



Varex Imaging Announces Renewed Pricing Agreement With Toshiba Medical Systems

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SALT LAKE CITY, March 22, 2017 /PRNewswire/ -- Varex Imaging Corporation (Nasdaq: VREX) today announced it has entered into a renewed three-year pricing agreement with Toshiba Medical Systems under which Varex Imaging will continue to supply its computed tomography (CT) tubes for integration into Toshiba Medical's CT imaging systems for the global market. This renewed agreement will be effective April 1, 2017.

Potential sales of CT tubes associated with this renewed agreement are estimated to be in the range of \$345 million to \$385 million. Orders under this renewed agreement will be booked when placed over the three-year term. CT tube pricing and expected volume ranges under this renewed agreement are consistent with CT tube purchases made in the past two years under the prior pricing agreement. Innovation and product performance also factor into the supply agreement with Toshiba Medical, with some tube pricing incorporating price adjustments based on extending CT tube performance.

In addition to this renewed pricing agreement, Varex has in place separate one-year pricing agreements to supply to Toshiba Medical other imaging components, including digital detectors and high voltage connectors. Annual sales of these additional components have ranged from \$20 million to \$30 million per year.

"The continuation of our four-decades long relationship with Toshiba Medical Systems is a testament to its strength and Toshiba Medical's confidence in our ongoing ability to develop new X-ray imaging component technology that improves performance, contributes to faster time to market and reduces cost as Toshiba Medical introduces a number of next-generation imaging systems over the coming years," said Sunny Sanyal, Chief Executive Officer of Varex Imaging Corporation. "We look forward to continuing our long-standing relationship with Toshiba Medical now that they are part of Canon and to the prospect of providing Canon with access to our portfolio of X-ray imaging products," Sanyal added.

About Varex Imaging

Varex Imaging Corporation is a leading innovator, designer and manufacturer of X-ray imaging components, which include tubes, digital flat panel detectors and other image processing solutions, which are key components of X-ray imaging systems. Varex's components are used in medical imaging as well as in industrial and security imaging applications. With a 65+ year history of successful innovation, global OEM manufacturers of X-ray imaging system use the company's X-ray sources, digital detectors, connecting devices and imaging software as components in their systems to detect, diagnose and protect. Varex employs approximately 1,400 people located at manufacturing and service center sites in North America, Europe, and Asia. For more information about Varex, visit www.vareximaging.com.

Forward Looking Statements

Except for historical information, this news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements concerning industry or market outlook, including expected volumes, growth drivers; customer demand and acceptance of products or technology; the company's future orders, revenues, or earnings growth or other financial results; the ability of the company's technology and products to achieve stated results or outcomes; and any statements using the terms "continue", "potential", "estimated", "expected", "ongoing", "prospect," "future," "anticipate," "will" or similar statements are forward-looking statements that involve risks and uncertainties that could cause the company's actual results to differ materially from those anticipated. Such risks and uncertainties include global economic conditions; demand for the company's products; the company's ability to develop, commercialize and deploy new products; the impact of competitive products and pricing; and the other risks listed from time to time in the company's Registration Statement on Form 10 and other filings with the Securities and Exchange Commission, which by this reference are incorporated herein. The company assumes no obligation to update or revise the forward-looking statements in this release because of new information, future events, or otherwise.

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