

News Release

Hitachi High-Technologies Enters the Cancer Diagnostic Testing Service Business through Capital Participation in U.S. Company MagArray, Inc.

Tokyo, Japan, September 21, 2017—Hitachi High-Technologies Corporation (TSE: 8036, Hitachi High-Tech) announced today that it would enter the diagnostic testing service business by accepting a private placement of new shares by MagArray, Inc. (MagArray) of the U.S. to make it an equity-method affiliate.

Hitachi High-Tech has made the field of biotechnology and healthcare its priority. Amid a recent increase in demand for personalized healthcare that provides optimal medical treatment for each individual patient in this field, there are strong expectations for developments in cancer therapy and other areas. In the U.S., there is a system for conducting clinical testing accredited by Clinical Laboratory Improvement Amendments (CLIA) to ensure test quality in laboratory. CLIA accredited laboratories (CLIA labs) provide advanced clinical testing mainly on molecular and unique biomarkers*1. The cancer diagnostic services conducted by these CLIA labs include high value-added cancer diagnostics for selecting more effective medical treatments. This testing area is expected to show higher market growth potential than overall in vitro diagnostic (IVD) testing. CLIA labs also contribute to utilize the latest technology for personalized and advanced healthcare early.

Hitachi High-Tech's corporate business vision in the Biotechnology and Medical system area is to "aim to be a global player in all IVD businesses." To this end, the company is strengthening its existing businesses while aggressively engaging in strategic investments, such as promoting M&A and collaboration for creating new businesses in growth markets. MagArray has core technology in GMR*2 sensors developed by the founders of MagArray who are also Stanford University's professor, and high sensitivity measurement technology for detecting compounds in blood serum at low concentrations. MagArray will leverage this high-sensitivity measurement technology to establish new cancer tests, and start CLIA-accredited cancer diagnostic testing services.

Hitachi High-Tech will invest in the start-up and operation of MagArray's diagnostic testing service, and in the future, it will develop next-generation, high-throughput equipment, consumables, and other products for the CLIA lab testing service business.

With this capital participation, Hitachi High-Tech will enter the diagnostic testing service business including cancer tests and promote the creation of new business. Hitachi High-Tech will continue to aim to "become the Global Top in high-tech solutions," and respond swiftly to the needs of customers and markets, working from the customer's perspective as a fast-moving creator of cutting-edge businesses.

*1 Biomarker: In order to quantitatively grasp the biological change, it is an index that digitized and quantified biological information.

*2 GMR (Giant Magnetic Resistance): Phenomena in which the electrical resistance varies greatly by an external magnetic field

【About MagArray, Inc】

Name	MagArray, Inc.
Location	521 Cottonwood Drive, Suite 121, Milpitas, CA 95035, U.S.A.
Representative	Luis Carbonell
Business	Cancer diagnostic testing service using GMR sensors MagArray previously received early stage funding and support from the National Cancer Institute (NCI) in the U.S. including selection as a Small Business Innovation Research (SBIR) Phase IIb Bridge Award recipient. MagArray will leverage this high-sensitivity measurement technology to establish new cancer-related diagnostic tests which will be offered from its CLIA accredited laboratory.
Establishment	2005

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