



## Immersion Sells CyberGlove Division

SAN JOSE, Calif., Mar 20, 2009 (BUSINESS WIRE) -- Immersion Corporation (NASDAQ:IMMR), the leading developer and licensor of touch feedback technology, announces the sale of its CyberGlove(R) business to the private equity firm [Shackleton Advisors](#). The sale is part of Immersion's strategic initiative to divest its 3D product line and focus on its Medical and Touch lines of business. Financial terms of the deal are not being disclosed.

The CyberGlove family of products is used to capture hand and finger motion and manipulate objects in virtual reality. The product family includes VirtualHand(R) Software and four data glove models: CyberGlove, CyberTouch(R), CyberGrasp(R), and CyberForce(R). The base CyberGlove system is a wireless data glove that, in conjunction with its software, accurately captures the movement of a user's fingers and hand, and maps it to a graphical hand on the computer screen, allowing users to "reach in and manipulate" digital objects as if they were physical.

[CyberGlove Systems'](#) products benefit customers by allowing them to more quickly prototype and animate in virtual reality, thereby saving time and money. Customers include Fortune 500 and Global 500 companies, government agencies, and universities in the U.S., Europe, Asia, Middle East, and South America.

Faisal Yazadi, the head of sales for the division for the past 10 years, will stay with the business as its new chief executive officer. He comments, "I am very excited about this transaction. We continue to acquire new customers, and customer demand is anticipated to increase as we invest in our products and share our software development kit for the development of new applications in markets such as aerospace, automotive, biometrics, engineering, gaming, military, and motion capture. We plan to offer solutions that solve customer problems by leveraging our third-party partner relationships."

The CyberGlove remains one of the most sophisticated data gloves in the marketplace, offering both vibrotactile and kinesthetic feedback. In 2008, several VirtualHand software upgrades were released, including synchronization software for motion capture studios and a plug-in for AutoDesk's MotionBuilder software. Other recently introduced products include the CyberTouch system that adds vibrotactile feedback, the CyberGrasp system that adds kinesthetic force feedback to the fingers, and the CyberForce system that adds whole-arm force feedback, allowing users to experience a complete range of sensations during virtual object manipulation.

The new company, [CyberGlove Systems LLC](#), located in San Jose, CA, has agreed to honor its product warranty obligations and is expected to continue to serve existing customers with enhanced customer support.

Mark Schelbert, managing partner of Shackleton Advisors, added, "The data glove application for industrial engineering, motion capture, and gaming continues to be an underserved market. Product improvements and strategic partnerships will further create much greater customer demand and a more sizable market."

### **About CyberGlove Systems LLC([www.cyberglovesystems.com](http://www.cyberglovesystems.com))**

Launched in 1990, the family of CyberGlove products is the established and most sophisticated data glove solution in the marketplace. The product family includes four data glove solutions and the VirtualHand Software Development Kit (SDK). The products let users capture detailed finger, hand, and arm movement, allowing them to "reach in and manipulate" digital objects in virtual reality. With CyberGlove products, users can more quickly prototype and animate in virtual reality thereby saving both time and money. Customers include Fortune 500 and Global 500 corporations, government agencies, and universities in the U.S., Europe, Asia, Middle East, and South America.

### **About Immersion ([www.immersion.com](http://www.immersion.com))**

Founded in 1993, Immersion Corporation is the recognized leader in developing, licensing, and marketing digital touch technology and products. Using Immersion's advanced [touch feedback technology](http://www.immersion.com/products/) (<http://www.immersion.com/products/>), electronic user interfaces are more compelling, entertaining, and in many applications, safer and more productive. Immersion's technology has helped manufacturers develop innovative and creative solutions for products such as hundreds of video games and leading video console gaming systems, medical training simulators installed around the world, driver controls for automotive manufacturers, and mobile phones, such as those from LG and Samsung. Immersion's patent portfolio includes over 700 issued or pending patents in the U.S. and other countries.

## About Shackleton Advisors ([www.shackletonadvisors.com](http://www.shackletonadvisors.com))

Founded in 2008 and based in Beverly Hills, CA, Shackleton Advisors is a private equity and advisory firm focused on acquiring small non-core divestitures. Shackleton is a principal investor as well as an advisory service in sales and marketing, operational efficiencies, turnarounds, mergers & acquisitions, and other areas.

## Forward-looking Statements

This press release contains "forward-looking statements" that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause the results of Immersion Corporation and its consolidated subsidiaries to differ materially from those expressed or implied by such forward-looking statements.

All statements, other than the statements of historical fact, are statements that may be deemed forward-looking statements, including any statements concerning CyberGlove System products benefitting customers by saving time and money, Mr. Yazadi staying with the business as its chief executive officer, Mr. Yazadi's comments regarding customer demand increasing, plans to offer solutions that solve customer problems and the intention to grow into markets, the new company honoring its product obligations and continuing to serve existing customers with enhanced support, and Mr. Schelbert's statements regarding underserved markets and product improvements and strategic partnerships creating much greater customer demand and a more sizable market; and any statement or assumptions underlying any of the foregoing. Actual results might differ materially from those stated or implied by such forward-looking statements due to risks and uncertainties associated with the CyberGlove business, which include, but are not limited to, the uncertain impact of the global economic slowdown on future business, delay in or failure to achieve commercial demand for the CyberGlove family of products, a delay in or failure to achieve the acceptance of force feedback as a critical user experience, risks inherent in the transition of ownership of the CyberGlove business.

For a more detailed discussion of these factors, and other factors that could cause actual results to vary materially, interested parties should review the risk factors listed in our most current Form 10-K, which is on file with the U.S. Securities and Exchange Commission. The forward-looking statements in this press release reflect our beliefs and predictions as of the date of this release. We disclaim any obligation to update these forward-looking statements as a result of financial, business, or any other developments occurring after the date of this release.

Immersion and the Immersion logo are trademarks of Immersion Corporation in the United States and other countries. CyberForce, CyberGlove, CyberGrasp, CyberTouch, and VirtualHand are trademarks of CyberGlove Systems LLC. All other trademarks are the property of their respective owners.

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