



January 31, 2020

To whom it may concern,

Company: Japan Lifeline Co., Ltd.
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 (Code: 7575 TSE 1st Section)
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Notice of Changes in Specified Subsidiaries

Regarding Japan Lifeline Co., Ltd. ("JLL")'s specified subsidiary, JLL announced the changes as stated below.

1. Reason for the change

JLL has Synexmed (Shenzhen) Co., Ltd., a consolidated subsidiary in China, as an in-house manufacturing base overseas. It has turned out that the capital stock of the Chinese subsidiary had already exceeded more than 10% of JLL's capital stock to become a specified company, which required a timely disclosure at that time. It happened as a result of a capital increase implemented on January 25, 2016, followed by a resolution with the purpose of strengthening its financial structure determined at the board of directors meeting held on November 2, 2015.

It is regrettable for the company not to have been able to make a timely disclosure. With a sincere apology, the companies' status as a specified subsidiary is shown as follows. Going forward, the company will work to strengthen its internal checking system for disclosure in order to prevent recurrence.

2. Summary of the specified subsidiary

1. Trade name	Synexmed (Shenzhen) Co., Ltd.	
2. Address	Shenzhen, China	
3. Name of title of representative	Kenji Yamada, Director	
4. Nature of business	Manufacturing and marketing of medical devices	
5. Share capital	16 million Chinese yuan (264 million yen) ^{*1}	
6. Foundation	March 30, 2005	
7. Major shareholders and shareholding ratios	Synexmed (Hong Kong) Co., Limited 100% ^{*2}	
8. Relationship between the Company and Synexmed	Capital Relationship	JLL has indirectly possesses 100% shares of Synexmed (Shenzhen) Co., Ltd.
	Personnel Relationship	A member of board of JLL has a concurrent post of Director at Synexmed (Shenzhen) Co., Ltd.
	Business Relationship	JLL is indirectly supplied with products by Synexmed (Shenzhen) Co., Ltd.

^{*1} Share capital is indicated as the amount after the capital increase. The applied foreign exchange rate is 1 CNY=15.65JPY (TTM), announced by Mitsubishi UFJ Bank as of January 31, 2020. (Rounded down to the

nearest million yen)

*2 Synexmed (Hong Kong) Limited is a 100% subsidiary of JLL.

3. Summary of the capital increase

1. Before capital increase	10 million Chinese yuan (161 million yen) ^{*1}
2. After capital increase	6 million Chinese yuan (102 million yen) ^{*1}

^{*1} The applied foreign exchange rate is 1CNY=15.65JPY (TTM), announced by Mitsubishi UFJ Bank as of January 31, 2020. (Rounded down to the nearest million yen)

4. Future outlook

JLL's expecting little impact on its business performance due to the change in the specified subsidiary.

END