

June 14, 2016

## **Terumo Acquires Sequent Medical, U.S.-based Developer of New Aneurysm Embolization Device**

### **--Accelerating Growth in Neurovascular Treatment--**

Terumo Corporation (Headquarters: Tokyo, Japan; President and CEO: Yutaro Shintaku) announced today that it has entered into an agreement (hereafter "the acquisition") to purchase Sequent Medical, Inc. (California, United States; hereafter "Sequent"), a privately-held firm developing a new medical device for aneurysm embolization.

The purchase price of \$280 million will be paid at closing, with up to \$100 million more to be paid based on the achievement of specific development or commercial milestones.

The acquisition is a key element in Terumo's new growth strategy to establish and expand its global presence in the neurovascular market and other rapidly growing markets. Terumo has also identified the cardiology and endovascular markets as potential areas for growth.

#### **1. Purpose of the acquisition**

Sequent provides Terumo the opportunity to bring an important new device to the U.S. market and improve its presence in the neurovascular device market, which is expected to grow significantly.

The global neurovascular device market is growing steadily and is expected to reach 300 billion yen in 2018\*<sup>1</sup>. New aneurysm embolization devices are expected to be substantial growth drivers within the overall market.

Terumo entered the neurovascular device market in 2006 by acquiring MicroVention, Inc. (California, United States). Since that time, the company developed a diversified product portfolio covering most product segments in the global neurovascular market, including embolization coils used to treat aneurysms, and related interventional devices and stents.

Sequent develops, manufactures, and sells a unique device that is the world leader and first commercial device in this important new category of aneurysm embolization systems, referred to as intrasaccular flow disrupters. In 2010, Sequent obtained CE mark to commercially sell the WEB™ System in all major markets in Europe. Sequent also recently completed patient enrollment in the WEB-IT Investigational Device Exemption ("IDE") pivotal trial. Data from the trial will be used by the FDA to evaluate the safety and effectiveness of the WEB™ System. Terumo and MicroVention will work with the FDA toward the goal of gaining approval to market and sell the device in the U.S., the largest neurovascular market in the world. Terumo management believes its currently fast-growing neurovascular business will be further enhanced by the addition of Sequent's new aneurysm embolization device.

\*1: Terumo estimate

## **2. Sequent's aneurysm treatment device, WEB™ System**

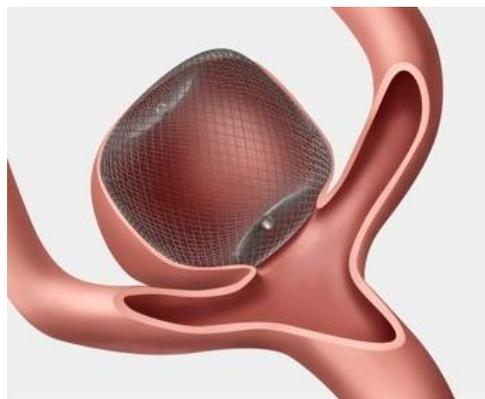
The WEB™ System is based on Sequent's proprietary MicroBraid™ technology, a dense mesh constructed from a large number of extremely fine wires. Unlike conventional medical braids, MicroBraid allows for a mix of wire diameters or materials to achieve a tailored balance of compliance, porosity and profile across device sizes. The WEB™ System enables physicians to treat wide-neck bifurcation aneurysms with the familiarity of an intrasaccular approach while using established biomaterials. The WEB™ system is commercially available and has already been used to treat more than 3,000 patients worldwide. The WEB™ System is not yet available for sale or distribution in the United States.

The WEB™ Aneurysm Embolization System is intended for the endovascular embolization of ruptured and unruptured intracranial aneurysms and other neurovascular abnormalities such as arteriovenous fistulae (AVF).

Explanation video: [http://www.sequentmedical.com/technology/WEB\\_procedure.html](http://www.sequentmedical.com/technology/WEB_procedure.html)



The WEB™ Aneurysm Embolization Device



Deployment Illustration of the WEB™ System

## **3. About Sequent**

Company name: Sequent Medical, Inc.

Representative: Thomas C. Wilder, President and CEO

Founded: 2007

HQ Location: Aliso Viejo, California, United States

Business: Development, manufacture, and sale of aneurysm treatment devices

Employees: Approx. 80 (as of April 2016)

<http://www.sequentmedical.com/>

## **4. Schedule**

Pending regulatory approval, Terumo expects to complete the acquisition in July or August 2016. The effects of the acquisition on Terumo's business performance and financial state are currently under review and will be announced when completed.

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