

JVCKENWOOD Corporation

March 1, 2018

Notice Regarding Acquisition of Shares of Germany-based Rein Medical, which Is Engaged in the OR* Solutions Business

* Abbreviation of Operating Room

JVCKENWOOD Corporation (“JVCKENWOOD”) hereby announces that it has decided to acquire all the shares issued by Germany-based Rein Medical GmbH (“Rein Medical”), which is engaged mainly in developing, selling, and implementing OR imaging, documentation and full integration solutions (“OR Solutions”), and convert it into a wholly-owned subsidiary.

1. Purpose of Share Acquisition

JVCKENWOOD made a full-scale entry into the healthcare business by completing succession of information equipment business, including medical display systems, of TOTOKU Electric Co., Ltd. accompanied by the transfer of ownership of its subsidiary, TOTOKU Nagaoka Corporation (now JVCKENWOOD Nagaoka Corporation), from TOTOKU Electric Co., Ltd. in 2013.

JVCKENWOOD is also working to create advanced and innovative testing and diagnostic systems, such as Gazefinder, a gaze point sensing system designed to assist the early developmental evaluation by applying our proprietary gaze point sensing technologies, as well as technologies for measuring exosomes* in the blood of cancer patients by applying our optical disk-related technologies. In this way, JVCKENWOOD is working to achieve business growth by providing healthcare solutions that leverage its strengths.

*An exosome is a vesicular granule (50-100 nm in size) secreted from many types of cells and exists in biological fluids such as blood, saliva and urine.

JVCKENWOOD has decided to convert Germany-based Rein Medical, which is engaged mainly in developing, selling, and implementing OR Solutions, and has a track record of delivering OR Solutions to more than 500 operating rooms and innovative custom-designed monitor solutions to more than 2,000 operating rooms, into a wholly-owned subsidiary in order to expand the solutions business within its healthcare business.

OR Solutions help create an environment that allows operations to be performed smoothly, cleanly, and safely in operating rooms where various advanced medical equipment and data systems are used. Therefore, OR Solutions have great potential for contributing significantly to meeting increasingly sophisticated needs in the medical sector and for expanding demand.

In addition to the OR Solutions, Rein Medical has developed a wide range of medical/surgical monitor, PC, and all-in-one computer solutions specifically and mainly designed for hygienic sensitive areas in the hospital such as OR and ICU.



Advanced OR imaging system solutions delivered by Rein Medical

Rein Medical has a track record of delivering OR Solutions in Europe, the Middle East, and Asia, and is one of the few solution providers capable of delivering services from system software and hardware development and design to installation and implementation, as well as system maintenance. By further strengthening and evolving Rein Medical's system solutions with JVCKENWOOD's camera solutions, image recording and reproduction equipment, and high-definition full HD and 4K-IP transmission systems, which have been developed by applying our imaging technologies developed over a long period, we will be able to provide the various imaging and information network solutions that medical institutions require.

As announced in the press release on November 8, 2017, JVCKENWOOD has been working to roll out the OR Solution business in the Japanese and North America markets in collaboration with Rein Medical. However, we have decided on the share acquisition based on the judgment that converting Rein Medical into a wholly-owned subsidiary will enable us to propose higher value-added and more advanced systems by totally integrating the technologies, know-how, and implementation service networks of the two companies.

The aim of JVCKENWOOD and Rein Medical is to become a leading company in the OR Solutions business with high-growth prospects as a provider of solutions ranging from system proposal and design to manufacturing and implementation, as well as system maintenance, by collaborating with JVCKENWOOD Public & Industrial System Corporation ("JKPI"), the core Group company in the Professional Systems Business, which has a long track record of delivering solutions in the medical field.

JVCKENWOOD will work to resolve social issues through business activities by providing solutions in the medical and healthcare sectors, etc., to contribute to achieving a sustainable society.

2. Overview of Rein Medical

Company name : Rein Medical GmbH
Location : Mönchengladbach (in the administrative district of Düsseldorf) in
Germany
Representative : CEO Stephan Rein
Established : January, 1994
Business description : Development, sales, and implementation of OR Solutions

3. Schedule for the Future

JVCKENWOOD plans to acquire all the shares of Rein Medical in April 2018. The effect of the share acquisition on the earnings of JVCKENWOOD for the current fiscal year is expected to be insignificant.

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This document is based on the information available to the Company at the time of release and may differ from the latest information.

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