only provider of an easy-to-use, fully integrated vision and motion, software and hardware solution. Adept's vision-driven automation enables flexible material-handling, assembly and packaging. Imagine the communication that occurs in your brain as it translates input from your eyes and body as you reach to pick up a glass of water. This is similar to the interaction between Adept's controller, camera and robot. Adept's vision and motion software is designed to enable the controller to interpret images and "servo" the robot into position. As the products and processes get smaller and smaller, the flexibility of Adept's products will enable it to meet the precision assembly challenges its customers face.



Adept MV Controller—1993



Adept SmartController CX—2002

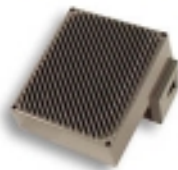
"Adept's suite of controls, components and platforms can easily be configured to address various applications for precision assembly, packaging and material handling."

PC Software



*Adept V+™ and
AIM™ software*

Motion Control and Machine Vision



*Adept SmartAmp™ and
Adept SmartServo™*

Adept SmartController™ CX

Mechanisms



Adept Six™ 300



Adept Cobra™ 600/800



Adept Cartesian™



Adept Vicron™ 300S



Adept NanoStage™ Six

Precision Solutions



Adept NanoBonder™ EBS



Adept NanoCell™



Adept WLF™ 2300

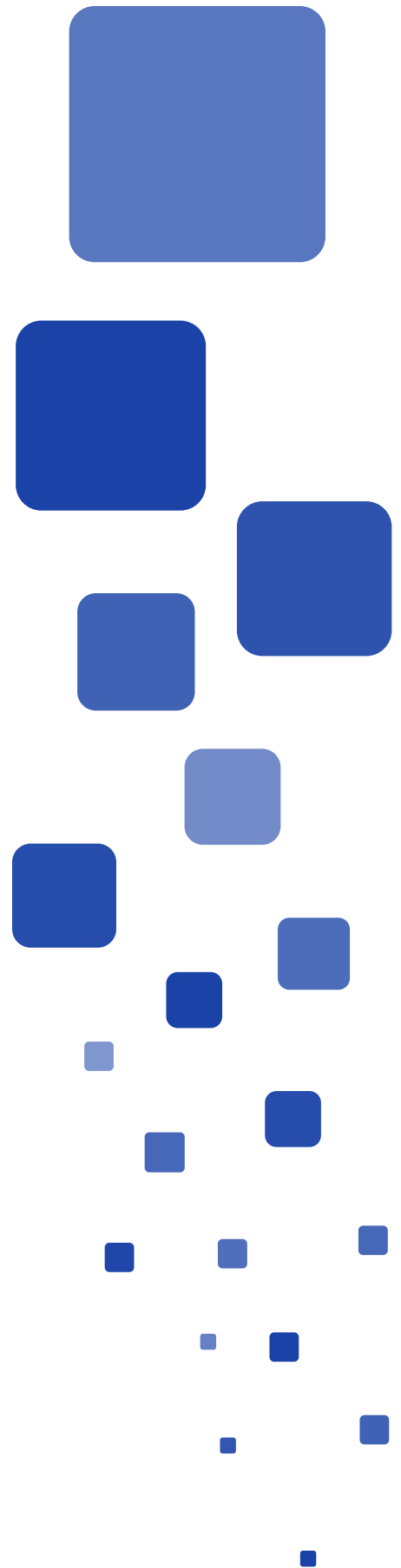


Adept FFE™ 210

Products

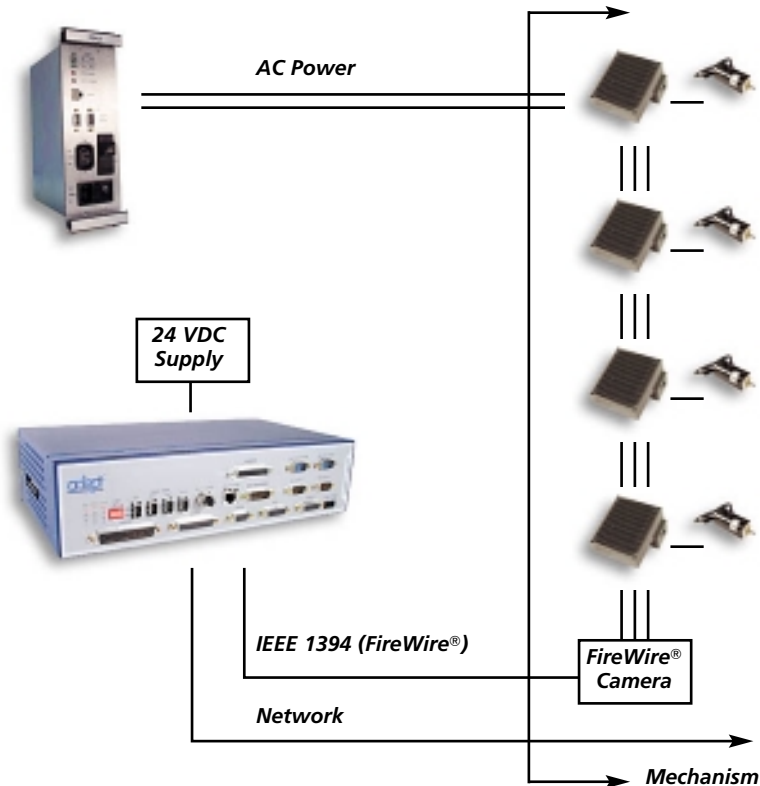
Since 1983, Adept has been rewriting the rules of automation design and deployment, and today more than 1,000 top manufacturers worldwide in electronics, telecommunications, semiconductors, pharmaceuticals, automotive products and consumer goods, use our robots, controllers, vision systems and software tools for their most critical production needs.

Adept-based solutions are designed to provide a unique combination of maximum performance and maximum efficiency through a powerful approach to manufacturing automation called Rapid Deployment Automation (RDA) that treats automation as an ongoing, evolving process. Where automated material-handling, packaging and assembly lines have traditionally been implemented by customized inflexible systems, each Adept component—robot, controller, parts feeder and software—is designed to be a separate and flexible piece of an integrated solution. These components can be removed, added or upgraded as needed. The result: shorter implementation times, faster response to changes in market demand and greater overall return on automation investment for our customers.



Differentiators

Adept Smart Control



Over the past several years Adept has continued to build on its reputation for delivering products with speed, accuracy, durability and adaptability. The company continues to be a leader in vision-guided motion controls and has invested in developing smaller, faster and more efficient controls. The result is an innovative distributed control architecture using FireWire® technology called the Adept SmartController family. These vision-guided motion controls are significantly lower in cost and eliminate masses of cables and wiring connections making systems easier to operate and maintain.

The quality and flexibility of Adept's controls enables customers to establish robust, expandable systems. Often companies have evolved systems that are expensive and use multiple controllers to manipulate various robots and processes. This use of multiple controllers has been getting a lot of attention as customers look to minimize their costs. Adept offers unified controls that can lower the customer's cost, with a minimal number of cables and wiring.

Corporate Information

Corporate Headquarters

Adept Technology, Inc.
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925.245.3400

Mailing Address

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Livermore, California 94551

Executive Officers

Brian R. Carlisle
Chairman of the Board of Directors
and Chief Executive Officer

Bruce E. Shimano
Vice President, Research and
Development, Secretary and Director

Michael W. Overby
Vice President, Finance and
Chief Financial Officer

Directors

Brian R. Carlisle
Chairman of the Board of Directors
and Chief Executive Officer
Adept Technology, Inc.

Ronald E. F. Codd
Independent Consultant

Michael P. Kelly
Managing Director
Broadview International

Cary R. Mock
Independent Financial Advisor

John E. Pomeroy
President and Chief Executive Officer
Dover Technologies

Bruce E. Shimano
Vice President, Research and
Development, and Secretary
Adept Technology, Inc.

Annual Meeting

November 15, 2002, 8:00 a.m.
3011 Triad Drive
Livermore, California 94551

General Counsel

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San Francisco, California

Independent Auditors

Ernst & Young, LLP
San Jose, California

Transfer Agent

Mellon Investor Services, L.L.C.
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South Hackensack, New Jersey 07606
www.mellon-investor.com

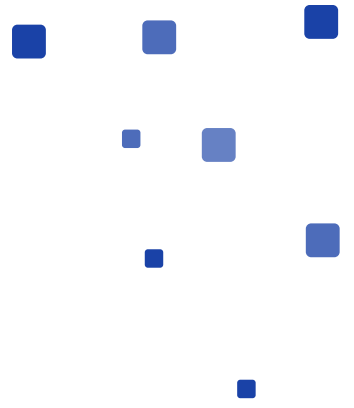
Investor Relations

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Certain information and statements made in this Annual Report to Shareholders are forward-looking statements that reflect Adept's current expectations. The words "expect," "anticipate," and "estimate" and similar expressions are intended to identify forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements as a result of risks and uncertainties, including fluctuations in quarterly and annual results of operations, seasonality in orders for our products, cyclicalities of capital spending of our customers, our dependence on the continued growth of the intelligent automation market, our success in timely developing and introducing new products, manufacturing costs and reliance on sole source suppliers and lengthy procurement lead times, competition with other robotics manufacturers, rapid technological change within Adept's industry, the success of systems introduced by Adept's original equipment manufacturer and reseller customers, failure to receive the benefits Adept expects from its acquisitions, risks associated with foreign operations, general economic conditions and other factors. Investors are encouraged to read the section in Adept's Annual Report to Shareholders on Form 10-K under "Management's Discussion and Analysis of Financial Condition and Operating Results" entitled "Factors Affecting Future Operating Results."



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