

September 22, 2017

Company name: Hamamatsu Photonics K.K.

Stock Listing: Tokyo Stock Exchange First Section

Stock code: 6965 URL: <http://www.hamamatsu.com/ir/index.html>

Representative: Akira Hiruma, President and Chief Executive Officer

Contact: Tadahiko Shimazu, Director and General Manager of Accounting Div.

Hamamatsu Photonics KK to acquire Energetiq Technology Inc. of
Woburn, Massachusetts, U.S.A.

Hamamatsu Photonics KK announces an agreement to acquire Energetiq Technology Inc. (EQ) a manufacturer of Laser Driven Light Sources (LDLS™), and Extreme Ultraviolet (EUV) light sources. The agreement, if consummated, will bring Energetiq into the consolidated group of companies that are owned by Photonics Management Corp(PMC), of Bridgewater, NJ (USA). Hamamatsu Photonics KK owns 100% of the shares of PMC. The consideration for the deal is \$42M plus company cash.

There has been a growing demand for light sources with high brightness in the Ultraviolet region. With high brightness sources, semiconductor wafers can be quickly and more accurately inspected for properties such as thickness and pattern accuracy. With the advent of thinner design rules for semiconductors, there is anticipated to be a significant demand for ultra-short wavelength EUV light sources for inspection and metrology in support of EUV photolithography.

EQ's LDLS have the required high brightness for semiconductor metrology applications. In addition, EQ's EUV light source have become the workhorse of the EUV community.

Hamamatsu has a long history of developing and marketing light sources such as the Xenon lamp and Mercury Xenon lamp for semiconductor inspection. The addition of EQ's technology and production ability will help to expand Hamamatsu's capabilities and product offerings.

Hamamatsu, one of the only companies in the world that offers light sources, solid state and electron tube based detectors and systems, plans to utilize the combined technologies of both companies to speed development of new, value added products. These products may have value in diverse areas, including environmental analysis. Hamamatsu envisions a future where the combined technologies of the companies will result in new and exciting product offerings.

Profile of PMC

(1) Corporate name	Photonics Management Corp.
(2) Location	360 Foothill Road, Bridgewater, NJ 08807, U.S.A.
(3) Name and title of representative	Akira Hiruma, Director
(4) Business description	US Holding Company
(5) Stated capital	US \$33,521 thousand (J¥3,687 mil.)

Transaction Details

The transaction will be conducted through a merger between a special purpose subsidiary of PMC, and EQ pursuant to Delaware Corporation Law. PMC has established Photonic Energy Subsidiary, Inc. (SPC) in Delaware as a vehicle to facilitate the merger. The merger will be accomplished by way of a reverse triangular merger resulting in EQ as the surviving company and SPC being dissolved.

Upon merger, shares of EQ will be converted into the right to receive cash consideration. Shares of SPC, owned by PMC, will be converted into common share of EQ. PMC will thus own all share of EQ after the merger and EQ will become a wholly-owned subsidiary of PMC.

Profile of Energetiq Technology, Inc. (surviving company)

(1) Corporate name	Energetiq Technology, Inc.	
(2) Location	7 Constitution Way, Woburn, MA 01801, U.S.A.	
(3) Name and title of representative	Deborah Gustafson, Chief Executive Officer	
(4) Business description	Development, Manufacture and Sale of Semiconductor Inspection light source	
(5) Stated capital	US \$5 thousand (J¥ 550 thousand)	
(6) Date established	February 24, 2004	
(7) * Shareholders	-	-
(8) Relationship with Hamamatsu Photonics and Energetiq Technology, Inc.	Capital relation	None
	Personnel relation	None
	Business relation	None

*Details of shareholders and financial information are not disclosed by management decision

Profile of SPC (Merger Subsidiary)

(1) Corporate name	Photonics Energy Sub
(2) Location	Wilmington, Delaware, U.S.A.
(3) Representative	Akira Hiruma, Director
(4) Business description	Established for the purpose of effecting the merger
(5) Stated capital	US \$1
(6) Date established	September 14, 2017
(7) Shareholder and ownership ratio	Photonics Management Corp. (PMC) 100%

Shareholders from which the shares are being acquired

There are 95 shareholders in total of Energetiq Technology, Inc. consisting of management, employees and corporations. It is the management decision not to disclose a profile of shareholders. None of the shareholders have any capital, personnel and business relations with Hamamatsu Photonics and PMC.

Shares of Energetiq Technology, Inc. owned by PMC Before and After the Transaction

(1) Number of shares held before the Transaction	0 shares (Number of voting rights : 0) (Ratio of voting rights held : 0%)
(2) Number of shares acquired	5,659 thousand shares (number of voting rights : 5,659 thousand)
(3) Acquisition price	Acquisition price: US \$ 42 million (J¥4,620 mil.)plus cash balance owned by Energetiq at closing day Advisory fee, etc. (estimated) : US \$ 625 thousand (J¥68 mil.) Total (Estimated): 4.7billion yen excluding cash balance at closing day 1 US \$= 110 yen
(4) Number of shares held after the Transaction	1 share (Number of voting right: 1) (Ratio of voting rights held: 100.0%)

Schedule

(1) Resolution by the Board of Directors	September 11, 2017
(2) Contract date	September 20, 2017
(3) Closing of Transaction	Expected to be within 30 days of Contract date

Outlook for the future

It is expected that there shall be no material effect due to the Transaction on the consolidated financial outlook of Hamamatsu Photonics K.K. for the fiscal year ending September 30, 2017.