



February 26, 2021

To whom it may concern,

Company: Japan Lifeline Co., Ltd.  
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(Code: 7575 TSE 1st Section)  
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### **Japan Lifeline Divests Blood Purification Business to JMS**

Japan Lifeline Co., Ltd. announced that at the board of directors meeting held on February 26, 2021, it has decided to divest its blood purification business to JMS Co., Ltd. and concluded a business divestment agreement with JMS on the same day.

#### **1. Reason for divestment of business**

In 2009, Japan Lifeline acquired Ube Junken Co., Ltd. (later conducted an absorption merger in 2017) to obtain the artificial vascular graft, which it previously distributed as a third-party product. Along with this, Japan Lifeline developed, manufactured and marketed blood purification products used at ICUs and other facilities. In such a backdrop, JMS, which handles a broad range of products, including infusion, nutrition, and dialysis, submitted a proposal to acquire Japan Lifeline's acute blood purification business in order to further strengthen its business portfolio in areas such as hemodialysis and peritoneal dialysis.

After continued discussions, Japan Lifeline decided to divest this business in order to focus its management resources on the cardiovascular space where it has already established its presence, and the gastrointestinal space where it has been developing new businesses. With this business divestment, Japan Lifeline expects that it will be able to accelerate the development and introduction of new products, enabling a further growth in profitability.

#### **2. Overview of business divestment**

##### **(1) Target of business divestment**

Blood purification business (development, manufacture and sale of blood purification equipment and blood circuits)

##### **(2) Revenue from divested business**

914 million yen (the year ended March 2020)

3. Overview of the acquirer

(1)Name	JMS Co., Ltd.
(2)Address	12-17, Kako-machi, Naka-ku, Hiroshima-shi, Hiroshima
(3)Title/Name of Representative	Hiroaki Okukubo, President and Representative Director
(4)Business Descriptions	Manufacture, sale, export and import of medical devices and pharmaceuticals
(5)Capital (as at end of March 2020)	7,411 million yen
(6)Foundation	June 12, 1965
(7)Consolidated net assets (as at end of March 2020)	32,470 million yen
(8)Consolidated gross assets (as at end of September 2020)	66,567 million yen
(9)Major shareholders and their holding ratios (as at end of September 2020)	Kaneka Corporation 10.12%, Tsuchiya Memorial Medical Foundation 7.78%, The Master Trust Bank of Japan, Ltd. (Trust) 4.72%, Saeko Tsuchiya 4.12%, Senjukai, Social Welfare Organization 4.09% etc.
(10)Relationship with Japan Lifeline	Capital relationship: None Human resource relationship: None Transaction relationship: Japan Lifeline has a transaction relationship with JMS.

4. Schedule

Execution of business divestment agreement: February 26, 2021

Date of business divestment: April 1, 2021

5. Future Outlook

Japan Lifeline expects that this business divestment has no material impact on the consolidated results for the year ending March 31, 2021.