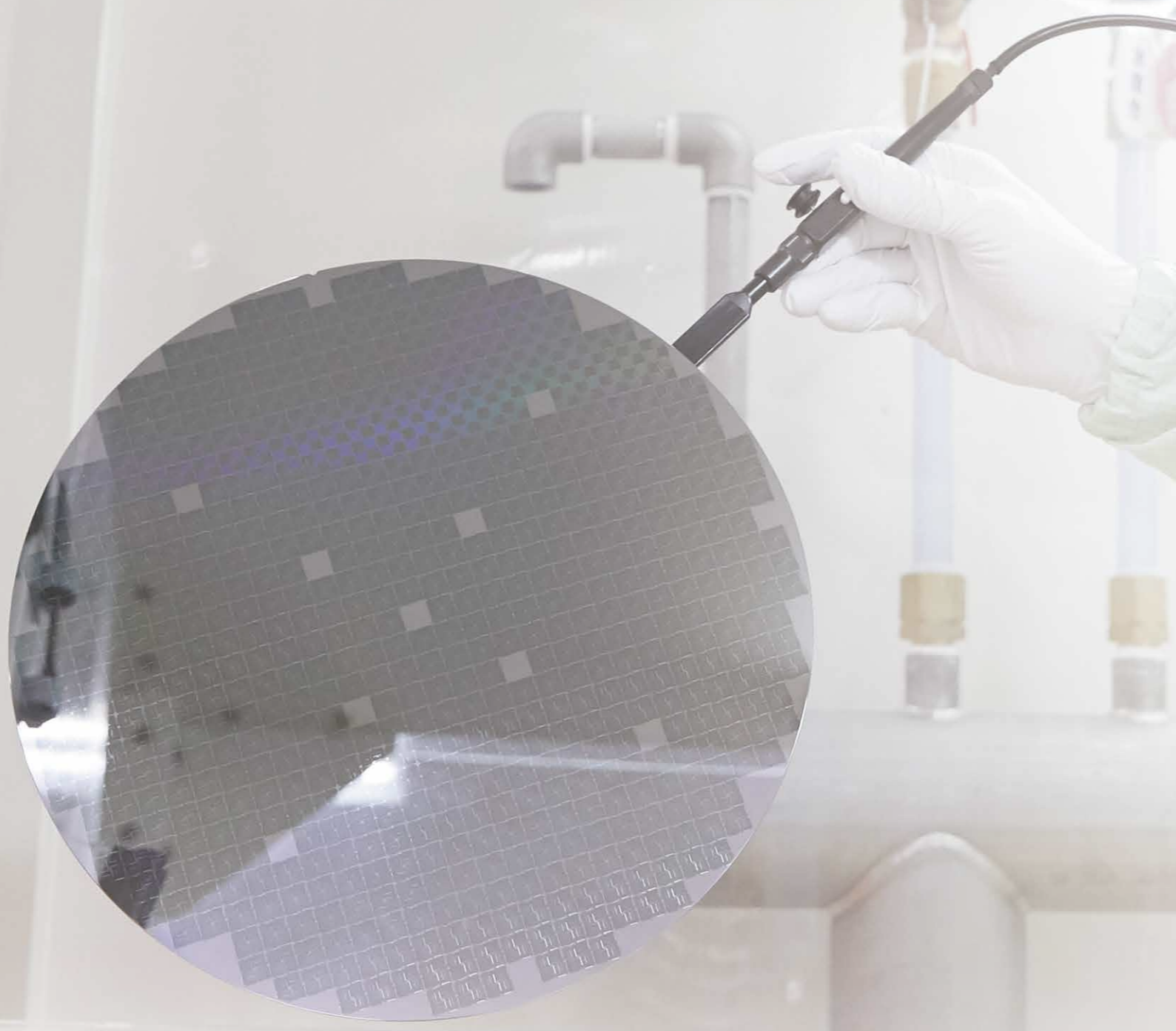


For the next big step in nano-tech



# KOKUSAI ELECTRIC Group creates values through dialog and technologies with the aim of building a sustainable society that is safe, comfortable and energetic.



KOKUSAI ELECTRIC CORPORATION has made its fresh start as a pure play manufacturer of semiconductor manufacturing systems on June 1, 2018 under the capital of Kohlberg Kravis Roberts group after splitting from Hitachi Kokusai Electric Inc.

The market conditions of semiconductor are facing a major turning point as the entire semiconductor industry is experiencing a rapid demand increase by expansion of the memory market associated with a penetration of Internet of Things (IoT) to the society, growing demands of data centers and diversification of electric devices, as well as activation of the device market by artificial intelligence (AI), automated driving and currency mining, etc. The semiconductor equipment industry is also growing to the next phase along with these changes.

As we start the new company, our mission is to accommodate customers' needs in the changing market with the leading-edge technology based on our accumulated deposition technologies and become an industry leader. We, as an innovative corporation with the customers' perspective, are determined to move fast to provide high quality products and services, and make contribution to highly developed social infrastructures with our technology.

As always, I look forward to your continued support.

***Fumiyuki Kanai***

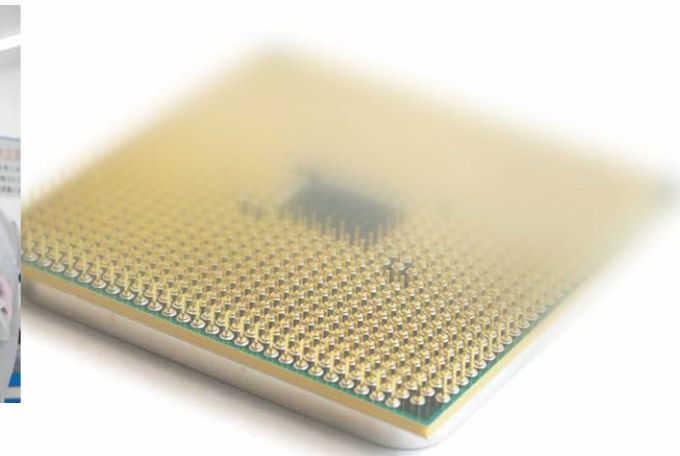
Representative Director, President and Chief Executive Officer



November	1949	Kokusai Electric Co., Ltd. was established
October	2000	Merged with Hitachi Denshi, Ltd. and Yagi Antenna Co., Ltd., and the company name was changed to Hitachi Kokusai Electric Inc.
March	2009	Hitachi Kokusai Electric Inc. became a consolidated subsidiary of Hitachi, Ltd. by way of a tender offer
December	2017	HKE Holdings Co., Ltd. acquired 26% of the shares of Hitachi Kokusai Electric Inc. by way of a public tender
May	2018	Hitachi Kokusai Electric Inc. became a wholly-owned subsidiary of HKE Holdings Co., Ltd.
June	2018	HKE Holdings Co., Ltd. took over the thin-film process solutions business of Hitachi Kokusai Electric Inc. by way of absorption-type company split, and the company name was changed to KOKUSAI ELECTRIC CORPORATION

# Using world-class coating technology to produce high-quality semiconductor manufacturing systems

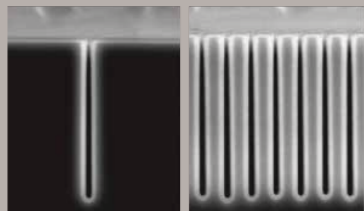
Semiconductors are made by forming circuits on multiple layers of films, which are coated on the surface of silicon substrates (called wafers). This process of forming thin films on wafers, called as the thermal process, is the most important phase of making semiconductors. We, KOKUSAI ELECTRIC, produce semiconductor manufacturing systems that leverages world-class coating technology such as 10nm microfabrication technology close to the physical limit, delivering to the world's top manufacturers. Our semiconductor manufacturing systems enable the increasing high functionality and high performance of semiconductors.



## Advanced Thermal Process Technology

KOKUSAI ELECTRIC is proud to introduce a novel, next generation deposition technique, Balance Controlled Deposition (BCD®). The BCD® technique provides lower temperature processing and tighter process control for advanced small geometry devices while maintaining very high productivity, which can benefit a wide range of users and process applications.

### Excellent Step Coverage



\*BCD is a registered trademark of KOKUSAI ELECTRIC CORPORATION in Japan.

### Main Products

#### Batch Processing System



**TSURUGI-C2®**  
High Quality / High Performance Thermal Process System



**AdvancedAce®-300**  
High Productivity Batch Thermal Process System



**VERTRON**  
Batch Thermal Process System for 200mm Wafers

#### Single Wafer Processing System



**MARORA®**  
Single Wafer Plasma Nitridation / Oxidation System



**TANDUO®**  
Single Wafer Annealing System



**Lambda300**  
Single Wafer Ashing System

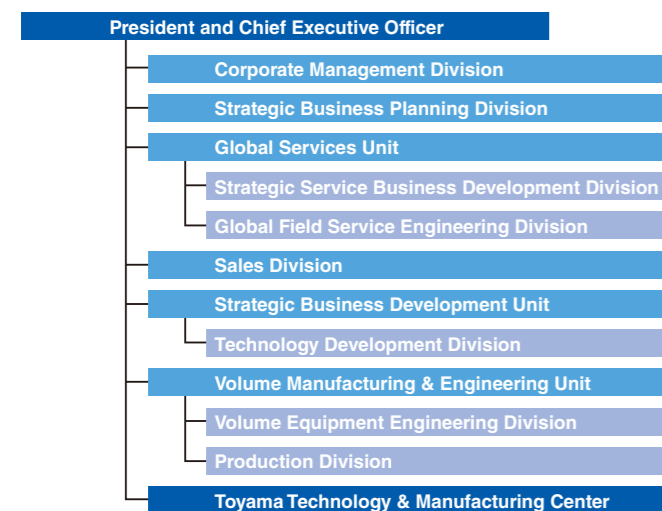
\*TSURUGI-C<sup>2</sup> and AdvancedAce are registered trademarks of KOKUSAI ELECTRIC CORPORATION.

\*MARORA and TANDUO are registered trademarks of KOKUSAI ELECTRIC CORPORATION.

Overview

<b>Company Name</b>	KOKUSAI ELECTRIC CORPORATION
<b>Date of Establishment</b>	February 2, 2017
<b>Headquarters</b>	3-4, Kandakaji-cho, Chiyoda-ku, Tokyo 101-0045, Japan
<b>Representative</b>	Fumiyuki Kanai
<b>Paid-in Capital</b>	¥100 million
<b>Fiscal Year-end</b>	March 31
<b>Number of Employees</b> (as of September 30, 2018)	983 (non-consolidated) 1,910 (consolidated)
<b>Independent Auditor</b>	Ernst & Young ShinNihon LLC

Organization



Profit and Loss Statement (consolidated)

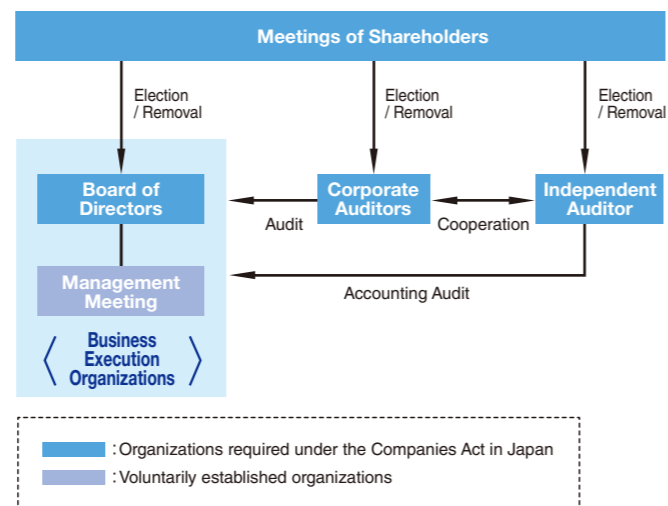
	(Millions of Yen)		
	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Revenues	90,563	91,544	133,976
Cost of sales	57,172	60,472	85,724
Gross profit	33,391	31,072	48,252
SG & A expenses	17,546	17,409	20,119
Operating income	15,844	13,663	28,133
Depreciation and amortization	1,823	1,919	2,349
EBITDA	17,668	15,582	30,482
R & D expenditures	5,436	5,558	5,848
Sales Growth Rate	2.9%	1.1%	46.4%
Operating Margin	17.5%	14.9%	21.0%
R&D / Revenues Ratio	6.0%	6.1%	4.4%

Note: The above values are unaudited and for reference purposes only.

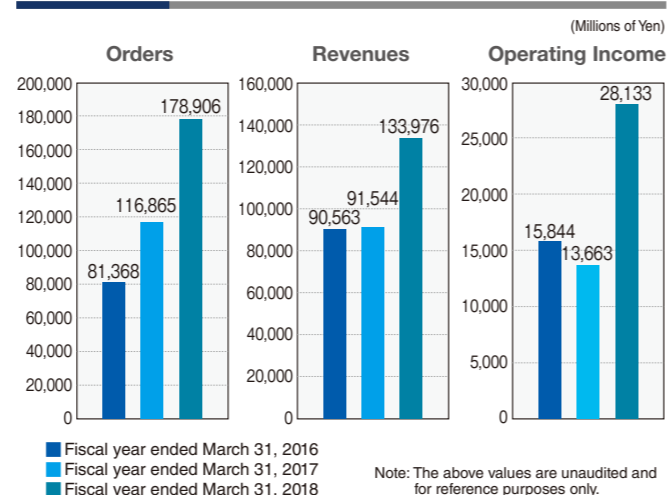
Directors, Corporate Auditors and Executive Officers

Directors		Corporate Auditors	
Fumiyuki Kanai (Representative)		Morio Murakawa	
Yuji Kamiya		Akira Funae	
Hiroaki Kondo			
Eiji Yatagawa			
Masaki Nakamura			
Executive Officers			
Fumiyuki Kanai	President and Chief Executive Officer		
Yuji Kamiya	Executive Vice President and Executive Officer Responsible for Corporate Management		
Unryu Ogawa	Senior Vice President and Executive Officer Responsible for Technology Development and New Business Development		
Hidehiro Yanagawa	Corporate Vice President and Executive Officer Responsible for Product Development, Production and Quality Assurance		

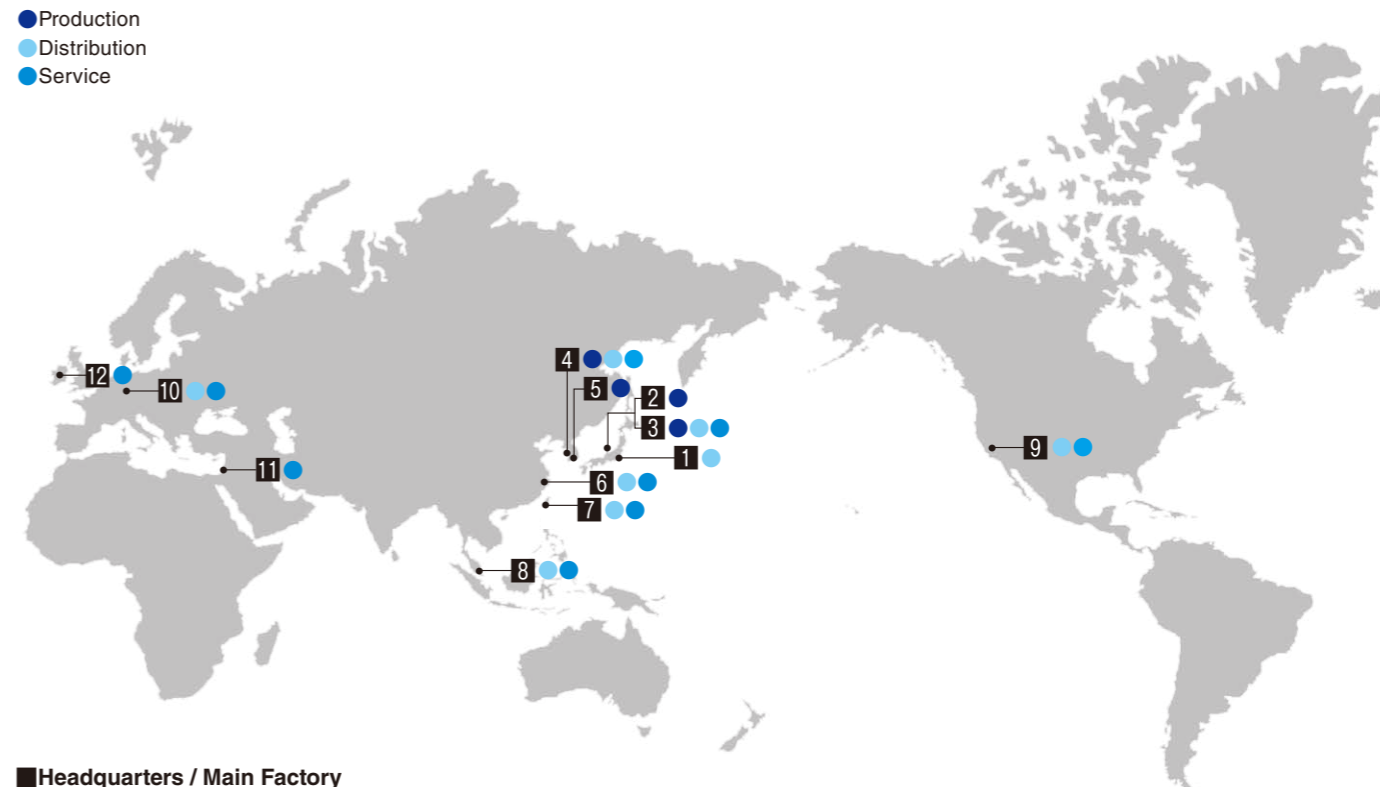
Corporate Governance



Financial Information (consolidated)

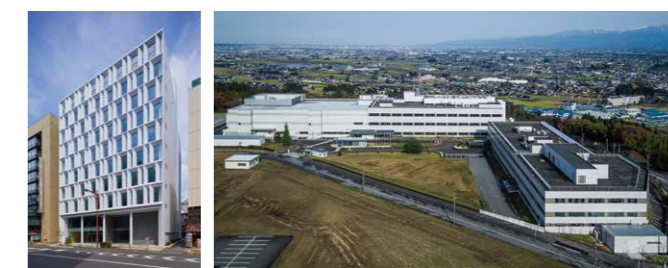


Headquarters / Main Factories / Group Companies



Headquarters / Main Factory

- Headquarters**  
1 3-4, Kandakaji-cho, Chiyoda-ku, Tokyo 101-0045, Japan  
TEL.+81-3-5297-8530
- Toyama Technology & Manufacturing Center**  
2 2-1, Yasuuchi, Yatsuo-machi, Toyama-shi, Toyama 939-2393, Japan  
TEL.+81-76-455-9111
- Group Company (Japan)**  
Kokusai Electric Semiconductor Service Inc.  
3 2-1, Yasuuchi, Yatsuo-machi, Toyama-shi, Toyama 939-2393, Japan  
TEL.+81-76-454-5931



Headquarters Toyama Technology & Manufacturing Center

Group Companies (Overseas)

- (Asia)**  
Kook Je Electric Korea Co., Ltd.  
4 (Chaam-dong) 46, 2gongdan 8-gil, Seobuk-gu, Cheonan-si, Chungnam 31075, Korea  
TEL.+82-41-559-1705
- 5 64, Jinwisandan-ro, Jinwi-myeon, Pyeongtaek-si, Gyeonggi-do, 17709, Korea  
TEL.+82-31-8015-8300
- KE Semiconductor Equipment (Shanghai) Co., Ltd.**  
6 Room ABJ, 22F World Plaza, No.855 Pudong Road South, Pudong New Area, Shanghai 200120, China  
TEL.+86-21-6888-1166
- Kokusai Electric Asia Pacific Co., Ltd.**  
7 9F, No.282 Beida Road, Hsin Chu City, Taiwan 300  
TEL.+886-3-528-5788
- 8 31 Tannery Lane, #03-01 HB Centre II, Singapore 347788  
TEL.+65-6848-2633
- (North America)**  
Kokusai Semiconductor Equipment Corporation  
9 2460 North First Street, #290, San Jose, CA 95131, U.S.A.  
TEL.+1-408-456-2750
- (Europe)**  
Kokusai Semiconductor Europe GmbH  
10 Gruitener Strasse 3, D-40699 Erkrath, Germany  
TEL.+49-2104-9655-0
- 11 Intel. M.S. LCS2-3S, Shderot Ha-Avatz Str. P.O.Box 1000, Kiryat Gat 82109, Israel  
TEL.+972-8612-3791
- 12 Unit H9, Maynooth Business Park, Maynooth, Co. Kildare, Ireland  
TEL.+353-1-606-8487