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Company Name: HEALIOS K.K.
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(TSE Mothers Code: 4593)
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**Announcement of Dissolution of Capital Alliance
with GAIA BioMedicine Inc.**

HEALIOS K.K. (“Healios”) invested in GAIA BioMedicine Inc. (“GAIA”), a company engaged in the development of regenerative medicine based on the study results from Kyushu University, through the acquisition of part of its shares as announced in the press release on February 13, 2018, “Announcement of Strategic Investment in GAIA BioMedicine Inc.”

Today Healios announces that, as a result of further discussions with GAIA, it has decided to dissolve this capital alliance and sell its entire stake back to GAIA at the original acquisition price.

The effect of this on Healios’ financial statements is not significant.
Healios will promptly announce if any matter that must be disclosed occurs.