



Fujifilm in Bidding War for Toshiba Medical Subsidiary



Fujifilm Holdings is tipped as a main contender for a medical equipment subsidiary of Toshiba increasing the likelihood of a bidding war for the unit.

Sony, General Electric Co., Hitachi, Canon and U.S. investment fund Kohlberg Kravis Roberts & Co., could also be potential buyers of Toshiba Medical Systems according to *Nikkei Asian Review*.

Toshiba is preparing to sell part of Toshiba Medical Systems Corporation (TMSC) a manufacturer of medical diagnostic imaging systems, nuclear medicine, MRI systems and medical information systems, to recoup record losses following restructuring last year.

The conglomerate is projected to record a huge group net loss of 550 billion yen for 2015, owing in part to the restructuring. TMSC is expected to be the only subsidiary to report a profit.

HealthManagement.org contacted Toshiba for comment on the move but has not received an immediate response.

Market Leader

TMSC is the leader in Japan for diagnostic imaging products holding a 30% market share. Globally it ranks fourth with 10 percent of the market. In 2014 it recorded sales of 405.6 billion yen (3.37 billion dollars) and is valued at an estimated 500 billion yen.

Preparations are starting for an auction of the subsidiary set for next month. The first round will take place in early February with key contenders moving on to final bidding before a buyer is chosen in March.

Tipped as the main contender, Fujifilm Holdings records pharmaceuticals and medical equipment line sales of 400 billion yen annually.

Company View

TMSC said that the sale will support growth of the unit in a 'rapidly changing' sector.

"Inviting outside investment will allow Toshiba Medical Systems Corporation to make active and timely strategic investments and secure sufficient business resources for research & development, etc. for further business growth," Toshiba said in a statement when it announced the auction last December.

"We are planning to move forward without delay to execute our further growth strategies," Toshio Takiguchi, President and Chief Executive Officer of Toshiba Medical Systems Corporation said in his New Year message.

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Source: [Nikkei Asian Review](#)
[Toshiba Medical Systems Corporation](#)
[Toshiba Medical Systems European Association](#)
[The Japan Times](#)

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Published on : Mon, 11 Jan 2016