November 1, 2016

Re: Statement on Applicability of European Union ROHS Directive

Xcerra Corporation ("Xcerra") maintains a commitment to engaging in the strongest practices of corporate responsibility and operates in compliance with applicable environmental laws and regulations. As part of its ongoing compliance efforts, Xcerra has determined that its semi-conductor tester and handler equipment, including boards, contactors, and other integrated components, is excluded from the applicability of European Union Directive 2011/65/EU ("ROHS Directive").

Xcerra has rendered this determination upon a self-assessment of its equipment and as part of its commitment to operate in compliance with the requirements of the ROHS Directive. The ROHS Directive, also referenced as a recast of the original directive, was adopted in order to develop better regulatory conditions regarding the use of hazardous substances in EEE (electrical and electronic equipment).

Pursuant to Article 2(4)(d), the semi-conductor tester and handler equipment manufactured by Xcerra is excluded from the scope of the ROHS Directive as it is classified as "large-scale stationary industrial tools." Large-scale stationary industrial tools are defined in Article 3(3) to include:

- A large scale assembly of machines, equipment and/or components, functioning together for a specific application;
- permanently installed and de-installed by professionals at a given place (not readily re-locatable);
- used and maintained by professionals in an industrial manufacturing facility or R&D facility (factors such as need for special assembling equipment, required permits, professional engineering exercise, specialized training, considerable installation time).

While the term "large-scale" is not specifically defined within the ROHS Directive, the European Commission provides guidance offering that the complexity of functions and a requirement of utilities needed for operation can be considered indicative factors as to whether such equipment is considered "large scale."

Xcerra's semi-conductor tester and handler equipment includes an assembly of interrelated machines and components that form the sub-systems required for process parameters, and requires the use of special power and utility connections for regular operation. Furthermore, its equipment is installed, used and maintained by professionals in an industrial setting.

These characteristics are at the core of the functionality of Xcerra's semi-conductor tester and handler equipment, and form the basis for Xcerra's determination that such equipment is excluded from the applicability of the ROHS Directive.