

Acquisition of shares in Med-Tech Inc.

– Transition to management as wholly owned subsidiary –

Asahi Kasei Kuraray Medical (Head Office: Chiyoda-ku, Tokyo; President: Yasuyuki Yoshida) and Med-Tech Inc. (Head Office: Itabashi-ku, Tokyo; President: Tsuyoshi Tsuji), having reached an understanding on the integration of management in order to heighten the competitiveness of operations and accelerate global growth, today concluded an agreement on the transfer of Med-Tech shares to Asahi Kasei Kuraray Medical.

Essentials of the share-transfer agreement

- Asahi Kasei Kuraray Medical, which currently holds 15% of the shares of Med-Tech, will make an additional purchase of shares to raise its holding in Med-Tech to 68% on October 1, 2009.
- Asahi Kasei Kuraray Medical will purchase the remainder of shares of Med-Tech by the end of March 2011, making Med-Tech a wholly owned subsidiary.
- Med-Tech will continue to operate as a separate legal personality, retaining its organizational and personnel structures intact. The change in ownership will have no effect on its supply relationships, which will continue as before.

Strategic context and objectives

Asahi Kasei Kuraray Medical is a world-leading manufacturer of dialyzers for hemodialysis and of therapeutic apheresis devices, with operations underpinned by core competencies in membrane filtration technology and selective adsorption technology. The integration of the management of Med-Tech will complement its devices operations with the ability to develop equipment featuring enhanced safety and higher performance, enabling the development of total systems which meet growing demand in global markets.

Med-Tech, with proprietary core technology for small pumps, performs fully integrated design, prototyping, and mass production of equipment for hemodialysis, peritoneal dialysis, transfusion, and therapeutic apheresis with a comprehensive range of superior technology and experience in precision machinery, electronic circuitry, and software. Its operations have grown with OEM production on consignment from major medical device manufacturers as the principal line of business. Integration of management with Asahi Kasei Kuraray Medical will enable the effective growth of business in global markets with advanced equipment and systems.

The integration of management will build on the deep and long-standing relationship between Asahi Kasei Kuraray Medical and Med-Tech in the field of hemodialysis and therapeutic apheresis equipment, combining the mutually complementary specialties and strengths of the two companies. While Med-Tech will continue to maintain its established relationships of trust and reliance with OEM clients, the combination of the two companies will enable greater dissemination of innovative medical technology both in Japan and throughout the world, providing effective solutions for clinical institutions and ultimately raising the quality of life for patients.

Corporate profile of Med-Tech Inc.

President: Tsuyoshi Tsuji

Head office: Itabashi-ku, Tokyo, Japan

Establishment: July 1974

Paid-in capital: ¥140 million

Employees: ≈90

Manufacturing facility: Saitama, Japan

Business line: R&D, production, sale, and OEM of medical equipment