

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Axcelis Technologies, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:

 - (2) Aggregate number of securities to which transaction applies:

 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

 - (4) Proposed maximum aggregate value of transaction:

 - (5) Total fee paid:

- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:

 - (2) Form, Schedule or Registration Statement No.:

 - (3) Filing Party:

 - (4) Date Filed:



Axcelis Technologies
Presentation to
ISS/Risk Metrics
April 14, 2008

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Agenda

- **Background on Axcelis, Sumitomo Heavy Industries, Ltd. ("SHI") and SEN Corporation, an SHI and Axcelis Company**
- **Board Response and Public Communications Regarding Unsolicited Proposals made by SHI**
- **Axcelis' Efforts to Engage with SHI**
- **Next Steps for Shareholder Communications**

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Corporate Profile

- Global supplier of semiconductor processing equipment and related services, primarily:
 - Ion Implantation
 - Cleaning/Dry Strip
- 2007 revenue of approximately \$400M with 1600 employees worldwide
- Public company listed on the Nasdaq Global Select Market (ACLS)



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Axcelis' Global Presence



Axcelis
World Headquarters and
Advanced Technology Center
Beverly, MA.

SEN Corporation, an SHI and Axcelis Company
Saijo, Japan

- Since 1984, Axcelis has licensed a 50% owned subsidiary, SEN, to make and sell specific types of implanters in Japan.

- SEN pays Axcelis royalties on its sales of implanters

- SEN has been the market share leader in ion implantation in Japan

- SHI owns the other 50% of SEN

Axcelis has over 50 field offices in 16 countries

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Board Response and Public Communications Regarding Unsolicited Proposals made by SHI (1)

- **February 4, 2008:** In a private letter to the Axcelis Board, SHI made a proposal to acquire the outstanding common stock of Axcelis for \$5.20.
- **February 6, 2008:** The Axcelis Board held a regularly scheduled Board meeting at which they confirmed a plan for the Board to receive a thorough review of the Company's valuation and strategic alternatives so that definitive response could be made to SHI's proposal based on thorough analysis and consideration.
- **February 7, 2008:** Axcelis' CEO replied to SHI in a private letter that Axcelis would be discussing the proposal with its advisors and would respond to SHI on conclusion of the discussions.

Board Response and Public Communications Regarding Unsolicited Proposals made by SHI (2)

- **February 11, 2008:**
 - SHI issued a press release with a new letter reiterating the \$5.20 proposal.
 - Axcelis issued a press release stating that its Board is considering the SHI proposal and, following that evaluation, will advise shareholders what course of action should be taken.
- **February 12, 2008:** The Axcelis Board met with its advisors on a conference call to discuss SHI's letter and next steps. They confirmed the timing of a meeting for a definitive consideration of the proposal with detailed valuation analyses.
- **February 22, 2008:** The Axcelis Board met with its advisors to review and discuss material prepared by Goldman Sachs on valuation and strategic alternatives. The Board concluded that the \$5.20 proposal undervalued the Company.

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Board Response and Public Communications Associated with Unsolicited Proposals made by SHI (3)

- **February 25, 2008:**
 - Axcelis issued a press release reporting on the Board's determination on SHI's \$5.20 proposal.
 - SHI issued a press release expressing their disappointment and reporting on their conversations with Axcelis shareholders.
 - Axcelis commenced proactive conversations with key shareholders, filing an 8-K and posting additional investor material on the Axcelis website.
- **March 6, 2008:** The Axcelis Board met with its advisors to discuss investor feedback and possible alternatives for resolving the SEN joint venture relationship with SHI.

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Board Response and Public Communications Associated with Unsolicited Proposals made by SHI (4)

- **March 10, 2008:**
 - SHI issued a press release and a new letter increasing its proposal to acquire the outstanding common stock of Axcelis to \$6.00, stating that SHI does not intend to increase its price again.
 - Axcelis issued a press release stating that the Board will thoroughly evaluate this proposal with its independent financial and legal advisors and respond in due course.

- **March 16, 2008:** The Axcelis Board met with its advisors to review and discuss updated material prepared by Goldman Sachs on valuation and strategic alternatives. The Board concluded that the \$6.00 proposal undervalued the Company.

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Board Response and Public Communications Associated with Unsolicited Proposals made by SHI (5)

- **March 17, 2008:** Axcelis issued a press release reporting on the Board's determination with respect to SHI's \$6.00 proposal. The press release provided a relatively detailed explanation of key factors in the Board's decision. We also reported on our past conversations with SHI and our willingness to engage in private conversations with SHI going forward.

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Axcelis' Efforts to Engage with SHI (1)

- Promptly thereafter, Axcelis began efforts to engage in discussions with SHI.
- Axcelis believes that in order to engage in productive discussions, both parties must agree to keep the discussion confidential.
- In addition, Axcelis does not believe it is appropriate to share confidential information about the Company with SHI unless SHI agrees that it won't take that information and immediately turn around and engage in hostile activity.
- For these reasons, Axcelis drafted and provided SHI a customary confidentiality and standstill agreement.

Axcelis' Efforts to Engage with SHI (2)

- Axcelis' counsel has had several conversations with SHI's counsel with respect to the proposed confidentiality agreement and has offered compromises, including shortening the time period on the standstill.
- To date, however, SHI has been unwilling to agree to keep any discussions with Axcelis confidential, and has been unwilling to agree to any standstill protection, for any period of time.
- Axcelis remains ready to meet with SHI once these issues are resolved, and remains open to all reasonable solutions.

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Further Shareholder Communication

- Today, Axcelis issued a letter to shareholders providing an update on Axcelis' effort to engage with SHI and explaining Axcelis' position.
- The letter has been filed on a Form 8-K and as additional definitive proxy material.
- Axcelis management will reach out to shareholders to address SHI's claim that Axcelis is not willing to engage with SHI.

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