

CORPORATE BULLETIN

Summer 2017



MATRIX
CIRCUIT BOARD MATERIALS

MESSAGE FROM THE CEO

Over the past few months, all of us in Canada and the USA have been deeply saddened by the course of civil events & that's not just North America. While we know few of you have been touched personally by these events, we all know there is a significant cultural change underway, especially in the USA, which has been the undisputed center of Democracy for over 200 years.

Our lives, families and business must continue just the same and so far this unrest has not affected the Matrix NA operations. All Divisions are breaking new ground each quarter (Chicago is now commencing also) and surely we are all very proud of our new, first class facility in Santa Ana. A large round of applause for Sunil, Rick, Jim & Frederick, plus all the other ASSOCIATES THAT ROLLED UP THEIR SLEEVES & GOT THE MOVE DONE. This is surely a landmark of a successful operation as we continue to break new barriers quarterly and presently have \$1.75 million of new equipment on order for Santa Ana & Santa Clara.

To all of you, take care, keep well & accept my personal regards.



Ed Healy

WORD FROM THE PRESIDENT

Hi everyone, and welcome to the SUMMER!

For those of us on the East Coast, the month of July and the Tulips are a welcome sight.



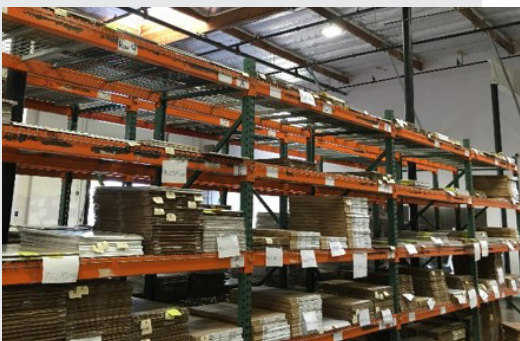
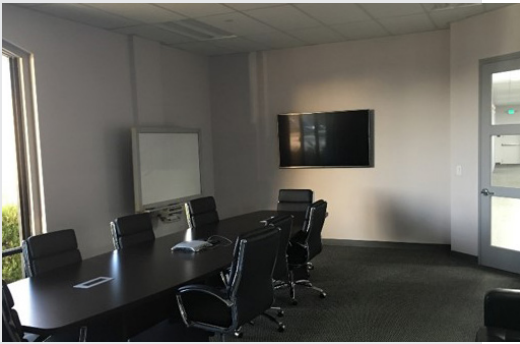
The big news this quarter is the appointment of Bob as our Vice President of Sales. This is a National Position; Bob will be responsible for the leadership of the Matrix Sales and Product Management Teams, developing new business opportunities and meeting our Customers' needs.

Bob is well known at Matrix, as he led the Business development activities for the Matrix Flex Materials Business for the last three years. Bob has over 25 years of sales, marketing and operations experience in the Electronic Interconnect market segments.

Welcome Bob!



Kieran Healy



UPDATE FROM SANTA ANA

Branch Sales have been strong with sales projections staying on course for a 30% year-on-year growth (2016 forecast of 7.5M). The Santa Ana team has matured with key associates in place to ensure greater autonomy in managing regional warehousing, sales and support.

Marcelo continues to excel in the role of Branch Customer Service lead and inventory management. Marc has been moved to the position of "expediter" to streamline and increase efficiency in warehouse fabrication and packaging activities, to provide better response time to our Customers.

Jim Kenney has been invaluable in the role of equipment maintenance and assistance with the new construction at our new facility.

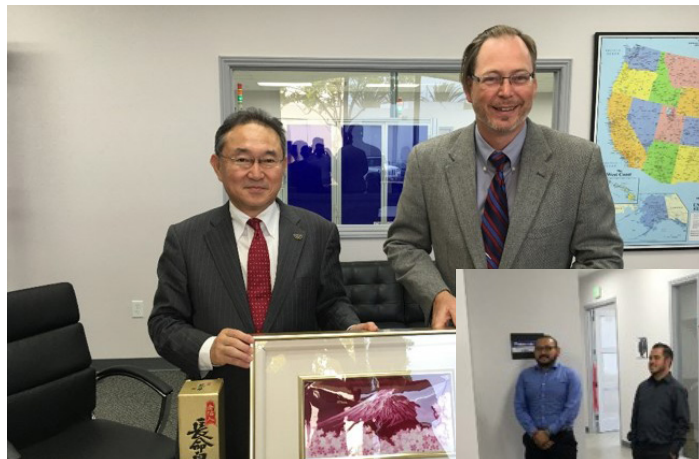
Darren has grown into the sales role and continue to engage his customers. Rick has been great resource for technical service and has been instrumental with the new facility planning. Sharon continues to hold the office together as always!

Quality systems are being synchronized with corporate standards and ISO 9001:2008 system is maintained and functioning well.

We hosted a "soft" opening of our new facility with Panasonic VIP's - Kushida-san and Karasawa-san, in attendance.



Sunil Shah





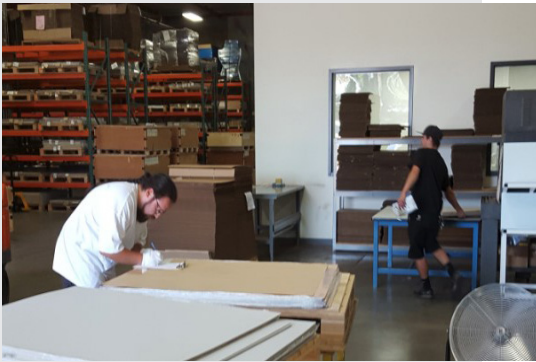
UPDATE FROM SANTA CLARA

At Matrix Santa Clara the first five months of the 2016 year produced sales that tracked along with the forecast. Closing out Q2 in June we had a record month where Zone 7 customers purchased \$2.1 million in Matrix products. Sales through June for Zone 7 customers were \$7,980,377.00

The Santa Clara team worked long hours to make sure that all customers received their products as requested. It was remarkable that they kept all our customers happy with so much activity. Many thanks to the Santa Clara Team. They shipped 40% more in June than our historic average. We celebrated with a fun evening and dinner at a local brew pub.



We are excited about equipment improvements we will incorporate into Santa Clara in Q3. In the prepreg clean rooms we will add a second Rosenthal prepreg sheeter and a new automated prepreg tooling machine. In the laminate department we will receive a new auto load ink jet stamping system. All of these new processes will reduce process time and provide a better finished product.



Our current staff is working well together. We recently moved two temps to permanent and they received the customary Matrix Quality and Culture indoctrination. We will be hiring a permanent delivery driver and will be prepared to add additional operators as the new equipment arrives in August and September.



Jim Alves

UPDATE ON HAKUTO

Matrix has been Hakuto's NA Distributor since 2004.

Traditionally, Hakuto has been the world leader in PCB Dry Film lamination equipment. In Asia and world-wide, the company also specializes in large automatic exposure systems.

For the past 10 years or so and recognizing that volume PCB production had moved to Asia, North America began to focus on the manufacturing of higher technology circuits with finer and finer connection features using the new imaging process of either Laser Direct Imaging or Projection Imaging with LED technology.

The result has been a complete manufacturing change to the "engineering front end" process in most NA PCB shops. Direct Imaging has replaced phototools, dark rooms, exposure frames and a host of manual process steps.

In 2014 Matrix met with Hakuto at their headquarters in Tokyo to communicate the changing needs of the PCB manufacturing industry in NA.

To our delight, Hakuto had predicted this new direction and introduced us to two of the most important elements for Image transfer to the new High speed laminates with VLP copper.

1. The new Mach 630NP Laminator Series
2. Direct Image Systems – both manual and fully automatic

Matrix continues to possess industry leading supply and equipment products for PCB manufacturing.

Our success to date can be measured by the recent installation of 4 630Np laminators at TTM, Chippewa Falls and two more installations scheduled in August at Innovative Circuits, GA, and in September at Compunetics Inc., PA.

We now have the references!!



Fred Long

