

Acquisition of the LCD Panel, etc. Manufacturing Equipment business of Hitachi, Ltd.

Polaris Private Equity Fund III (“Polaris Fund III”), managed by Polaris Capital Group Co., Ltd. (“Polaris”), and other investor have agreed with Hitachi, Ltd. (“Hitachi”) that, on July 1, 2016, they will acquire most of the shares in the New Company to be established in order to assume the LCD Panel, etc. Manufacturing Equipment business of Hitachi (“Target business”).

Backed by the core technologies such as fine coating and high precision lamination, the Target business conducts design, manufacturing, sales and after sales service of LCD panel and organic Electro-Luminescence (EL) panel manufacturing equipment, and manufacturing equipment related to micro-ball mounters, which are used to mount solder balls on semiconductor wafers on a global basis. It has been recognized as a leading player in the industry with superior technological and customer supporting capability and secured strong relationships with major LCD panel manufacturers in Asia and major semiconductor manufacturers.

In addition to the existing businesses above, the Target business is expected to find growth opportunities in LCOS^{*1}·ODF Applied Process^{*2} for Smart window which may capture a sizable market in the future and Thin Film Coating Systems which can be applied to various applications mainly relating to OLED.

*1: Liquid Crystal On Silicon: A small component on silicon substrate which is expected to see more demand for advanced devices, e.g. wearable devices.

*2: The Target business achieved much faster liquid crystal dispensing by adopting One Drop Fill method in production lines for the first time in the world.

However, the market environment surrounding the Target business is changing at an increasingly rapid pace, as panels feature higher resolutions than ever before, and digital devices become more compact, with more advanced functions. Polaris intends to help the Target business to establish smoothly and swiftly a company structure as a stand-alone entity and to execute steadily the growth strategies in the global market by sharing the know-how which Polaris has acquired through various investments in manufacturing businesses or carve-out deals. Polaris will succeed the strengths of the Target business and enhance the new company's capability through various practical value creation measures with respect to finance, human resources and management.

For inquires:

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Polaris Capital Group Co., Ltd.

Phone: 813-5223-6780

New Company (at the time of establishment (tentative))

To Be Founded: July 2016 (Planned)

Representative: Not yet determined

Address: 5-2 Koyodai, Ryugasaki City, Ibaraki Prefecture (Planned)

Business: Design, development, manufacturing, sells, and after sales service of LCD panel and organic EL panel manufacturing equipment, and manufacturing equipment related to micro-ball mounters (used to mount solder balls on semiconductor wafers)

Polaris Capital Group Co., Ltd.

Founded: September 2004

Representative: Yuji Kimura, President and CEO

Paid-in Capital: JPY 200 Million

Address: GranTokyo North Tower 38F, 1-9-1 Marunouchi, Chiyoda-ku,
Tokyo, Japan

Funds: Polaris Private Equity Fund I, L.P. (JPY 29.6 billion)
Polaris Private Equity Fund II, L.P. (JPY 31.9 billion)
Polaris Private Equity Fund III, L.P. (JPY 39.1 billion)

Website: <http://www.polaris-cg.com/us/>