

The Acquisition of Shares of Persimmon Technologies Corporation and Subsequent Subsidiarization

2017/2/27



Profile of Persimmon Technologies Corporation

Company Profile

Name	Persimmon Technologies Corporation
Address	Wakefield, Massachusetts, USA
Name of Representative	Michael W Pippins (President & CEO)
Date of Establishment	July, 2010
Number of Employees	29 (as of December 31, 2016)
Capital	USD 28,629,000

History of Establishment

Persimmon Technologies is a start-up company that Mr. Michael Pippins, a former head of vacuum robotics for a major global corporation, established. In addition to Mr. Martin Hosek, the Chief Technology Officer (and previously the Head of Research and Development of the vacuum robotics division at the same company as Mr. Pippins), approximately two-thirds of the engineers from the previous company moved over to Persimmon.

Business Operations

Manufacturer and distributor of vacuum robotics and other related products

Customers:

Semiconductor and electronic component production equipment manufacturers

Products:

Basic development (design) and quality testing is completed. Product has already been launched into the market.

Vacuum Robotics and the Market

What is Vacuum Robotics?

A highly clean and reliable material handling robot that is used in the wafer handling process of semiconductor production.



Features of Persimmon's Vacuum Robotics

Through the company's own unique high-rigidity design, the product structure is both simple and lightweight.

- Contamination-less
- Highly precise
- High level of reliability



The Vacuum Robotics Market

The Vacuum Robotics Market Targeting the Semiconductor and FPD Fields

⇒ **USD 300 mil.**

The demand for in-vacuum chamber production is trending upwards due to advancements in miniaturization and the use of 3-D design.

Currently, 80% of the market share of vacuum robotics is taken up by in-house customer manufacturing of such devices and one other competitor.

Persimmon's products and technologies

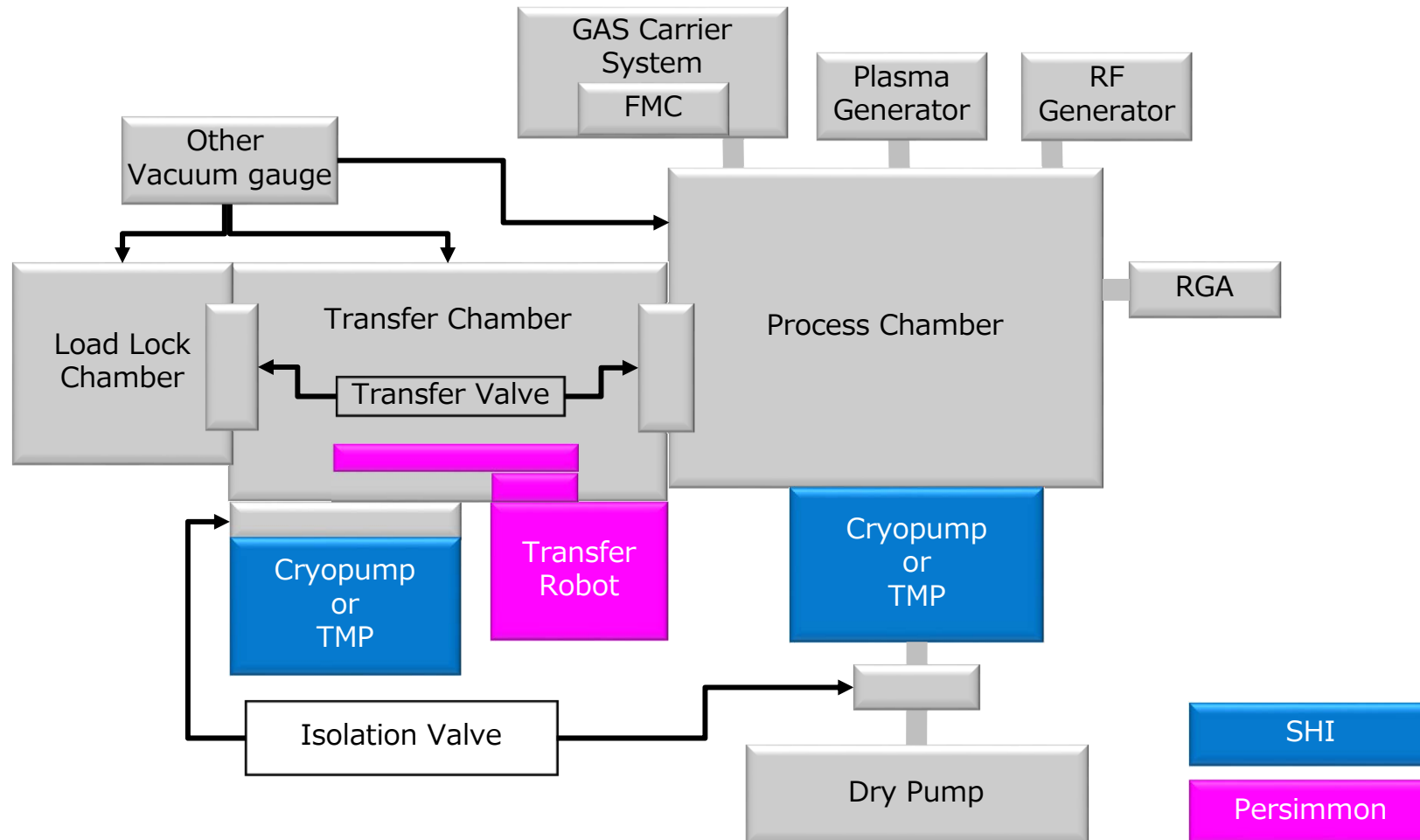
SHI's existing customer relationships



Achieve business expansion in this field

Profile of Vacuum Process Equipment and Purpose of Acquisition

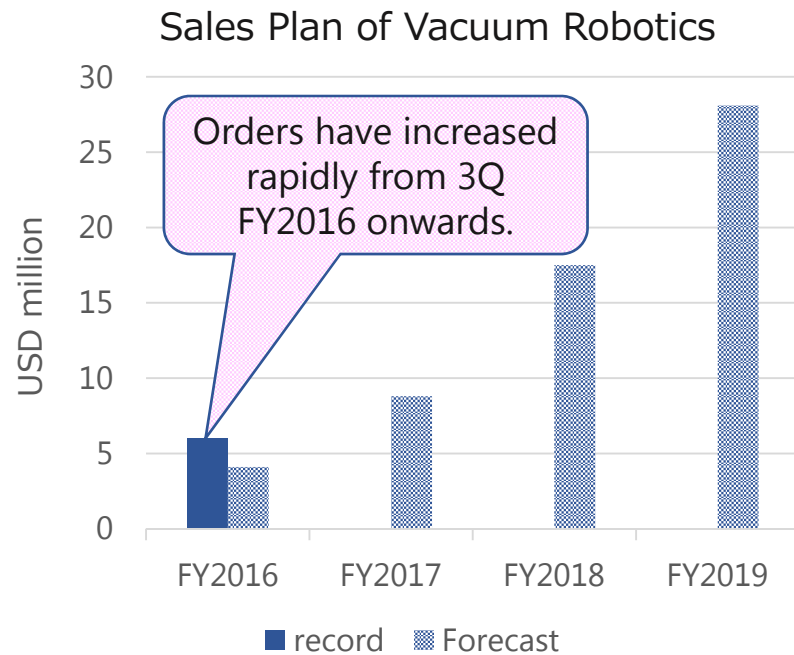
It is necessary to add peripheral devices to the product line-up in order to expand sales of cryopumps.



Sales Projections

Sales – Sales are projected to increase in the second half of FY2017 as repeat purchases from existing customers become more active.

Profitability – From 4Q of FY2017, the business will generate a profit. Projected to maintain profitability for the whole of FY2018.



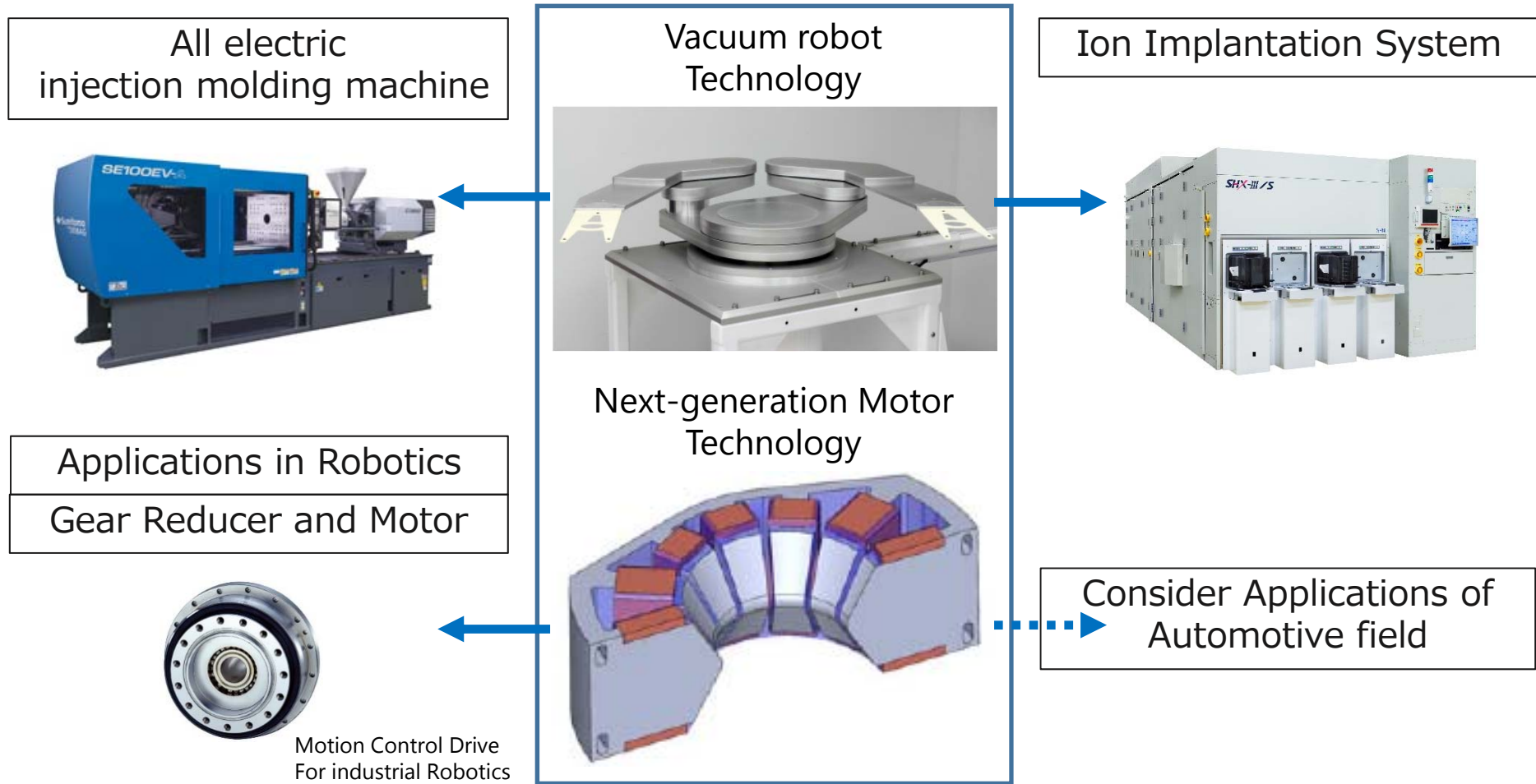
Sales Scenario

1. Bring in the share of the market that is currently held by in-house customer production in order to stabilize the financial condition of such customers.
2. Increase order levels of Asian manufacturers



Synergy with SHI group

**In addition to vacuum robot technology,
Persimmon also possess next-generation motor technology**



Business Operations

- Planning to dispatch SHI management personnel to Persimmon
- Provide full sales support through local US SHI company
- Joint technology development with SHI's R&D center