

MICROTRON INDUSTRIES, INC.

H. W. ULMER CO.

Division



Summary of Annual Meeting of Stockholders

held at

Oceanside, California

on

Friday, July 20, 1962



President Harold W. Ulmer welcomed the stockholders in attendance and proceeded to give a very enlightening, illustrated report with colored slides of the facilities, personnel, manufactured products, and colored charts of inventories, sales forecasts, profit forecasts and capital requirements.

From the first of the year, Mr. Ulmer explained, we have built up a sizeable backlog of orders covering our product line of electron tubes, stored energy resistance welders, butt, seam, electron beam welders, automated welding equipment, heavy duty welders, vacuum systems, vacuum gauges, vacuum tubes, micro welded modules and research and development.

Our products are now marketed aggressively across the nation by recently appointed sales representatives with offices in strategic cities, and by direct sales from the home office.

As Mr. Ulmer explained, we have set a goal of over \$1,000,000 in sales in the next 12 months with a profit target of 6 per cent covering delivery of products now in manufacture plus follow on orders in our entire product line.

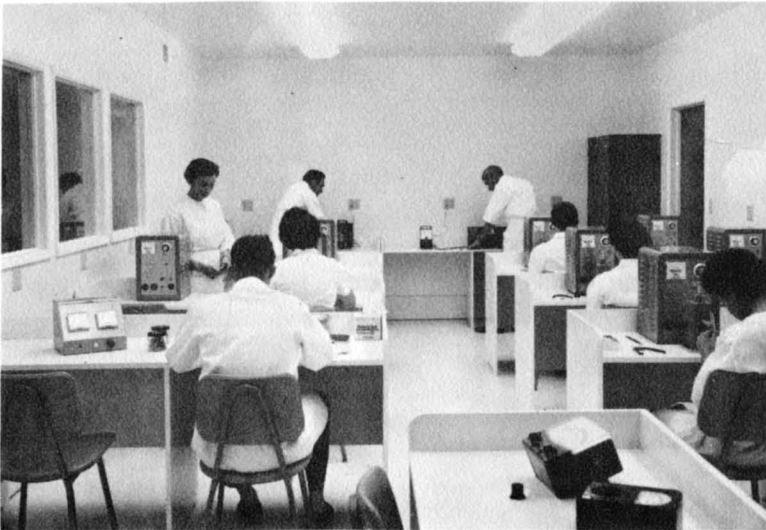
At the request of Mr. Ulmer, the legal counsel of the company, William G. Waldeck, was requested to preside for the remainder of the meeting to handle the legal aspects of stock increase and debenture financing.

Mr. Waldeck read the notice regarding the proposed increase of the authorized capital stock of the corporation. Such authorization requires a majority of $66\frac{2}{3}$ per cent and with only 36 per cent of the total eligible votes represented, it was deleted from the agenda.

The next order of business was the election of six members to the Board of Directors. They were as follows: Harold W. Ulmer, Bill A. Miles, Edward L. Gaylord, Melbourne Ziska, Homer Noble and William G. Waldeck.

The chairman explained that negotiations were under way to secure additional capital for more rapid expansion. This is being pursued through the Small Business Administration. He also stated the Board of Directors had authorized the issuance and private sale of 150 debentures of \$1,000.00 each having a term of five years, bearing interest at the rate of 7-1/2 per cent per annum and being convertible at any time during the term.

Shareholders made complimentary comments about the facilities, the way the directors have run the organization, the way the chairman and the other directors conducted themselves at the annual meeting and the annual meeting arrangements for the stockholders.



The "Clean Room"
offers the
controlled atmosphere
necessary to produce
Ulmer high reliability
products

PRODUCT LINE

ELECTRON TUBES

Special Purpose
High Reliability
Laboratory Accuracy

WELDING EQUIPMENT

Stored Energy Resistance
Butt – Seam
Electron Beam
Automated Welding Equipment

VACUUM EQUIPMENT

Vacuum Systems
Vacuum Gauges
Vacuum Tubes

MICRO WELDED MODULES

High Reliability
High Density
High Production Capability

RESEARCH AND DEVELOPMENT

Basic and Applied Research in High Vacuum, Electron Beam and other Welding.
Electron Tube and Miniaturized Circuitry.

LETTER TO THE STOCKHOLDERS -

At the conclusion of our first year of operations as a publicly owned company, Microtron Industries, Inc. has achieved a position, with the acquisition of the H. W. Ulmer Co., of marketing its products on a national scale. As you know, Microtron Industries, Inc. was originated on the basis of pursuing the development of micro electronic circuits and the manufacture and repair of television picture tubes. The slowness of the development of a market for micro circuits and the rapidity of the development of competition in the television picture tube field created profit problems which your directors determined to solve.

In January 1962, your directors acquired the assets and personnel of the H. W. Ulmer Co., and elected a new board of directors who in turn elected a new president. Since that time, we have formed a five man management team with Rear Adm. (Ret.) Bill A. Miles as Executive Vice President, W. D. Parkinson as Corporation Secretary and Comptroller, William G. Waldeck as Legal Counsel, Homer Noble, Ed Gaylord and Melbourne Ziska, Directors. Systems and procedures, as well as a quality control manual, have been established. Budgeting and financing procedures have been formalized. A marketing organization and public relations procedures have been coordinated and your Company is now on a firm business footing. Engineering has proceeded with the addition of highly experienced project engineers and technicians, and a sound manufacturing program is underway. Our programs are fitting in well with the needs of the American economy and the space age both industrially and militarily and our future looks very bright - limited only by the financial backing required to provide the facilities, raw material and labor to produce our fine line of products.

Harold W. Ulmer, President