

February 26, 2018

To whom it may concern,

Company name: Japan Lifeline Co., Ltd.
Representative: Keisuke Suzuki, President and CEO
(Code: 7575 TSE 1st Section)
Contact person: Shogo Takahashi, Executive Vice President,
Corporate Administration Department
(TEL. +81-3-6711-5200)

Announcement of Construction of Factory in Malaysia

Japan Lifeline Co., Ltd. (“JLL”) announced today that its Malaysian subsidiary, JLL Malaysia Sdn. Bhd., signed an agreement with Penang Development Corporation on the acquisition of land for a new factory in Penang State as of February 26, 2018.

This is the first time for JLL to build an overseas factory from scratch and it aims to increase manufacturing volume of its own in-house products for its medium- to long-term goal, business expansion in the future. In the long-term, it will be operated as a main factory to export its own in-house products.

The factory will be built in the North Penang Science Park located in Malaysia, with an area of 16,211 square meters (4 acres). Penang State is an industrial center of Malaysia with its developed infrastructure and sufficient labor, and many foreign-affiliated companies have located their factories in this area.

In the factory, JLL plans to manufacture medical devices in the fields of cardiac rhythm management, electrophysiology/ablation, and cardiovascular surgery for Japanese markets such as balloon catheters, electrophysiological catheters, ablation catheters, and open stent grafts. JLL plans to invest approximately 2 billion yen (approximately RM70 million) for this factory in the next two years, including the acquisition cost of the land and the investment to the manufacturing equipment. Completion of this factory construction is scheduled for the third quarter of Fiscal Year Ending March 2020, and the factory will start its operation in early 2020 in the plan, with the initial number of employees expected to be approximately 50.

Based on its extensive experience and achievements in the field of heart diseases treatment, JLL aims to quickly introduce superior and state-of-the-art medical devices from leading manufacturers abroad to Japanese markets, and to provide superior products made by JLL to the medical field of the world by making full use of the development capabilities and technological expertise to meet the various clinical needs.

About Japan Lifeline Co., Ltd.

JLL has a 37-year history as a distributor and manufacturer of quality medical devices. JLL has a strong track record of success in building and expanding markets with unique products imported from the world's leading medical technology companies. Based on its experience and network as a specialized distributor, JLL also develops and manufactures superior medical devices, and it is one of the leading companies in selling catheters used in diagnosis and treatment of arrhythmia in Japan. JLL is a publicly traded company, with the ticker symbol 7575 (TSE 1st Section). Visit the JLL website at: <http://www.japanlifeline.com>.

About JLL Malaysia Sdn. Bhd.

JLL Malaysia Sdn. Bhd. is a wholly owned subsidiary established in July 2017, in order for JLL to produce its own in-house products in Malaysia.