

February 14, 2020

To All Concerned Parties,

Company: Asahi Intecc Co., Ltd.
Representative: Masahiko Miyata, President & CEO
(Securities code: 7747, First section of Tokyo Stock Exchange and Nagoya Stock Exchange)
Contact:
Mizuho Ito, Member of Board & CFO, General Manager of Administration
(TEL. +81-561-48-5551)

Notice Regarding Establishment of Overseas Sales Subsidiary ASAHI INTECC EUROPE B.V.

Asahi Intecc Co., Ltd (Asahi Intecc) announces that it resolved at its board of directors' meeting held on February 14, 2020 to establish ASAHI INTECC EUROPE B.V. as a subsidiary mainly engaged in sales of medical devices in the Europe region, as set forth below.

1. Summary of the Subsidiary

①	Company name	ASAHI INTECC EUROPE B.V.	
②	Location	Strawinskylaan 527 (WTC Tower B - 5th floor) 1077 XX Amsterdam, The Netherlands	
③	Representative	Manabu Sakamoto	
④	Description of main business	Sales of medical devices manufactured by Asahi Intecc Group	
⑤	Capital	300,000 Euro (About 36 million yen) *1 Euro = 120 yen	
⑥	Investor and Investment ratio	Asahi Intecc Co., Ltd. 100%	
⑦	Date of establishment	February, 2020 (Plan)	
⑧	Business start date	July 1 st , 2020 (Plan)	
⑨	Fiscal term	June	
⑩	Relationships between Asahi Intecc and the company	Capital relationship	The company will be established with 100% investment by Asahi Intecc
		Personal relationship	One director and three employees of Asahi Intecc will concurrently serve as directors of the company
		Business relationship	Sales / Purchase business relationship will occur between Asahi Intecc and the company Business relationship will occur for the services provided by the company

2. Reason for establishment of the subsidiary

Asahi Intecc Group established European representative office in Amsterdam, the Netherlands in June 2004, and changed its organization to EU branch in August 2005. In the European region, under the control of EU branch, we have sold medical devices such as guide wires and catheters through multiple distributors close to the site and gained high market share. In addition, we have strived to increase profits by establishing French branch in April 2019 and started direct sales of cardiovascular products. On this occasion, we decided to establish an overseas sales subsidiary, ASAHI INTECC EUROPE B.V., with the aim of further strengthening our sales structure and expanding market share in Europe.

The establishment scheduled date of ASAHI INTECC EUROPE B.V. is February 2020, but the business start date is scheduled to be July 1, 2020. Furthermore, the functions of our EU branch will be transferred to ASAHI

INTECC EUROPE B.V. on the business start date of ASAHI INTECC EUROPE B.V., and the EU branch will be closed in the future.

3. Impact on operating results

Impact on the forecast of Asahi Intecc Group's business performance for the fiscal year ending June 2020 and the fiscal year ending June 2021 related to establishment of the subsidiary will be minimal.