Presentation Agenda

- **Introduction**
  - BlueShift Technologies
- **Strategy**
  - Concepts and Benefits
- **Company Timeline**
  - Near death three times
- **Raising Capital**
  - Board, concept, network
- **Lessons learned**
Semiconductor Manufacturing

- **Fab Cost**
  - $3-5 billion
  - 700-800 machines
  - 40,000 wafer per month
  - Each has 500+ chips

- **Equipment Cost**
  - $2-6 million each
  - Many different types
  - Usually limited by process

- **Opportunity**
  - $400m in vac autom 33%y/y growth
  - $200m in software, 32%y/y growth
The Concept: LEGO’s for grownups

QuickLink: “CLICK” modules together to make any size machine
BlueShift Company Timeline

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Current Status**
  - Shipping products to Equipment Makers and Installations in Fabs
- **Company Mission**
  - Deliver highly flexible, affordable, open automation
- **Strong Patent Portfolio**
  - 50+ patent applications on concepts and software in progress, 3 issued
M&A Lessons learned

• Strategic alliance problems courting an 800lb gorilla
  – Management buy-in
  – Overwhelming by the larger partner (legal, resources, duplication)
  – Uneven balance of power
    • Heavy handedness
    • Lack of leverage over key strategic issues
    • Assumption that small company has no alternatives
  – Slow response times
  – Internal Champion at large company may change jobs, now what?
  – Tendency to operate at ends of spectrum: supplier vs. acquisition

• Be very careful with exclusivity
• Find out the end-game
• Have a plan B
• Create a good Board, non-investor experts, backdoor channels
• Keep your network going
Capital Raising Process “A” round

• **Preparation**
  – Have a great presentation, executive summary and financial plan
  – Have a team of advisors that know you and your market, referencable
  – Create a list of target investors, manage the list
    • Who can introduce you to these targets: NETWORK!
    • Get a personal introduction!
  – Say thank you, follow up

• **Presentation**
  – Know your key strengths and weaknesses
  – Meet with advisors to the VC’s, know them, know their concerns
  – Update and polish your presentation
  – Match-make the VC’s

• **Negotiation**
  – Know what terms are commonly used on term sheets
  – Get help in understanding what is negotiable and what is not

• **Current capital environment**
  – Raise capital in areas that are attractive to investors
    • Semiconductor Capital Equipment: Strategic and/or Asia based investors
  – Meet your plan! Even if it has been reset