

For Translation Purposes Only

April 7, 2014

JMS Co., Ltd.  
Asahi Kasei Medical Co., Ltd.

### **Business alliance in the field of hemodiafiltration**

JMS Co., Ltd. (headquarters: Hiroshima, Japan; President: Hiroaki Okukubo; hereinafter: JMS) and Asahi Kasei Medical Co., Ltd. (headquarters: Tokyo, Japan; President: Yutaka Shibata; hereinafter: Asahi Kasei Medical) have concluded an agreement for the establishment of a business alliance in the field of hemodiafiltration<sup>1</sup> (HDF).

#### 1. Background

Dialysis treatment in Japan is performed at a world-leading standard with highly skilled care-givers, superior accessibility of diagnosis and treatment, and advanced medical devices developed by domestic manufacturers. Recently, there has been growing interest in HDF to help improve the quality of life of patients.

#### 2. Outline of the alliance

As a diversified manufacturer of medical devices, JMS offers a comprehensive lineup of products for both hemodialysis and peritoneal dialysis ranging from hemodialysis machines to hemodialysis monitoring systems. Notably, JMS played a pioneering role in the advancement of hemodialysis therapy by developing Japan's first fully automated hemodialysis machine which furthermore supports HDF. Asahi Kasei Medical's business is centered on the field of blood-purification with hemodialysis and therapeutic apheresis devices based on hollow-fiber membrane technology to help improve patients' quality of life.

The alliance between JMS and Asahi Kasei Medical will draw on the respective strengths of the two companies to further advance and develop the field of HDF. In particular, the two companies will cross-sell JMS's newly-developed multi-purpose dialysis equipment with Qs control function<sup>2</sup> and Asahi Kasei Medical's hemodiafilters. Further studies will progress seeking ways to realize additional synergy.

#### 3. Outlook

JMS and Asahi Kasei Medical will enhance mutual sales through research to evaluate the Qs control function and the publication of results at academic conferences. The companies have also entered into discussions regarding the following subjects.

- JMS reinforcing overseas sales of hemodialysis equipment under development by Asahi Kasei Medical.
- Enhancing Asahi Kasei Medical's hemodialysis equipment through technology license from JMS.
- Leveraging a combination of the technologies of each company to contribute to more efficient therapy in blood purification, contribute to effective management of medical institutions, and develop new technologies and products which heighten the safety and reliability of treatment, enhance the quality of life of patients, and meet emerging needs of medical professionals.

<sup>1</sup> Hemodiafiltration (HDF)

HDF is a combination of hemodialysis and hemofiltration. It can efficiently remove a wide range of substances from low to high molecular weight (such as small proteins).

<sup>2</sup> Qs control function

Since HDF involves the infusion and discharge of a larger amount of fluid than ordinary hemodialysis does, sudden increases in fluid pressure may occur, which can lead to filter clogging. The Qs control function automatically controls the amount of replacement fluid to maintain a stable pressure on the filter membrane surface, enhancing the safety of treatment. JMS is the first company in Japan to include a Qs control function in its hemodialysis equipment.

Profile of JMS Co., Ltd.

Hiroshima Head Office: Naka-ku, Hiroshima, Japan

Tokyo Head Office: Shinagawa-ku, Tokyo, Japan

Establishment: June 12, 1965

President: Hiroaki Okukubo

Paid-in capital: ¥7.4 billion

Operation: Production, sale, import, and export of medical devices and pharmaceuticals

Profile of Asahi Kasei Medical Co., Ltd.

Head Office: Chiyoda-ku, Tokyo

Establishment: July 24, 1974

President: Yutaka Shibata

Paid-in capital: ¥3.0 billion (wholly-owned by Asahi Kasei Corp.)

Operation: Production and sale of devices for hemodialysis, therapeutic apheresis, blood transfusion, and pharmaceutical manufacture

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