



February 27, 2017

To Whom It May Concern:

Company : Sumitomo Heavy Industries, Ltd.
Representative : Shunsuke Betsukawa
President and Chief Executive Officer
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Notice Regarding the Acquisition of Shares of US-based Persimmon Technologies Corporation and Subsequent Subsidiarization

At a Board of Directors meeting held today, a resolution was passed to acquire the shares of Persimmon Technologies Corporation (hereinafter referred to as "Persimmon"), a Massachusetts, USA-based manufacturer and distributor of vacuum robotics. As a result of this transaction, Persimmon will become a subsidiary of Sumitomo Heavy Industries, Ltd. (hereinafter referred to as "SHI" or the "Company"). Details of the transaction are provided below:

DETAILS

1. Reasons for Acquiring Shares

Persimmon is a provider of products to customers that manufacture production equipment for semiconductors and electronic components. More specifically, Persimmon manufactures and distributes highly clean and reliable vacuum robotics for use in the wafer handling process of semiconductor production. In addition, Persimmon is carrying out research and development for a new type of motor based on an innovative additive manufacturing technique for creating Hybrid-Field motor technology that was developed in-house.

With the acquisition of Persimmon shares, SHI will be able to add vacuum robotics as part of its product line-up. Through this, the Company aims to drive growth in such semiconductor-related fields such as ion implanters, cryo-pumps and XY stages. Also, the Company plans to utilize the technologies derived from Persimmon's research and development activities into its products, with the aim to achieve business expansion in such areas as gear reducers and plastics machinery.

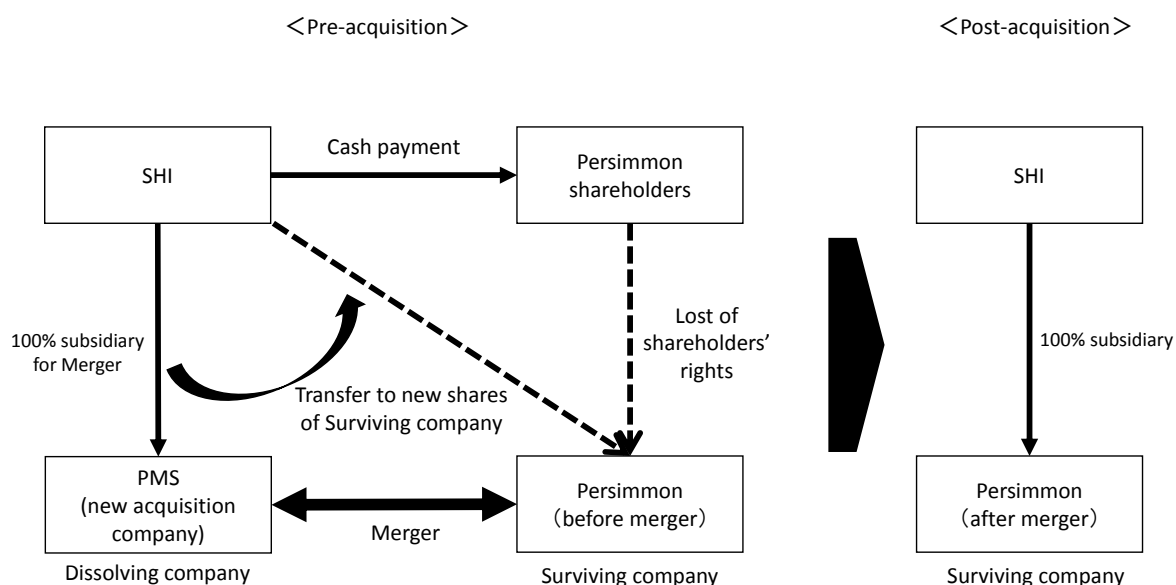
2. Method of Acquiring Shares

SHI plans to utilize the reverse triangular merger method to complete the transaction with cash being the form of consideration. In accordance with the General Corporation Law of the State of Delaware (USA), Persimmon will be the surviving company and a new acquisition company (based in Massachusetts, USA; hereinafter referred to as "PMS") that SHI establishes for the purposes of the merger will act as the merged company.

As a result of the proposed merger, shareholders of Persimmon will receive cash consideration, and subsequently all outstanding shares of Persimmon will be retired. The shares of PMS that is held by SHI will be converted to shares of the surviving Persimmon, and all of the shares of the surviving company will be purchased by SHI. As a result, SHI will acquire all outstanding shares of the post-merger surviving company, Persimmon, and this entity will become a wholly-owned subsidiary of SHI.

Please note that SHI plans to utilize its cash reserves to fund this transaction.

scheme



3. Profile of Subsidiary to be Transferred

(1) Name	Persimmon Technologies Corporation		
(2) Address	200 Harvard Mill Square, Suite 110, Wakefield, MA 01880 USA		
(3) Name and Title of Representative	President & CEO: Michael W. Pippins		
(4) Business Operations	Manufacturer and distributor of vacuum robotics and other related products		
(5) Paid-Up Capital	USD 28,629,000 (Common Stock and Preferred Stock)		
(6) Date of Establishment	July 8, 2010		
(7) Total Number of Shares Outstanding	Common Stock: 752,113 Preferred Stock: (Class A) – 277,507 shares (Class B) – 2,847,611 shares (Class C) – 1,481,715 shares (Class D) – 678,744 shares		
(8) Major Shareholders and Shareholdings	Not disclosed		
(9) Relationship Between Subject Company and Publicly-Traded Company	Capital Ties	Not Applicable	
	Personnel Ties	Not Applicable	
	Transactional Ties	Not Applicable	
(10) Financial Performance and Condition of the Subject Company for the Most Recent Three Year Period			
	(in USD)		
Accounting Period	Period Ending December 2013	Period Ending December 2014	Period Ending December 2015
Net Assets	2,248,000	(2,108,000)	76,000
Total Assets	4,553,000	4,239,000	9,886,000
Sales	524,000	1,192,000	5,779,000
Operating Income	(5,775,000)	(7,053,000)	(6,719,000)
Net Income for the Period	(5,853,000)	(7,361,000)	(7,400,000)

4. A New acquisition Company Profile

(1) Name	Persimmon Merger Sub, Inc.
(2) Address	2711 Centerville Road, Suite 400 Wilmington, New Castle, DE 19808 USA
(3) Name and Title of Representative	President: Minoru Maruyama
(4) Business Operations	Preparation for merger
(5) Paid-Up Capital	USD1
(6) Date of Establishment	February 27, 2017
(7) Major Shareholders and Shareholdings	Sumitomo Heavy Industries, Ltd: 100%

5. Number of Shares to be Acquired, Acquisition Price, and Shareholdings Before and After the Transaction

(1) Number of Shares Held Prior to the Transfer	0 shares (Number of voting rights: 0) (Proportion of voting rights held: 0.0%)
(2) Acquisition Price	Acquisition Value: approximately JPY 3,600 million
(3) Number of Shares Held After the Transaction	1,000 shares (Number of voting rights: 1,000) (Proportion of voting rights held: 100.0%)

6. Key Timeline of Transaction

(1) Date Resolution was Passed at a Board of Directors Meeting	February 27, 2017
(2) Date that Memorandum of Understanding will be Finalized	To Be Determined
(3) Execution Date of Share Transfer	To Be Determined

7. Future Outlook

The impact of this transaction on SHI's consolidated financial performance is expected to be minimal. However, if it is discovered that this transaction will have a significant impact on consolidated financial performance, SHI will disclose such information as soon as practicable.

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