

**FOR IMMEDIATE RELEASE**

Goodman Co., Ltd.  
108 Fujigaoka, Meito-ku  
Nagoya 465-0032, Japan  
President: Akira Yamamoto

**Goodman to Acquire Avantec Vascular of the U.S.**

Nagoya, Japan and Sunnyvale, CA, July 9, 2002 – Goodman Co., Ltd., Japan's leading company in the development, manufacture, and distribution of vascular interventional devices, announced it has signed a definitive agreement to acquire Avantec Vascular Corp., a U.S. manufacturer of medical devices. The acquisition is expected to close by January, 2003.

Headquartered in Sunnyvale, California, Avantec Vascular designs, manufactures, and markets minimally invasive devices for use in interventional cardiology including the Apollo™ PTCA balloon catheter and the Duraflex™ coronary stent system. Stents are tiny, scaffold-like devices used to treat clogged arteries. The Duraflex is currently awaiting approval in Japan and has been independently shown to offer a combination of flexibility and radial strength superior to competitor products in the marketplace. These products are currently being sold in over 20 countries through a network of strategic partners. In addition, Avantec has an extensive drug-eluting stent program and has initiated a clinical trial with the first of several such products in its pipeline.

Avantec has an impressive portfolio of patents pending in the U.S. and other countries around the world in the fields of stent design, drug elution, coatings, and delivery systems as well as other therapeutic areas including abdominal aortic aneurysms, peripheral vascular diseases, and neurovascular diseases.

Under the agreement, which is subject to customary closing conditions, Goodman will pay approximately US\$135 million (approximately 17.5 billion yen) in cash to buy the remaining 81.8 percent stake in Avantec that it does not already own, valuing the transaction at approximately US\$165 million. Avantec will become a wholly owned subsidiary of Goodman and will be included in its consolidated accounts.

"This acquisition has a number of compelling benefits for Goodman, both immediate and

long-term. Goodman gains immediate access to a worldwide distribution network and current outstanding product offerings. More importantly, Goodman becomes a player in the drug-eluting stent market, expected to grow to \$5 ~ \$8 billion in a few years, and considerably boosts its ability to participate in the global marketplace for substantial future growth.” said Akira Yamamoto, President of Goodman. Goodman currently participates solely in the Japanese market, which accounts for less than 10% of the procedures performed worldwide.

“Drug-eluting stents are poised to have a major impact on the vascular device market. Avantec has undertaken a very aggressive effort in this area focusing on cytostatic drugs due to their elegant mechanism of action. Goodman has been instrumental in the progress of Avantec. This acquisition allows Avantec to expedite its entry into this exciting market segment.” said Motasim Sirhan, President and CEO of Avantec Vascular. Recent studies have shown drug-eluting stents to reduce restenosis or relogging of arteries from the current 20%~30% to single digit levels, which may revolutionize how cardiologists treat patients.

Roberts Mitani, LLC of New York provided advisory services in connection with this acquisition. Roberts Mitani ([www.robertsmitani.com](http://www.robertsmitani.com)) and its affiliate companies, including Roberts Mitani Aqua Partners ([www.rmaqua.com](http://www.rmaqua.com)), provide financial advisory and private equity services to the life sciences industry and other sectors worldwide.

**For more information, please contact:**

Yoshimi Kimura

Managing Director, General Manager of Administrative Head Office

TEL: +81 52 774 4350