

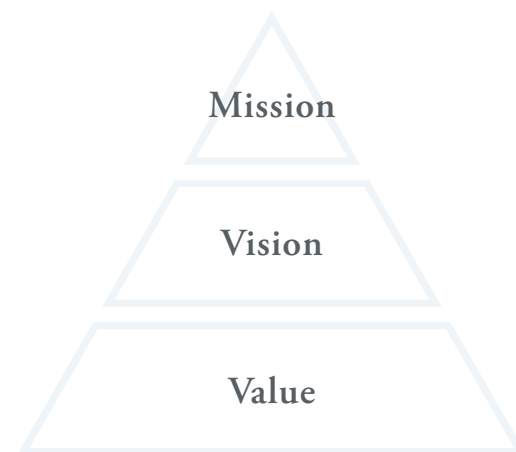


Annual Report 2018

Year ended March 31, 2018



Group Management Philosophy



Mission

Create new value in Healthcare
and contribute to the prosperity of people.

Vision

Develop innovative diagnostic solutions to enhance
trust in Healthcare and drive its evolution.

Group Message

Bridging People to Healthcare

Values and Traits

Customer Centricity

- Respond to medical care and healthcare needs, exceed customer expectations

Creation of New Value

- Strive for global value creation first and foremost; take risks to challenge and innovate
- Think and execute with global perspective
- Lead with result-orientation, speed and efficiency

Sincerity and Trust

- Be sincere and trustworthy, act with transparency
- Communicate openly and constructively, beyond all boundaries
- Gain and maintain trust from all stakeholders

Mutual Respect

- Respect diverse values, experience, expertise and teamwork
- Praise and celebrate challenges and successes
- Grow and help others to grow

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Editorial Policy

We have begun issuing annual reports starting from the fiscal year ended March 31, 2018 (FY2017) in order to deepen understanding regarding Miraca Holdings' businesses and our initiatives for sustainable growth. Our objective with this annual report is to disclose information by keeping in mind the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC), as well as the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation of the Ministry of Economy, Trade and Industry.

Moving forward, we will continue to use this annual report as a tool for dialogue with various different stakeholders. A glossary has been included at the end of the report, which we encourage you to refer to in conjunction with this.

Precaution concerning Future Predictions

The predicted performance figures found within this annual report are based on determinations made by our management team obtained from the information available at this point in time. They were prepared on the basis of numerous assumptions and opinions obtained based on information that includes enormous risks and uncertainty. Please note that our actual performance results may differ from these performance predictions due to a variety of different factors. Factors that could foreseeably impact our performance include, but are not limited to, a deterioration of the economic climate, exchange rate fluctuations, changes to legal or governance systems, delays in bringing new products to market, pressure resulting from the product strategies of our competitors, decreased selling power for our existing products, and the discontinuation of sales.

Future growth starts where our comfort zone ends.

Converting the tendency for complacency into possibilities for the future: That is my duty.

When I assumed the role of CEO in the fall of 2016, the speed at which the Miraca Group was growing was slowing down. While each of our companies were playing leading roles in their respective industries, we were failing to achieve Group synergy.

The business environment is rapidly changing due to factors like the advancement of Japan's aging society, the evolution and diversification of medical care, and the attention being placed on preventive medicine. Given this, I began harboring a sense of foreboding, that we must not become complacent. We must leave our comfort zone to seize future growth. I set 2017 to be the year in which we "relaunched" the Miraca Group, and have initiated company-wide efforts to address dynamic reforms. Through Group integration, we will harness synergy and invest in growth strategies, to achieve significant and sustainable growth. I am fully confident that this is the path that the Miraca Group must take.

We will resolutely pursue this path in order to contribute to people's health through the creation of new value for medical care.

Shigekazu Takeuchi

Shigekazu Takeuchi
Director, President and Group CEO
Miraca Holdings Inc.

The Miraca Group of the Past

- No coordination between companies
- Weak Group synergy

Miraca Holdings Inc.



Clinical testing for
medical institutions



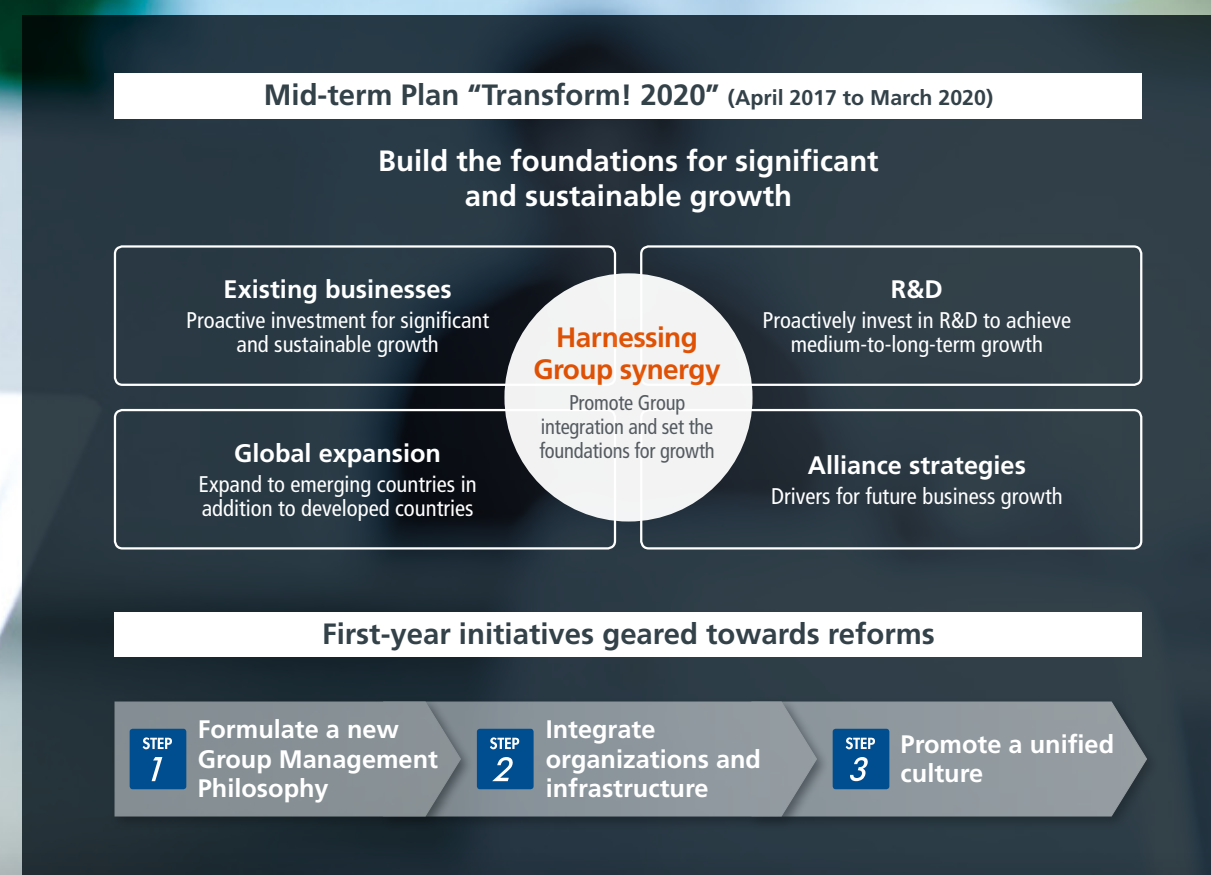
Manufacture and sales of
diagnostics products



Sterilizing business,
clinical trial support business,
rentals for nursing care supplies, etc.

The Miraca Group must evolve to ensure success.

“Transform! 2020” is our reform plan for achieving this.



The Miraca Group as a whole will come together to evolve our unique strengths and successfully take on major challenges.



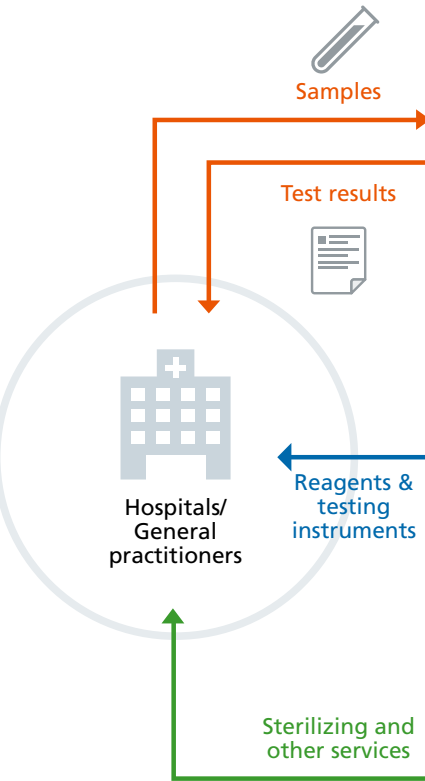
We can further expand upon the value we provide in “Bridging People to Healthcare.”



Overview of the Miraca Group's Businesses

(As of March 31, 2018)

The Miraca Group engages in three businesses centered mainly around clinical testing in the healthcare sector.



Clinical laboratory testing

Takes samples from patients at medical institutions to test for disease and confirm the condition of the patient's health.



In vitro diagnostics

Develops, manufactures and sells reagents and testing instruments inside and outside Japan.



Healthcare related business

Provides a wide range of medical-related services:

- Sterilizing
- Clinical trial support
- Others (Rental of nursing care supplies, etc.)



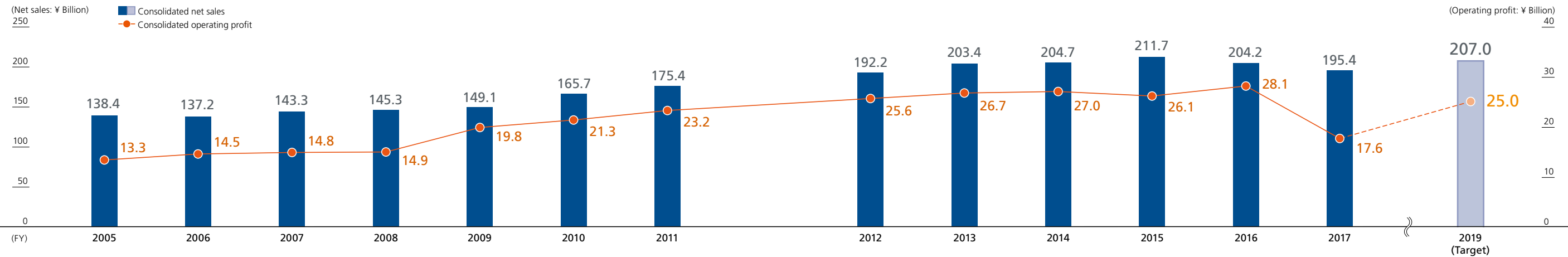
Consolidated Group

(¥ Billion)

Net Sales	Operating Profit (Operating Profit Margin)	Total Assets	Number of Employees (Permanent) (Temporary)	
195.4	17.6 ¹ (9.0%)	176.1 ²	5,541 ³	6,600 ³
62.4% 122.0	37.9% ⁴ 7.5 (6.1%) ⁵	51.6% 90.9	2,741 	3,173
23.2% 45.3	49.7% ⁴ 9.8 (21.7%) ⁵	39.2% 69.1	1,059 	129
14.4% 28.1	12.4% ⁴ 2.4 (8.7%) ⁵	7.0% 12.4	1,417 	3,280

1. Includes corporate expenses and intersegment eliminations 2. Includes corporate assets and intersegment eliminations 3. Includes employees of Miraca Holdings Inc. and Miraca Research Institute G.K.
4. Percentage of operating profit before deducting corporate expenses and intersegment elimination adjustments 5. Ratio of operating profit to net sales for each business
Note: Amounts have been rounded to the nearest ¥100 million.

Trends in the Miraca Group's Performance



Message from the President



Shigekazu Takeuchi
Director, President and Group CEO
Miraca Holdings Inc.

By taking decisive action on drastic reforms and successfully expanding our business foundations through daring investments, we will achieve sustainable growth.

Given the changing business environment, I have come to the conclusion that we will be unable to achieve growth over the medium-to-long-term if we don't venture out of our comfort zone. Regarding 2017 as the year of our "relaunch," the Miraca Group is implementing bold reforms to transform the Group and making proactive investments geared toward future growth.

Initiating reforms to shift away from our downward slope and put us on track for growth

In October 2016, I assumed the role of President of Miraca after coming from a totally different industry. My first impression was that the testing industry is extremely conservative. While the increase in national healthcare expenditures that is primarily being driven by the falling birthrate and aging of society is becoming a social problem, the clinical laboratory testing market has failed to grow much at all these past few years. Even as the volume of testing increases, the unit price per test has been gradually falling. Within the industry, competition over acquiring market share is picking up steam among major companies. However, there are still many small-scale companies rooted in local communities, although few are achieving significant changes. While it is generally regarded as a stable industry, I cannot help but feel that it is inherently outdated and resistant to change.

Upon looking back over the last several years' worth of performance for the Miraca Group I realized that our sales performance has been inadequate. We had been overemphasizing immediate profits while failing to sufficiently invest for the future. While the Miraca Group had sales of approximately 200 billion yen, our internal transactions have been limited and we were failing to achieve Group synergy.

Given the circumstances, I believed that without bold reforms, not only would long-term growth be difficult, but our future survival would be imperiled as well. I decided to undertake drastic reforms and realized that if we could alter our business operations that thus far had been beholden to past custom and achieve Group synergy, then this would give the Miraca Group enormous growth potential. By regarding 2017 as the year of our "relaunch," we have enacted our mid-term plan titled "Transform! 2020" to serve as reforms for achieving significant and sustainable growth.

These reforms are set to transform the companies that serve as the base of the Group themselves. They also serve as a crucial step to achieve integrated Group management

and unify our corporate culture. The current industry environment and our own situation can be likened to a downward slope, and if we remain standing still then we will begin to automatically descend. It was based on this sense of foreboding that we embarked upon reforms through the concerted efforts of the entire Group, starting with reforming our Group Management Philosophy.

Courage is needed in order to break free from outdated structures and achieve significant reforms. We must devote a number of different managerial resources in order to clear away the obstacles hemming in our growth and Group management and continue to promote reforms. We must embark upon all manner of institutional reforms, including reforms of our benefit and personnel systems, to create the optimal environment for our employees to work with peace of mind in a proactive manner. My opinion is that unless major reforms are hands-on, it will be difficult to achieve results. I personally have promoted reforms over this past year under the notion of gradually transferring authority even as I work, provide leadership, and engage in streamlined decision-making in a top-down manner.

Boldly devoting managerial resources to setting in place foundations for top-line growth

Allow me to begin by explaining an overview of our strategy when it comes to our mid-term plan titled "Transform! 2020" that we have begun.

This current three-year period should see the foundations set for achieving significant and sustainable growth beginning from 2020. For this, we are emphasizing top-line growth. We

will revise our conventional managerial approach, which thus far has been to curtail investments due to our focus on profits, and proactively promote investment.

Our priority measures for this center around harnessing Group synergy, and also include enhancing existing businesses, R&D, global expansion, and promoting alliance strategies. Particular attention will be paid to expanding the number of customers for our clinical laboratory testing business and increasing the number of testing instruments installed via our in vitro diagnostics business. Since our business model for both of these business lines involves continued sales from newly acquired customers spanning several years, they will be key to our success. For our clinical laboratory testing business, we will expedite our proactive investments to increase market share in the general practitioner market and the in-hospital testing business, thereby promoting the acquisition of new customers. For our in vitro diagnostics business, we will primarily promote the installation of our latest top-of-the-line models with the aim of expanding our share of the Japanese market through our LUMIPULSE business. What is more, we will accelerate our overseas expansion according to the healthcare needs of each country, such as by establishing sales channels in emerging countries through alliances.

As for enhancing R&D, we will work to strengthen our fundamental research throughout the Group as a whole. In addition, we will accelerate open innovation between Group companies and outside agencies, and link the seeds thus produced to products and services that will drive future growth. For our in vitro diagnostics business, we will work to develop next-generation platforms (post-LUMIPULSE).

Overview of Our Mid-term Plan "Transform! 2020"

Transform! 2020	Priority measures for FY2017
Group Relaunch <ul style="list-style-type: none"> • Priority placed on investment for sales growth over profit growth • Set in place a foundation for achieving significant and sustainable growth 	Promote proactive investments based on our strategy <ul style="list-style-type: none"> • Clinical laboratory testing <ul style="list-style-type: none"> • Increase market share in the in-hospital testing business and general practitioner market • Promote alliance strategies • In vitro diagnostics <ul style="list-style-type: none"> • Focus on the large-sized instrument market for our Japanese LUMIPULSE business • Advance into emerging countries for our global LUMIPULSE business

Even though reforms were initiated in FY2017, the speed with which the results became manifest was an issue

I will be frank in discussing our progress in FY2017 (the fiscal year ended March 31, 2018), which was the first fiscal year of “Transform! 2020,” by stating that even as we made favorable headway on the reforms, the speed with which the results became manifest was an issue. In much the same manner that it takes a large initial push to get a stopped car moving again, this plan was structured so that it would not produce much in the way of results in the first half of the year, with said results only becoming actualized in the second half.

In terms of our performance, our net sales increased by 3.4 billion yen, or 1.9% year-on-year in real terms (excluding our overseas clinical laboratory testing businesses, in which Miraca Life Sciences, Inc. was sold off). While some measure of improvement can be observed in comparison with the level of net sales from the previous year, we had set our sights on growth of 3.6% on a consolidated basis in our initial plan. As such, the results are disappointing when seen in this light. Our operating profit came to 17.6 billion yen, a decrease of 10.4 billion yen. Overall, this was the result of proactively making investments and incurring expenses to accelerate reforms.

When viewed by business, the number of orders our clinical laboratory testing business received from general practitioners and for in-hospital tests were favorable in the second half of the fiscal year. For in-hospital tests in particular, the number of facilities placing orders grew in the second half, and thus we attained some measure of results. As for our Group synergy results, in our in vitro diagnostics business about 50 LUMIPULSE instruments in total have been installed at in-Group laboratories and facilities placing orders for in-hospital testing. LUMIPULSE instruments were also installed in the laboratories of SRL, which performs large volume testing.

This is expected to dramatically increase the quantities of reagents produced by Fujirebio, thereby reducing cost prices. Moreover, the expectation is that increasing the number of transactions within the Group will reduce the amount of cash flowing out from the Group as a whole.

When it comes to R&D, through the establishment of Miraca Research Institute G.K. in July 2017, we have concentrated the fundamental research that had been carried out among different Group companies. We have begun performing proactive R&D activities through inputs of managerial resources in a prioritized manner with this research institute serving as a base.

One of our important managerial challenges is Group integration. At our major companies we promoted the aggregation of back-office departments and increased operational efficiency, while also embarking upon integrating personnel systems and treatment in order to enable the more fluid movement of human resources. In FY2018, we plan to promote these sorts of foundational improvements among all of our Group companies.

Regarding corporate culture, we have formulated a new Group Management Philosophy and a Group Message, and have held workshops for instilling said philosophy. In addition, I have personally been visiting our companies and locations to directly communicate with our employees. Proactive approaches have surfaced through such initiatives, as evidenced by the constructive opinions proposed to me by employees, and I have gotten a real feel for the way we are soundly changing over to a climate that is growth-oriented and willing to make changes.

Recently, the decision was made to revise the numerical targets in our “Transform! 2020” mid-term plan. These were revised based on the delay in achieving sales as a result of acquiring new customers during FY2017, as well as the fact that we exceeded our up-front investments and expenditures geared towards growth. However, the core point of the plan,

Plan for FY2018

Main Points		
Maintain the basic policy of the mid-term plan	Enhance plan management	Prepare for the New Central Laboratory

which is that we will improve our foundation for achieving significant and sustainable growth from 2020 onward, will remain unchanged.

The target management figures for the final fiscal year of the mid-term plan following the revisions are: net sales of 207 billion yen, operating profit of 25 billion yen, and EBITDA of 38 billion yen. In addition, we are aiming for ROE of 10% or more and ROIC of 8% or more.

Meeting the needs of a diversifying test market and seizing opportunities to grow

When I try to predict the future business environment, I see sluggish growth for the clinical testing industry in Japan as a result of a continuing trend of constraints on medical expenses in the future. Conversely, I also believe that new opportunities for growth will be created as a result of a number of factors, including the ongoing aging of society, advances in cutting-edge medical technology and IT, the expansion of the general practitioner market in Japan, and the growth of markets in emerging countries overseas.

As part of this, it is projected that diversification in testing needs will continue. In the field of esoteric testing,

together with advances in medical treatment and the emergence of new technologies, there will be demand for technologies that are more sophisticated than ever before, as epitomized by gene and cancer genome tests. In order to accommodate the need for such cutting-edge tests, we will develop new test items spearheaded by Miraca Research Institute G.K. In the genome field, where demand is growing, we will promote the development of new domains such as testing and mass spectrometry applied technology through the use of next-generation sequencers. We will also collaborate with medical institutions and key opinion leaders to expedite the development of new testing services ahead of our competitors.

In the general testing fields there is a need to provide high-quality testing as fast as possible at an affordable price. A key concept for achieving this will be mass processing via automation. SRL Advanced Lab. Azabu, which opened in May 2018 in Minato Ward, Tokyo, is a cutting-edge testing laboratory in which every process for general testing has been automated. By establishing laboratories in a number of places over the course of FY2018, including the SRL Setagaya Laboratory established in March 2018, we will make progress in improving services for local medical care, particularly the general practitioner market, while also developing new markets.

Revised Targets for Our Mid-Term Plan (FY2019)

(¥ Billion)			
	Initial Targets (Announced Nov. 28, 2017)	Revised Targets	Difference
Net Sales	222.0	207.0	-15.0
Operating Profit	29.0	25.0	-4.0
EBITDA ¹	45.0	38.0	-7.0
ROE ²	10% or more	10% or more	—
ROIC ³	10% or more	8% or more	-2 pts.

Background

FY2017

- Lagging new sales
- Burden of up-front investments for growth

FY2018

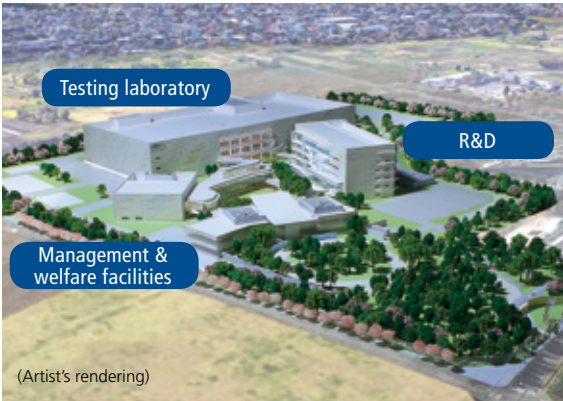
- Review of growth rate of sales
- Continuation of some up-front investments

Contract with Japanese Red Cross Society

- Scheduled to conclude in FY2019

1. EBITDA: Operating profit + Depreciation + Amortization of goodwill
2. ROE: Profit ÷ Yearly average of equity
3. ROIC: Net operating profit after tax (NOPAT: Operating profit – Estimated effective income tax) ÷ Invested capital (Yearly average of [Net assets + Interest-bearing liabilities (including lease obligations) + Other non-current liabilities])

Overview of Our New Central Laboratory



■ Location	Akiruno City, Tokyo
■ Site area	Approx. 122,000m ²
■ Floor area	Approx. 66,000m ²
■ Testing capacity	Daily maximum: 300,000 samples (Total of general/esoteric testing)
■ Project size	Approx. ¥75.0 billion
■ Start of construction	February 2019 (scheduled)
■ Completion date	June 2020 (scheduled)
■ Start of operations	Beginning of FY2021 (scheduled)

Over the medium-term we plan to open our New Central Laboratory, which we are envisioning as being one of the largest in the world. This laboratory will operate 24 hours a day by pursuing the upper limits of total automation when it comes to testing specimens from the Tokyo metropolitan area, with the goal being to have it start operating in 2021. I believe that when this New Central Laboratory becomes fully operational, it will enhance our service for the general practitioner market, which we have been developing, by reducing cost prices through total automation and improved efficiency.

Focusing on speed and taking on challenges for the next stage in achieving growth

Testing will come to play a greater and greater role when it comes to selecting diagnostic and treatment methods as a result of future advances in medical technology. On account of this, the value that the Miraca Group creates for society will only grow larger. From a long-term perspective, the companies through which we express this value will not be constrained to their conventional scopes. For example, presumably pharmaceutical companies will be subjected to increasingly intense competition when it comes to global development, alliances will increase, and spin-offs of certain functions will proceed further apace. The acceleration of functionalization and outsourcing will lead to a rise in the number of business opportunities for the Miraca Group, such as offering companion diagnostics for personalized medicine. Perhaps we can also contribute to society above and beyond the framework of healthcare, such as through food testing or environmental testing.

Based on this sort of outlook, I believe that the key to this future value creation will be to continue evolving and taking the lead when it comes to reforms. Naturally, human resources will come to play an important role in this. Our management team, myself included, plays a role in setting in place and

providing environments that are conducive to allowing our employees to get work done and demonstrate their value. Yet it is each and every one of our employees themselves who give rise to innovations. Within the internal reforms that we are currently promoting, I am constantly advocating for challenges and speed. An employee may produce 100 results without taking on any challenges, while another employee may only produce 90 results by taking on challenges. Personally, I rate the latter more highly. Moreover, based on the notion that without speed you cannot produce change, I am pressing our people to seek opportunities to increase efficiency in a bid to produce output up to three times faster than they have before. In FY2017, we achieved significant results in terms of both speed and productivity through a variety of company-wide reforms. If we continue to make changes, then we will surely develop our human resources and obtain results.

We have set forth “Bridging People to Healthcare” as our new Group Message. The value provided by the Miraca Group is serving as a link between patients and doctors through the process of reading the signs from patient’s samples, analyzing them and transmitting the information to medical settings. I promise that we will create innovative testing technologies and services, while also contributing to improving the reliability of and making advances in medical care in the future. I would like to transform the Miraca Group, which has taken its first steps since our “relaunch,” into an organization that offers a real feel for the growth of the Group as a whole towards the next stage based on the notions of challenges and speed. We appreciate your ongoing support as we continue to work towards building a stronger Miraca Group.

Shigekazu Takeuchi

Shigekazu Takeuchi
Director, President and Group CEO
Miraca Holdings Inc.



Under “Transform! 2020” we will work to expand investment and improve capital efficiency to boost our corporate value.

Naoki Kitamura

Director, Executive Officer and CFO
Miraca Holdings Inc.



The positioning of our mid-term plan and a look back at FY2017

The Miraca Group has positioned the “Transform! 2020” mid-term plan as a way to consolidate the Company’s foundations for significant and sustainable growth. As part of this, net sales are the financial indicator that we are most focused on. Pursuing profit growth alone that is not accompanied by a growth in sales will plunge us into a downward spiral. We will not give short shrift to profits, but will take profit growth according to growth in sales over the medium to long-term as our basis here, and proactively make investments in order to expand business foundations that produce stable returns, which is one of the strengths of the Miraca Group. With FY2017 as the first fiscal year of “Transform! 2020,” we have made a number of investments focused mainly on reforming our personnel system and improving infrastructure. As a result of moving forward with investments in the form of operating expenses, our operating profit has fallen. However, we consider these expenses crucial for laying a foundation for growth. Starting from FY2018, the entire company will come together to commit to soundly ensuring that the managerial resources devoted through this lead to sales and profits.

Our approach to capital policy, shareholder returns, and corporate value

In the Miraca Group, we have conventionally focused on improving equity spreads and ROE based on the weighted average cost of capital (WACC) in order to improve capital efficiency. Under “Transform! 2020” we will further expand our investments, and it will be of the utmost importance to take investment efficiency into consideration. For this reason, in addition to ROE we have introduced ROIC as a target figure for investment efficiency (ROE: 10% or more; ROIC: 8% or more). Regarding net cash, we will engage in appropriate borrowing by ascertaining the scaling factor for our interest-bearing liabilities and EBITDA, and allocate it to investments conducive to growth focusing on ROIC. In connection with this, we recognize that using this cash for shareholder returns is an important managerial issue. As such, we have adopted a basic policy of paying dividends in a stable and ongoing manner, and will maintain a payout ratio of at least 50%.

I feel that it is important to promote such initiatives while also engaging in dialogue with capital markets in the form of our shareholders, investors, and others with a view towards boosting our corporate value. The testing business conducted by the Miraca Group serves as a foundation for medical care, and its role will only grow larger as medical care advances. Providing high-quality, cost-competitive testing services is the value that we provide to society. I hope to continue promoting dialogue by sharing this vision of value creation with our shareholders and investors. I would like to thank you, and request your continued support.

Internal Reforms for Group Integration

STEP 1
Formulate a new Group Management Philosophy

STEP 2
Integrate organizations and infrastructure

STEP 3
Promote a unified culture

STEP

1

Formulate a new Group Management Philosophy

We have begun promoting integrated Group management by formulating a new Group Management Philosophy that considers bold reforms to be crucial.

Formulating a new Group Management Philosophy for achieving significant and sustainable growth

We found it necessary to work towards Group integration by breaking away from our conventional, divided management structure, and with 2017 as the year of our “relaunch,” we overhauled our Group Management Philosophy. We held workshops comprised mainly of young employees to consider what is unique about Miraca, then based on the opinions received at these we formulated our new Management Philosophy in order to encompass vectors from the Group as a whole. We also updated our logo mark and newly launched the “Miraca brand.”

Spreading the word on the raison d'être for the new Miraca Group both internally and externally

Our Group Message of “Bridging People to Healthcare” contains the connotation that we would like to serve as a link between people and healthcare through our businesses, with a sincere approach of supporting human life. Through this message, we will continue spreading the word both inside and outside the Group regarding our determination to reform, as well as our approach of attending to healthcare, which will not waver even after our reforms. Starting with our newspaper advertisements from April 2017, we have set forth our Group Message on our Group's internal communication tools, company advertisements, and more in an effort to declare our corporate position and elevate our social visibility.

New Group Management Philosophy

Mission

Mission
Create new value in Healthcare and contribute to the prosperity of people.

Vision

Vision
Develop innovative diagnostic solutions to enhance trust in Healthcare and drive its evolution.

Value

Group Message
Bridging People to Healthcare



STEP

2

Integrate organizations and infrastructure

We will continue to establish firm foundations for growth and demonstrate Group synergy by means of organizational and operational reforms and improvements to our infrastructure.

Setting in place new foundations for growth that promote Group integration

For integrated Group management, it is important that we continue to enjoy top-line growth by meticulously exhibiting synergy and cost advantages throughout the Group as a whole. In the past, there were differences within our systems, regulations, and organizational structures at each company,

resulting in inefficiencies and creating obstacles to promoting Group initiatives. In FY2017, we began drastically improving our business foundation, including the integration of our personnel systems and regulations. We are establishing structures that can make the most of our managerial resources with a view towards achieving rapid growth.

Specific Initiatives

Integrating our personnel systems

We began transitioning away from individual personnel systems at each of our companies to an integrated personnel system for the entire Group. We will encourage the more fluid movement of human resources within the Group by standardizing our personnel evaluations and wage structure.

Unifying regulations and decision-making authority

We have consolidated our internal regulations, while also unifying and clarifying decision-making authority at each level across the entire Group. This increases the transparency and speed of decision-making from the institutional side.

Improving IT platforms

We have begun integrating the domains, email addresses, intrasites, and other information platforms established for each of our companies, and also using cloud-based groupware. This improves work efficiency and facilitates the sharing of information.

Aggregating back-office functions

We have aggregated together departments that manage things like general affairs, personnel, accounting, legal matters, as well as purchasing functions and our travel desk. This is being done in an effort to improve services and cut costs across the Group as a whole.



We established a travel desk and IT concierge that handle work for the Group.

Internal Reforms for Group Integration

STEP

3

Promote a unified culture

In order to successfully achieve Group integration, we must orient our corporate culture so that we are all facing in the same direction. Promoting understanding among our employees is a matter of the utmost importance for this goal. As such, we have initiated reforms that foster a forward-looking corporate culture that is not afraid to take on challenges.

Workshops designed to promote understanding and awareness, as well as briefing sessions in each region given by top management

We believe that we can successfully instill our new philosophy and entrench reform awareness in our employees through determined, straightforward effort. After enacting our Management Philosophy, we held employee workshops in a cross-cutting manner throughout the Group all around

the country, while the president held briefing sessions at our subsidiaries and local offices. By establishing these as forums for direct dialogue between top management and the employees in each region, as well as for communication between employees, we have gradually made progress in promoting a unified culture, while also changing employees' mindsets.

Personnel measures linked to our Values and Traits

Concurrent with promotion of a unified culture, we also reformed the delegation of authority to and evaluation system for our management and executive-level employees. We linked the new personnel evaluation system with our established set of Values and Traits. This allowed us to not only clarify the conduct required of each professional position, but also offer training for equalizing the level of personnel evaluations for our management-level employees. Such Group-wide initiatives have already begun to give rise to results via organic coordination within the Group that cuts across company and sectional boundaries.

What is more, by fostering a culture of offering mutual praise and excellent internal communication, we are encouraging new ways of thinking and generating new challenges.

Reinvigorating communication

The Miraca Group regards communication as an important tool when it comes to making progress in unified Group management, and embarked upon initiatives to reinvigorate communication in FY2017. As the first stage, we carried out an internal attitude survey to get a grasp of the current state of employees' impressions of their company and other Group companies, as well as their sense of belonging in the Group.

We are now carrying out a number of other measures, such as encouraging activities for each functional department that cut across the entire Group, budgeting expenses for departmental communication activities, and launching a company magazine for the Group.

In FY2018, we will continue to promote a unified culture in a full-fledged manner by focusing our attention on initiatives to reinvigorate communication to an even greater degree.

Measures to Promote a Unified Culture



Workshops for instilling our philosophy



Values and Traits

Internal Communication Tools



Bridge, the Miraca Group's company magazine

Attitude Survey for Employees

We conducted an attitude survey for our employees in June 2018 after a year of Group integration efforts.

Q. Which of the following do you feel have been accomplished by means of Group integration?
(Top three answers are listed)

Internal systems and departments have been merged, thus achieving more efficient operations
58.3%

Information is now actively shared among Group companies
57.9%

Group companies now jointly offer products and services
49.3%

Transforming the Strengths of Each Company into Group Strengths

SRL performs more than 200,000 clinical tests every day. Fujirebio is an immunological testing pioneer, engaged in the in vitro diagnostics business on a global level.

SRL and Fujirebio are both industry leaders, with unique competitive advantages established over many years.

History



[In vitro diagnostics] Fujirebio Inc.

- 1950** Fujirebio Inc. (formerly Fujizoki Pharmaceutical Co., Ltd.) was founded to manufacture and sell pharmaceutical products
- 1966** Advanced into the clinical diagnostics sector with the world's first serodiagnostic syphilis test
- 1970** Launched global sales of clinical diagnostics
- 1992** Launched LUMIPULSE® 1200
- 2011** Launched global sales of the LUMIPULSE series
- 2017** Launched FUXIONPLUS integrated immunoassay/biochemical testing system

► A pioneer in immunological testing

In 1966, Fujirebio launched the world's first serodiagnostic test for syphilis, the treponema pallidum haemagglutination assay (TPHA). Since then, Fujirebio has used its advanced technologies to deliver reagents to medical institutions and commercial laboratories around the world.

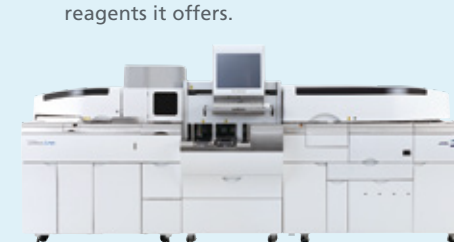


LUMIPULSE® reagents

Strengths cultivated by each company

► Our business model generates a stable revenue stream

The LUMIPULSE series, a fully automated chemiluminescent enzyme immunoassay (CLEIA) system, has been supporting medical sites for more than a quarter of a century. More than 1,600 LUMIPULSE are currently in operation worldwide. Fujirebio has been successful in stably growing its revenue by developing testing instruments and specialized reagents and expanding the variety of reagents it offers.



FUXIONPLUS

► International business network

As a world leader in the immunoserological test field, Fujirebio's global structure focuses primarily on Japan, the United States and Europe. Fujirebio offers a broad range of products and services, with a particular focus on tumor markers through subsidiaries in the United States and strength in the fields of infectious diseases and Alzheimer's in Europe.



LUMIPULSE® G1200

Group strengths



Unique business model



R&D capabilities for coping with polarization



Strong position in the industry



[Clinical laboratory testing] SRL

- 1970** SRL, Inc. (formerly Tokyo Special Reference Laboratories, Inc.) was founded as a commercial laboratory focusing on esoteric testing
- 1987** Established Japan's first genetic testing laboratory within its Hachioji Lab complex
- 1997** Established SRL Medisearch Inc. (formerly SRL Teijin Bio, Inc.) to provide clinical trial testing
- 2000** Acquired NIHON STERY CO., LTD., which provides sterilization services, as a wholly owned subsidiary
- 2018** Established SRL Advanced Lab. Azabu as a fully automated laboratory for general testing

► Strengths derived from roots in esoteric testing

Since its founding in 1970, SRL has focused on esoteric testing and has been meeting the needs of university hospitals, national hospitals, and other medical institutions throughout Japan. SRL has built relationships of trust with key opinion leaders (influential doctors and experts) and continues to refine its advanced technologies and scientific knowledge.

The vast quantities of testing data and know-how that it has accumulated over many years have the potential to expand into other business sectors.



► An industry leader

SRL has dealings with approximately 80% of all major hospitals in Japan with 300 or more beds, and performs more than 200,000 clinical tests every day. It has established a top-class laboratory and nationwide distribution network, and possesses specialized expertise in lab automation and quality control for sample collection.



► Supporting cutting-edge healthcare

SRL was a trailblazer in adopting cutting-edge testing services, such as the companion diagnostics and genome analysis that are necessary for promoting personalized medicine, enabling it to accommodate the increasing sophistication of healthcare and cutting-edge medical treatment. SRL continues to carry out initiatives geared toward developing new technologies.



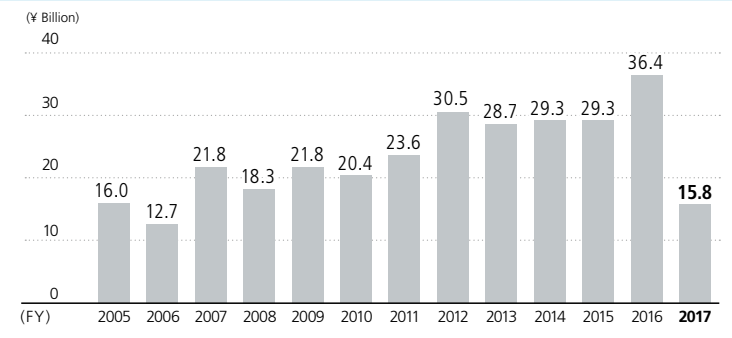
A Growth Cycle Based on Our Group Strengths

The Miraca Group is engaged in business centered primarily on the research and development, manufacture and sale of testing reagents and instruments, as well as the testing service industry.

Our unique business model, which extends along the clinical testing value chain, is at the heart of the Group's strengths and growth cycle.

A unique business model that generates a stable cash flow

Operating cash flow



With Fujirebio's LUMIPULSE business, we have established a stable business model based on the ongoing sales of specialized reagents through the installation of testing instruments. Our business of providing raw materials (antibodies) via our U.S. subsidiary will continue to grow in a stable manner along with the growth of global diagnostic manufacturers.

SRL's strong business foundation is based on the provision of a wide range of testing services and an infrastructure reaching across Japan.

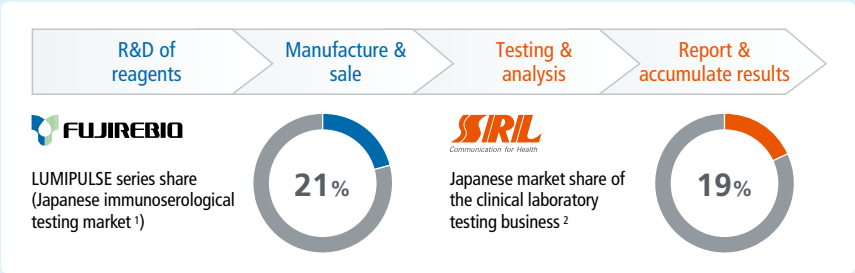
The Miraca Group generates stable operating cash flow based on the twin pillars of the solid in vitro diagnostics business and the large-scale clinical laboratory testing business.

Ensuring stable investments for growth

Harnessing synergy between businesses

Establishing a unique position through our testing value chain

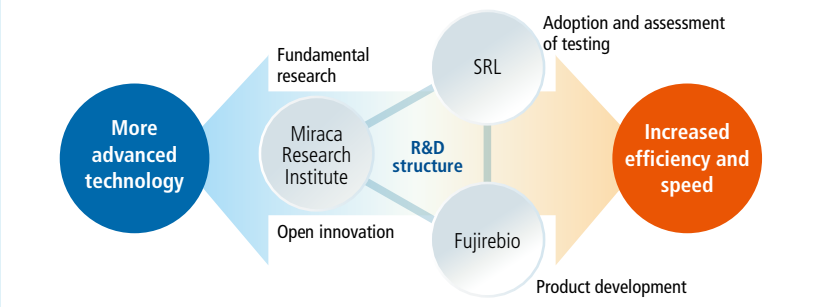
Instigating synergy at all levels of the value chain



Notes: 1. Source: Japan Medical Association 2017 report on clinical testing precision management
2. Company estimate for FY2017

Pursuing innovative testing and increased efficiency and speed in R&D

Evolving with the polarization in the testing market



As healthcare becomes increasingly diverse, there are calls for clinical testing to offer greater added value and to use more advanced technology. There is also greater need for increased efficiency and speed.

The Miraca Group has established a unique structure that enables it to perform everything from fundamental research through to the development of the latest diagnostic testing technologies and products, as well as the application and commercialization of new technologies (including those achieved through open innovation). We achieved this by integrating Fujirebio, with its technology for developing reagents and testing instruments, SRL, with its testing expertise and know-how, and Miraca Research Institute G.K., which brings together the fundamental research functions of Fujirebio and SRL.

In addition, we are making progress with introducing automation that uses AI and robotics and with the development of mass processing techniques that will accommodate the increasing need for efficiency and speed in clinical testing, thereby responding to the various needs of medical sites in a multifaceted manner.

Boosting our competitive edge through the evolution of our research

The Miraca Group covers all stages of the clinical testing value chain, from the development, manufacture, and sale of testing reagents and instruments, to testing services. We aspire to be an industry leader, taking advantage of our unique business structure that harnesses the synergies achieved through the vertical integration of the two businesses, as well as our competitive position. Moving forward, we will work to expand both the scale of our businesses and their market share. We will also continue to boost visibility when it comes to clinical testing, create new value for healthcare, and carry out business activities with the goal of expanding the market as a whole.

Activities Harnessing Group Strengths

The pursuit of quality

Advancing research and technological development

Miraca Research Institute G.K.

In July 2017, we established Miraca Research Institute G.K. with the objectives of consolidating fundamental research functions within the Group and creating products and services that serve as medium-to-long-term drivers of growth.

This institute promotes open innovation with external research institutes and other parties with a primary focus on three main segments: (1) Innovative analysis platforms, (2) Core medical innovation technology, and (3) Medical information/informatics/AI.

Through this core research institute, it will be possible to accelerate development and assessments and demonstrate Group synergy. Over the long term, we will continue working to create whole new industries and not just businesses, by innovating and combining our expertise and business models.



Testing room at the Miraca Innovative Cancer Laboratory, a corporate partner laboratory established in September 2017 and located inside the Research Institute of the National Cancer Center

Industry-academia partnership project

The Miraca Group (through SRL) has joined several other companies in the establishment of Kyoto Bridge for Breakthrough Medicine (KBBM, Inc.), which will work in partnership with the Clinical BioResource Center at Kyoto University Hospital as a model for industry-academia collaboration. A number of restrictions in the past made it difficult for conventional clinical research to quickly link academic discoveries and developments to medical innovations. The Clinical BioResource Center is working to create effective R&D schemes that can make use of human samples from volunteer patients and healthy individuals from the early stages of R&D. By participating in clinical trial research support and R&D activities

through this project, the Miraca Group aims to grow its business over the medium-to-long-term by applying new technologies, expertise and intellectual property.



Establishment of Kyoto Bridge for Breakthrough Medicine (KBBM, Inc.)

The pursuit of scale

Establishing a foundation for improving testing efficiency and speed

Our central laboratory and regional strategy

SRL is moving forward with the establishment of regional sales bases and testing systems with a view to capturing demand from the general practitioner market, which is expected to grow due to the aging of society.

In 2018, SRL entered into a partnership with Sapporo Clinical Laboratory Inc., which has a solid business presence in the Hokkaido region. In the Kansai region, SRL took over the clinical testing business of AIJINKAI Healthcare Corporation, which is engaged in broad-based hospital management throughout the Osaka-Kobe area.

In addition, SRL newly established testing laboratories in Setagaya Ward and Minato Ward in Tokyo with the objective of improving its testing services in the Tokyo metropolitan area. SRL Setagaya Laboratory will serve as a regional laboratory for Tokyo, while SRL Advanced Lab. Azabu is a cutting-edge, fully automated laboratory capable of offering high-quality testing services with quick turnaround times. These new facilities will allow us to continue meeting needs for local medical care.

Over the medium term, we will link regional laboratories with our planned New Central Laboratory in Akiruno City, Tokyo.



Entrance to SRL Advanced Lab. Azabu



Testing laboratory at SRL Advanced Lab. Azabu

Linking sales functions

The Miraca Group is moving forward with reforms aimed at creating synergies that can be achieved by working together as a Group. Linking Group businesses will allow us to present total solutions, propose packages, and introduce other initiatives, thus broadening our sales operations. When SRL offers proposals for managerial services for in-hospital laboratories by proactively making proposals that harness Fujirebio's testing reagents and

instruments, it can provide services that make the most of cost advantages.

In addition, we will continue to advance Group activities, such as sharing information on markets, new products, and new technologies; improving quality systems through cooperation; and providing feedback to marketing and development departments.



Clinical Laboratory Testing

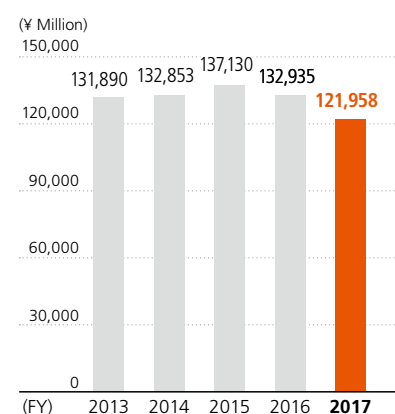


In our clinical laboratory testing business, we perform more than 200,000 tests every day for medical institutions. Our off-site testing business is entrusted with specimens from hospitals, clinics, and other institutions, which are tested at Group laboratories.

Our in-hospital testing business not only runs laboratories within hospitals, but also handles everything from improving the efficiency of those operations, to offering training and high-value-added comprehensive consulting.

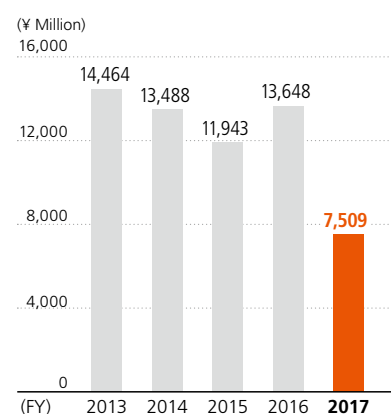
Overview of FY2017

Net sales*



* Including intersegment adjustments

Operating profit*



In Japan, earnings rose as a result of sales promotions for new test items, the acquisition of new customers for our in-hospital testing business, and other factors. However, as a result of the exclusion of Miraca Life Sciences, Inc. (which operates a pathological testing business in the United States) from consolidation as of November 2017, net sales decreased 8.3% compared with the previous fiscal year to 121,958 million yen. Profits fell as a result of factors including up-front investments in our domestic businesses and the time lag in accounts settlement. Operating profit decreased 45.0% compared with the previous fiscal year to 7,509 million yen.

Major points of the mid-term plan

Japan's aging population is expected to have an effect on the clinical laboratory testing market, particularly due to the rise in the elderly population requiring an increased number of tests, and a shift of general testing to the general practitioner (GP) market. Conversely, these changes in society and the potential resulting rise in social security costs will cause financial difficulties for hospitals. We are now working on priority measures of "Transform! 2020," notably "penetration into the GP market," which is seeing an increase in test numbers, and "acquisition of in-hospital testing business," where we can improve hospital efficiency.

In terms of penetration into the GP market, we will establish satellite laboratories, mainly around the Tokyo

metropolitan area, where there is a particularly pronounced rise in the number of clinics. This initiative will enable us to shorten the lead time to the reporting of test results. We will also share know-how within the Group and move forward with improving customer service, thereby promoting customer acquisition.

For the acquisition of in-hospital testing business, standardized proposals using Group products will result in enhanced price competitiveness and an increase in the efficiency of hospital administration. Through our in-hospital laboratory services, we also intend to deepen business ties to potentially expand the hospital's outsourcing of esoteric testing, one of our Group strengths.

Progress of the mid-term plan and future initiatives

While these measures saw delays in the first half of FY2017, we were able to achieve some success as a result of progress in customer acquisition in the second half of the year.

In FY2018, we will proactively address these issues and improve sales from early on in order to further accelerate growth. Moreover, in terms of profits, we will continue to ensure a structure that will generate profits by aggressively introducing measures such as streamlining sample collection and distribution, as well as making productivity improvements through the use of automation technologies.

In the field of cancer genomics, where growth in testing demand is expected, we will utilize the recently launched Cancer Genetics Strategy Office to establish a structure that will enable us to handle cutting-edge test items outsourced to us. In addition, we will proactively seek out a range of

alliances while working to grow our sales in order to achieve the goals of our mid-term plan.



Priority	Results in FY2017	Future measures
Penetration into the GP market	<ul style="list-style-type: none"> Achieved success with our regional strategies, including the launch of a specialist sales organization, entered into a business partnership with Sapporo Clinical Laboratory Inc., and established laboratories in the Tokyo metropolitan area (Number of customers : +516) 	<ul style="list-style-type: none"> Improve services and accelerate customer acquisition by increasing our satellite laboratories
Acquisition of in-hospital testing business	<ul style="list-style-type: none"> Achieved success with harnessing Group synergies and making proactive investments, etc. (Number of in-hospital customers: +15) 	<ul style="list-style-type: none"> Harness Group synergy Continue to make proposals suited to customer needs

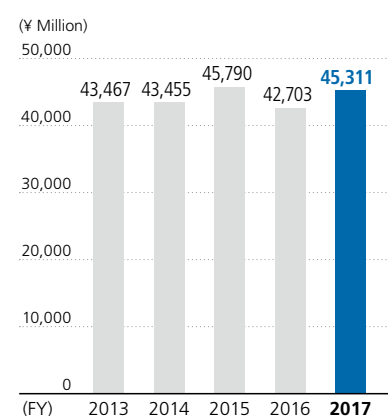
In Vitro Diagnostics



In our in vitro diagnostics business, we develop and manufacture in vitro diagnostic reagents and testing instruments, which we sell to medical institutions and clinical laboratories all over the world. Our LUMIPULSE® series of flagship products features a fully automated chemiluminescent enzyme immunoassay system, and has been an integral part of clinical testing sites for more than a quarter century with its high quality and superior performance. In addition, our U.S. affiliate supplies raw materials (antibodies) to global diagnostic manufacturers and is involved in the OEM business.

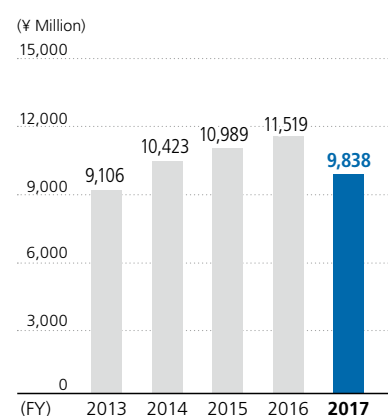
Overview of FY2017

Net sales*



* Including intersegment adjustments

Operating profit*



Revenue grew due to a number of factors including growth in our LUMIPULSE business in Japan and overseas, the favorable performance of our OEM/raw materials business globally, and the start of sales of products made by Diagnostica Stago, S.A.S. These factors, in addition to the effect of favorable exchange rates, resulted in net sales of 45,311 million yen, an increase of 6.1% compared with the previous fiscal year. Operating profit totaled 9,838 million yen, a 14.6% decrease compared with the previous fiscal year, as a result of the costs involved in installing LUMIPULSE instruments, the up-front investments to establish growth foundations, and the strengthening of R&D activities.

Major points of the mid-term plan

The Japanese in vitro diagnostics market is at a stage where contracts are being renewed as large-sized testing instruments reach the end of their life span and are up for replacement, so it is important that we seize this opportunity. There will be further business expansion into the global market, particularly in emerging countries. Under these circumstances, we have set “Strengthening our LUMIPULSE business” as a strategy of “Transform! 2020.” In Japan, we will continue promoting the installation of large-sized testing instruments, and enhancing sales activities to increase our market share and medium-to-long-term profitability. We will effectively use alliances and strategically expand our global business. Our aim in emerging countries is to quickly bring products to market by using our newly established global bases.

In addition, in our OEM/raw materials business, we anticipate that global demand for testing will continue. Therefore, we will work to achieve growth by investing in stable operations.



Progress of the mid-term plan and future initiatives

In FY2017, we proactively worked to install large-sized L2400 instruments in our Japanese LUMIPULSE business, including those installed within the Group. Because we recalled idle machines, the number of instruments installed overall remained flat, but we are steadily promoting a shift from small/medium-sized to large-sized instruments. As for overseas markets, sales grew in China and Europe.

In FY2018, we will continue working to accelerate the installation of large-sized instruments, and will also focus on

expanding related items to achieve sales growth. We will also continue to focus on expanding the number of foreign countries we sell to, and on entering the markets of emerging countries.

R&D is important for medium-to-long-term growth, so we will mainly devote resources to developing new items for the LUMIPULSE series and bringing those items to market. In addition, we plan to continue working to develop next-generation platforms from a medium-to-long-term perspective.

Priority	Results in FY2017	Future measures
Japanese LUMIPULSE business	<ul style="list-style-type: none"> Began selling FUXIONPLUS The net number of LUMIPULSE installed remained largely the same (+1), but with a shift from small/medium-sized to large-sized instruments (+49) 	<ul style="list-style-type: none"> Increase in the number of instruments installed and expansion of items Bring new reagents to market and improve our large-sized L2400 instruments by obtaining approval and promoting R&D
Overseas LUMIPULSE business	<ul style="list-style-type: none"> The number of instruments installed in Europe, China, and other regions grew (+35), and sales of reagents increased Established bases in India, Singapore, and South Korea 	<ul style="list-style-type: none"> Enter markets in emerging countries using newly established global bases Launch in countries where we can quickly gain approval

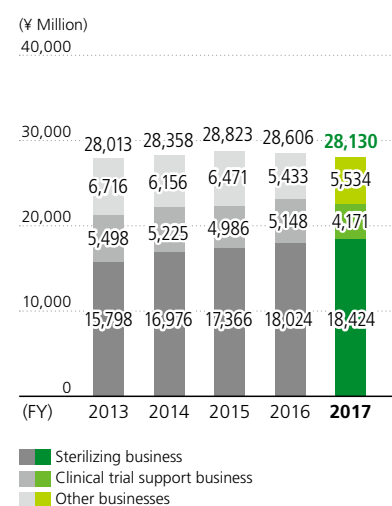
Healthcare Related



In our healthcare related business, we provide a variety of healthcare related services. Our primary focus is on the sterilizing business that offers total support for the sterilization of medical testing equipment and utensils, as well as our clinical trial support business in which we comprehensively support pharmaceutical R&D that makes the most of our expert knowledge and sophisticated technology.

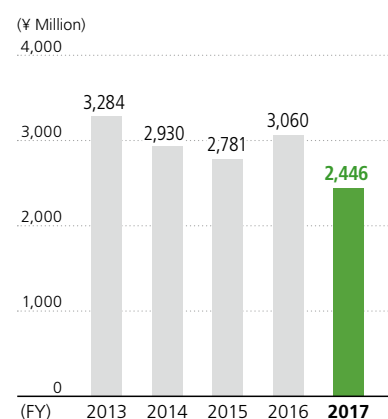
Overview of FY2017

Net sales*



* Including intersegment adjustments

Operating profit*



Net sales in our sterilizing business increased as a result of favorable performance, specifically due to the acquisition of new customers and other factors. Conversely, net sales in our clinical trial support business fell due to the growing time lag between when orders are placed and accounts are settled, which was mainly caused by our business portfolio change. Profits fell due mainly to up-front investments for establishing the foundations for future growth in the sterilizing business.

As a result, net sales in the healthcare related businesses fell 1.7% compared with the previous fiscal year to 28,130 million yen, while operating profit fell 20.1% to 2,446 million yen.

Major points of the mid-term plan

There are indications that given the escalating financial difficulties faced by hospitals, there will be a further increase in the outsourcing of peripheral healthcare services, including sterilization services. In addition, healthcare support is expected to become necessary in areas that previously had no need for it as a result of the functional specialization of hospitals, enhancements to regional comprehensive care systems, and the rise in the elderly population.

By offering not only sterilization but also other support, our sterilizing business will allow physicians and nurses to give their undivided attention to providing medical care. We will also offer our highly specialized technical expertise with a focus on training and quality improvement designed to meet the various needs of medical institutions.

The clinical trial market has been contracting due to a number of factors, including the shift in which illnesses are eligible for clinical trials, such as illnesses with a small patient pool, as well as the fact that international clinical trials are being spearheaded by foreign companies. Given such circumstances, we will position clinical study support led by physicians as a driver for future growth, and work to move away from the conventional business structure, which had been run by pharmaceutical companies.



Progress of the mid-term plan and future initiatives

In FY2017, sales grew in our sterilizing business due mainly to the ongoing acquisition of customers. However, as this is a business that is highly dependent on human resources, overall profits declined due to rising personnel costs. In order to achieve medium-to-long-term growth in this business, we must dramatically reorganize our business structure. Therefore, we will continue to proactively invest in initiatives to automate and improve efficiency, including outsourcing services at our sterilizing centers.

Profits in our clinical trial support business also decreased in FY2017 as a result of the growing time lag until the materialization of sales, as we are shifting our business structure to supporting clinical studies led by physicians. In the future, we will expand our clinical study support as a driver for growth by continuing to aggressively seek new orders.

We will continue to achieve growth over the medium-to-long-term by proactively seeking out new healthcare services

in the nursing field, which is expected to see growing demand, as well as in other healthcare related fields.



Directors and Officers

(As of June 22, 2018)



1 Director, President and Group CEO
Shigekazu Takeuchi

2 Director, Executive Officer and CFO
Naoki Kitamura

3 Outside Director
Shigehiro Aoyama

7 Outside Director
Susumu Yamauchi

8 Executive Officer (IVD)
Yoshihiro Ashihara

9 Executive Officer
(Domestic CLT Business)
Shunichi Higashi

10 Executive Officer
(Human Resources and CSR)
Shigeto Ohtsuki

4 Outside Director
Futomichi Amano

5 Outside Director
Miyuki Ishiguro

6 Outside Director
Ryoji Itoh

11 Executive Officer
(General Affairs, Public Relations, and Information Technology)
Hiroaki Kimura

12 Executive Officer
(Business Development)
Kazuyuki Hanyu

13 Executive Officer
(Corporate Planning and Management)
Tadashi Hasegawa

Director Profiles

1 Director, President and Group CEO
Shigekazu Takeuchi

Birthdate: **October 11, 1953**
Number of Company shares held: **3,494**
Number of years of service as a director: **2**
Attendance rate at Board of Directors meetings: **100% (13 / 13)**
Attendance rate at Nominating Committee meetings: **100% (5 / 5)**
Attendance rate at Compensation Committee meetings: **100% (6 / 6)**

- Apr. 1976 Joined CBS Sony Inc. (currently Sony Music Entertainment (Japan) Inc.)
- Feb. 1997 President, Sony Music Artists Inc.
- Feb. 2000 Executive Vice President, Corporate Planning Department, Sony Music Entertainment (Japan) Inc.
- Jun. 2000 Managing Director, Corporate Planning Department, Sony Music Entertainment (Japan) Inc.
- Oct. 2002 President, SME Visual Works Inc. (currently Aniplex Inc.)
- Jun. 2006 Chairman, Sony Pictures Entertainment (Japan) Inc.
- Jun. 2007 Chairman, Sony Broadcast Media Co., Ltd.
- Oct. 2009 Joined Avex Group Holdings Inc.
- Jun. 2010 Representative Director, CFO, Avex Group Holdings Inc.
- Jun. 2016 Vice President & CEO of the Company
Director, Fujirebio Inc. (incumbent)
- Oct. 2016 President & Group CEO of the Company (incumbent)
Director, SRL, Inc. (incumbent)
- Apr. 2017 Director, Fujirebio Holdings, Inc. (incumbent)

2 Director, Executive Officer and CFO
Naoki Kitamura

Birthdate: **November 28, 1970**
Number of Company shares held: **2,198**

- Apr. 1993 Joined Sony Corporation
- Jun. 1996 Seconded to Sony International (Singapore) Pte. Ltd. (currently Sony Electronics (Singapore) Pte. Ltd.)
- Jul. 2004 Seconded to Sony Corporation of America
- Apr. 2008 General Manager, Corporate Planning Department, So-net Entertainment Corporation (currently Sony Network Communications Inc.)
- Sep. 2011 Joined the Company
General Manager, Strategic Planning Department
- Nov. 2011 Director, SRL, Inc.
- Jun. 2012 Director, Fujirebio America, Inc. (incumbent)
- Jun. 2013 Executive Officer of the Company (incumbent)
- Feb. 2015 Chairman and CEO, Baylor Miraca Genetics Laboratories, LLC
- Jun. 2015 Chairman, Baylor Miraca Genetics Laboratories, LLC (incumbent)
- Jul. 2016 CEO, Miraca Life Sciences, Inc.
- Apr. 2017 Statutory Auditor, Fujirebio Holdings, Inc. (incumbent)
- Jun. 2017 Director, SRL, Inc. (incumbent)
- Oct. 2017 CEO, Miraca America, Inc. (incumbent)
- Jun. 2018 Director of the Company (incumbent)

3 Outside Director
Shigehiro Aoyama

Birthdate: **April 1, 1947**
Number of Company shares held: **0**

- Apr. 1969 Joined Suntory Limited
- Mar. 1994 Director, Member of the Board, Spirits Division, Suntory Limited
- Mar. 1999 Managing Director, Member of the Board, Sales Development & Marketing Promotion Division, Suntory Limited
- Mar. 2001 Managing Director, Member of the Board, Corporate Planning Division, Suntory Limited
- Mar. 2003 Senior Managing Director, Member of the Board, Corporate Planning Division, Suntory Limited
- Sep. 2005 Senior Managing Director, Member of the Board, President of Spirits, Wine & Beer Company, Suntory Limited
- Mar. 2006 Executive Vice President, Chief Operating Officer, Member of the Board, President of Spirits, Wine & Beer Company, Suntory Limited
- Feb. 2009 Executive Vice President, Chief Operating Officer, Member of the Board, Suntory Holdings Limited
- Mar. 2010 Executive Vice President, Chief Operating Officer, Member of the Board, Representative Director, Suntory Holdings Limited
- Oct. 2014 Vice Chairman of the Board, Representative Director, Suntory Holdings Limited
- Apr. 2015 Supreme Advisor, Suntory Holdings Limited
- Jun. 2015 Chairman, The Distribution Economics Institute of Japan (incumbent)
- Jun. 2016 External Director, Takamatsu Construction Group Co., Ltd. (incumbent)
Outside Director, Fuji Heavy Industries Ltd. (currently SUBARU CORPORATION) (incumbent)
- Apr. 2018 Special Advisor, Suntory Holdings Limited (incumbent)
- Jun. 2018 Outside Director of the Company (incumbent)

4 Outside Director
Futomichi Amano

Birthdate: **August 31, 1953**
Number of Company shares held: **0**
Number of years of service as a director: **1**
Attendance rate at Board of Directors meetings: **100% (10 / 10)**¹
Attendance rate at Audit Committee meetings: **100% (20 / 20)**¹

- Nov. 1977 Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)
- Jun. 1989 Promoted to Partner (Audit), Tohmatsu Awoki & Sanwa
- Nov. 1995 Transferred to Los Angeles office of Deloitte & Touche LLP
- Sep. 2002 Partner in charge of corporate planning of Tokyo office, Deloitte Touche Tohmatsu LLC
- Jun. 2004 Managing Partner of corporate planning of Tokyo office, Deloitte Touche Tohmatsu LLC
- Jun. 2007 Board Member, Deloitte Touche Tohmatsu LLC
Managing Partner of Eastern Japan & Tokyo office, Deloitte Touche Tohmatsu LLC
- Nov. 2010 CEO, Deloitte Touche Tohmatsu LLC (Japan)
Global Executive Committee Member, Deloitte Touche Tohmatsu Limited (Global)
- Dec. 2015 Retired from Deloitte Touche Tohmatsu LLC
- Jan. 2016 Futomichi Amano CPA office (incumbent)
- Jun. 2017 Outside Director of the Company (incumbent)

5 Outside Director
Miyuki Ishiguro

Birthdate: **October 26, 1964**
Number of Company shares held: **0**
Number of years of service as a director: **5**
Attendance rate at Board of Directors meetings: **100% (13 / 13)**
Attendance rate at Audit Committee meetings: **100% (25 / 25)**
Attendance rate at Compensation Committee meetings: **100% (6 / 6)**

- Apr. 1991 Registered as attorney at law (Tokyo Bar Association)
Joined Tsunematsu Yanase & Sekine
- Jan. 1999 Partner, Tsunematsu Yanase & Sekine
- Jan. 2000 Partner, Nagashima Ohno & Tsunematsu (incumbent)
- Jun. 2006 Director, Sony Communication Network Corporation (currently Sony Network Communications Inc.)
- Jun. 2013 Outside Director of the Company (incumbent)
- Feb. 2016 Council Member of Radio Regulatory Council (incumbent)
- Apr. 2016 Council Member of Management Council, Hitotsubashi University (incumbent)
- Sep. 2016 Outside Corporate Auditor, Lasertec Corporation (incumbent)
- Jun. 2017 Outside Audit & Supervisory Board Member, Benesse Holdings, Inc. (incumbent)
- Apr. 2018 Vice President, Tokyo Bar Association (incumbent)

6 Outside Director
Ryoji Itoh

Birthdate: **January 14, 1952**
Number of Company shares held: **100**
Number of years of service as a director: **4**
Attendance rate at Board of Directors meetings: **100% (13 / 13)**
Attendance rate at Nominating Committee meetings: **100% (5 / 5)**
Attendance rate at Compensation Committee meetings: **100% (6 / 6)**

- Jul. 1979 Joined McKinsey & Company
- Jan. 1984 Partner, McKinsey & Company
- Jun. 1988 Director, UCC Ueshima Coffee Co., Ltd.
- Sep. 1990 Representative Director, Schroder Ventures
- Nov. 1997 Director, Bain & Company
- Sep. 1999 Guest Professor at Faculty of Policy Management, Keio University
- May 2000 Project Professor at Graduate School of Media and Governance, Keio University (incumbent)
- Jan. 2001 Head of Japan Office, Bain & Company
- Apr. 2006 Managing Director, Planetplan, Inc. (incumbent)
- Apr. 2010 Visiting Professor, Yokohama City University
- May 2012 Director, Renown Incorporated
- Oct. 2012 Professor (part-time), BBT University
- Jun. 2014 External Director, SATO HOLDINGS CORPORATION (incumbent)
Outside Director of the Company (incumbent)

7 Outside Director
Susumu Yamauchi

Birthdate: **October 1, 1949**
Number of Company shares held: **100**
Number of years of service as a director: **1**
Attendance rate at Board of Directors meetings: **100% (10 / 10)**²
Attendance rate at Audit Committee meetings: **100% (20 / 20)**²

- Apr. 1977 Assistant Professor, Faculty of Law, Seijo University
- Apr. 1988 Professor, Faculty of Law, Seijo University
- Apr. 1990 Professor, Faculty of Law, Hitotsubashi University
- Apr. 2004 Dean of Graduate School of Law & Dean of Faculty of Law, Hitotsubashi University
- Apr. 2005 Chairman, Society for the Study of Legal Culture
- Dec. 2006 Executive Vice President, Hitotsubashi University
- Dec. 2010 President, Hitotsubashi University
- May 2012 Member of the Roundtable for Human Resource Development through Industry-University Collaboration
- Dec. 2014 Emeritus Professor, Hitotsubashi University (incumbent)
- May 2015 Board Member of the Hori Sciences and Arts Foundation (incumbent)
- Sep. 2015 Visiting Professor, Law School, Renmin University of China (incumbent)
Development Advisory Committee Member, Law School, Renmin University of China (incumbent)
- Apr. 2017 Chairman, Textbook Approval and Research Council (incumbent)
- Jun. 2017 Outside Director of the Company (incumbent)

Notes:
1. Assumed the roles of director and chairman of the Audit Committee on June 23, 2017, and so his attendance status is from this point onward.
2. Assumed the roles of director and Audit Committee member on June 23, 2017, and so his attendance status is from this point onward.

Our Stance

We in the Miraca Group bring about greater managerial efficiency based on our stated corporate mission to “Create new value in Healthcare and contribute to the prosperity of people,” as well as our Vision and Values. We fully recognize the vital importance of cooperation encompassing a wide range of

stakeholders both inside and outside the Group. Accordingly, we are committed to the establishment of a corporate governance structure that encourages greater managerial transparency and accelerates proper decision-making.

Corporate Governance Structure

Overview of our corporate governance structure and the reason for its adoption

We fully recognize the importance of strong and thorough corporate governance, and are committed to the establishment of a governance structure that encourages greater transparency and accelerates proper decision-making at all levels of oversight, management and operation.

Following the adoption of a “company with committees” Japanese corporate governance system on June 27, 2005, the Company transitioned to a pure holding company structure that performs centralized oversight of the Group on July 1, 2005. We adopted this management configuration with the aim of achieving clear separation of oversight and executive functions, while establishing an implementation structure capable of making decisions with greater speed and enhancing oversight of Group companies. In accordance with laws and ordinances, we have established three committees: the Nominating, Audit and Compensation committees.

At the Board of Directors meetings, board members receive reports from each committee and from the executive officers providing information on current corporate operations and target management achievements. The Board of Directors is thus able to provide timely comprehension and oversight of corporate management information. Among the seven members of the Board of Directors, five are outside directors, each of whom is recognized as a leader in his or her respective field.

The Board of Directors and appointment of directors

The Company appoints candidates for outside directors from the perspective of their: 1) capacity to manage based on knowledge and experience in wide ranging fields outside the scope of business experience gained within the Company, 2) due recognition

of the role management should play in society, while not placing disproportionate emphasis on interests of management or certain stakeholders, and 3) ability to properly oversee the management in the execution of its duties. Moreover, the Company appoints candidates for outside director primarily from a wide range of fields, as follows:

- Experience as managers of operating companies;
- Experts in public administration in the fields of medical services, insurance, etc.;
- Experts in corporate and business law, corporate accounting and corporate finance;
- Experts in providing advice and support to corporate management; and
- Experience as managers of global business operations.

The Company appoints as candidate for outside director those who have been nominated by the Nominating Committee upon having determined that they have the aforementioned experience, while also showing that they are capable of maintaining independence from management and possess character and insights befitting an outside director.

The Company appoints as candidate for internal director those who have been nominated by the Nominating Committee on the basis of the criteria listed below:

- Possess expertise related to the Company's business operations;
- Exhibit outstanding capabilities for making business decisions and management execution;
- Exhibit outstanding capabilities in terms of leadership, decisiveness, foresight and planning; and
- Possess character and insights befitting a director.

As a basic rule, a majority of the Company's directors are to be outside directors with high independency.

The Company deems that no more than ten directors should serve on the Board of Directors in order to ensure lively and substantive discussion.

Governance structure

Outside directors are nominated to chair our Nominating Committee, Audit Committee, and Compensation Committee. Outside directors account for a majority of the members on each committee, with our Audit Committee in particular comprised entirely of outside directors.

The Audit Committee consists of three committee members and one secretariat. Each committee member participates in major meetings of the Board of Executive Officers and Risk Management Committee, or otherwise confirms content of the meetings. Each member also holds a regular liaison conference with the Internal Audit Department and auditors of the relevant subsidiaries and directly conducts audits on the execution of duties as necessary, and the results of such activities are regularly reported to the Board of Directors. The Audit Committee exchanges ideas regularly with the Accounting Auditor by requesting auditors to explain and report the initial audit plan, status of audits during the term and results of the year-end audit.

Futomichi Amano, who is the chairman of the Audit Committee, is a qualified certified public accountant who has considerable knowledge when it comes to financial affairs and accounting.

Matters regarding ensuring appropriate execution of business operations of the corporate Group

- Management within the Group is conducted in a manner ensuring that business operations are executed appropriately on the basis of the “Rules of Duties of Executive Officers,” “management rules of the subsidiaries and affiliates,” “agreement on responsibilities and authorities of the officers of the subsidiaries” and other internal rules of the Company.

Member composition and chair attributes for each committee

	Total members	Full-time members	Inside directors	Outside directors	Chairperson	Number of meetings in FY2017
Nominating Committee	3	1	1	2	Outside director	5
Compensation Committee	3	1	1	2	Outside director	6
Audit Committee	3	0	0	3	Outside director	25

Status in FY2017

Evaluating the effectiveness of the Board of Directors

The Board of Directors considers it important to adopt a third-party perspective in its processes for evaluating its own effectiveness, which are carried out once a year, in order to verify its effectiveness. As such, it brought on board an independent, third-party organization to serve as an advisor in performing evaluations related to a number of different matters. Said matters include the composition of the Board of Directors; its effectiveness (including monitoring how it carries out work); the effectiveness of the Nominating, Compensation, and Audit committees; the management of the Board of Directors,

- The Internal Audit Departments of the Group companies report and exchange opinions on a regular basis and hold an audit liaison conference regularly in order to enhance cooperation between the Audit Committee and auditors of the Group companies.

Matters regarding management of risk of loss
Based on the “Risk Management Rules” and “Rules for the Risk Management Committee,” a risk management system shall be established, and the Risk Management Committee shall promote it to manage the risk of loss.

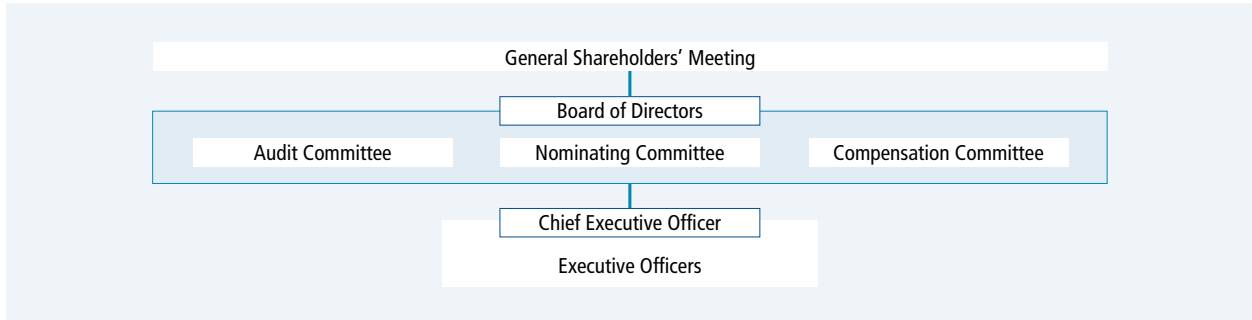
- Matters regarding compliance**
- The Internal Audit Department (ten members) conducts internal audits of the Company and its major subsidiaries and assesses internal control independently on a regular basis in order to ensure legality, accuracy and efficiency of management and business operations. The Department reports the audit results and status of follow-up to the Board of Directors and the Audit Committee.
 - Meetings of the Code of Conduct Committee are held regularly, in accordance with “Miraca Group Code of Conduct.”
 - As part of its efforts to develop an internal reporting system, the Company has established the “Miraca Group Hotline” to report ethics and compliance concerns, and shares information regarding its operations with the Audit Committee. In addition, the Company also raises awareness of its rules for ensuring confidentiality of those reporting concerns and furthermore prohibiting disadvantageous treatment of such individuals.

structures related to support and coordination by outside directors; and relations with shareholders and other stakeholders.

The evaluations were carried out by ensuring impartiality by following a process of having seven directors respond to questionnaires and having a third-party organization tabulate and analyze the responses under conditions in which anonymity was guaranteed.

The evaluation results were discussed in May 2018 by every member of the Board of Directors, and efforts were made to deepen understanding regarding the Board's strengths and to share information regarding its effectiveness, the roles it should play, and coordination with how it carries out its work.

Governance structure diagram



Moving forward, we plan to continue making improvements based on discussions at the Board of Directors in an effort to further improve its functionality.

Addressing the Corporate Governance Code

We have implemented all of the principles found in the Corporate Governance Code issued on June 1, 2015. We plan to submit a report based on the revised Corporate Governance Code that was announced on June 1, 2018 by the end of December 2018.

Reason for the selection of outside directors

We have five outside directors at our company. Shigehiro Aoyama has been involved in the management of Suntory Holdings Limited over a long period of time, and offers invaluable advice to our company based on his wealth of experience and widespread knowledge on corporate management cultivated through this. As such, we determined that he is qualified to serve as an outside director. Futomichi Amano has been involved in auditing as a certified public accountant and the management of Deloitte Touche Tohmatsu LLC for a long period of time. He is an expert with a wealth of knowledge on accounting cultivated through this that he offers for the management of our company. As such, we determined that he is qualified to serve as an outside director. Miyuki Ishiguro is a partner at the law offices of Nagashima, Ohno & Tsunematsu. She is an expert that can offer her opinions to our management team from an independent viewpoint from

her perspective as a lawyer who is well-versed in corporate legal affairs. As such, we determined that she is qualified to serve as an outside director. Ryoji Itoh is a professor who teaches governance and media studies at a graduate school. He is also an expert who offers his knowledge cultivated through his wealth of experience as a business consultant and corporate manager for the management of our company. As such, we determined that he is qualified to serve as an outside director. Susumu Yamauchi is a professor who has taught Western legal history at a university. He is also an expert who offers his wealth of experience and extensive knowledge as the President of Hitotsubashi University for the management of our company. As such, we determined that he is qualified to serve as an outside director.

[Determining the independence of outside directors]

We determine the independence of outside directors on the basis of criteria for independence established by the Tokyo Stock Exchange. We emphasize objectivity, neutrality, and expertise in our outside directors, and recognize their role in supervision to ensure that management fairly recognizes the roles that the company plays in society and that managers carry out their professional duties in a reasonable and appropriate manner free from bias towards the interests of managers or specific shareholders. We appoint outside directors from the perspective of having them put their knowledge and experience in different fields to use in the Company's management, and expect that the aforementioned directors will play an independent role in governance.

will be changed depending on business results, with net sales, operating profit, net profit and other figures employed as criteria for determining results. Directors serving concurrently as executive officers will receive compensation as executive officers.

(2) Directors' compensation
Directors' compensation will be determined as nil, or as a combination of fixed-amount compensation and share-based compensation in consideration of the duties of the respective directors. Reasonable upper limit will be set for the amount of payment in light of the economic situation, the Company's conditions and the duties of the respective directors.

The Company will pay compensation to outside directors, based on the details of their supervision activities, in addition to the combination of prescribed fixed-amount compensation and share-based compensation.

(3) Executive officers' compensation
Executive officers' compensation will be determined in combination of fixed-amount compensation, performance-based compensation and share-based compensation in consideration of the duties of the respective executive officers. An upper limit that is considered reasonable in light of the economic situation, the Company's conditions and the duties of the executive officers will be set for the amount of payment.

Securing Shareholder Rights and Equality

We implement the following measures to secure the rights of our shareholders and ensure that they can properly exercise said rights at regular general meetings of shareholders. To ensure that our shareholders can properly exercise their voting rights, we send convocation notices and attached documents three weeks prior to the holding of regular general meetings of shareholders. Ahead of this, we electronically disclose said materials on the website of the Tokyo Stock Exchange and our company's own website. We also disclose English versions of the convocation notices together with this. The schedule for general meetings of shareholders is set by avoiding so-called dates on which many companies hold meetings to limit disruptions. In addition, we have adopted a

system that allows shareholders to exercise voting rights electronically and provide information via convocation notices out of consideration for those shareholders who are unable to attend on the day of the general meeting of shareholders. For shares held as part of cross-shareholdings by Miraca or our Group companies, we confirm their consistency with our strategic objectives based on the results of assessments and verifications performed by our Board of Directors on each company share held. We have not adopted any so-called anti-takeover measures.

Executive Compensation

Total amounts of compensation for directors and executive officers in FY2017

	Number of officers	Amount of compensation (Millions of yen)	Remarks
Directors	8	89	—
Executive officers	8	259	—
Total	16	349	—

Notes: 1. The data regarding directors in the above table do not include data of directors serving concurrently as executive officers since the Company does not pay directors' compensation to such directors.
2. The compensation shown in the above table includes 79 million yen as performance-based compensation for executive officers.
3. The compensation shown in the above table includes 6 million yen as restricted stock compensation for executive officers.
4. Four executive officers including representative executive officers, who serve concurrently as officers of business corporations, have received 10 million yen as officers' compensation of such business corporations in addition to the compensation stated in the above table.
5. The compensation shown in the above table includes 14 million yen (14 million yen for six executive officers) in stock option compensation over the 10th, 12th and 13th installments thereof.

The Compensation Committee determines our policies related to decisions on the compensation for each individual received by our directors and executive officers as indicated below, with the amounts of the compensation for said individuals determined according to these policies.

(1) Compensation system
Compensation for directors and executive officers of the Company will be paid in the form of fixed-amount compensation based on official responsibilities in consideration of the scope and degree of responsibility for Group management and other aspects, and will not be paid in the form of retirement benefits at the time of retirement. The amount of performance-based compensation

We hold briefing sessions on our financial results twice a year, and proactively hold interviews with institutional investors and analysts with our executives in charge of IR / SR (Investor Relations / Shareholder Relations) and our IR / SR Department serving as the contact points for this. The materials used at these briefing sessions and the like are disclosed via our website. We also hold briefing sessions for individual investors. The materials for this are prepared in coordination with the relevant internal sections and the appropriate information is collected in striving for accuracy. Regarding meetings with shareholders and analysts, we limit the number of people we meet with for these and confirm the information to be disclosed in advance. We also take part in

external seminars and other such events dealing with legal compliance, such as regulations against insider trading, every year as a general rule. In addition, we outsource surveys on our substantial shareholders on a regular basis in an effort to determine our shareholder structure. We have enacted our mid-term plan entitled "Transform! 2020" for FY2017 through FY2019 to serve as our ideal vision for the future, and have posted detailed information on our website. This basic plan includes mentions of our target management indicators, basic strategies, basic policy for shareholders returns, and more.

Our Stance

Taking 2017 as the year of our “relaunch,” the Miraca Group has set in place a new philosophy and policies for our CSR activities by recognizing CSR as an important issue for achieving our Management Philosophy and Vision. We have formulated four new areas of activity by emphasizing qualities that are unique to the Miraca Group. In addition, we are also promoting proactive initiatives, such as newly setting up a system for commending CSR activities.

CSR Philosophy

The Miraca Group’s management and employees fully recognize that corporate activities go hand in hand with a wide-range of stakeholders, within and outside of the organization, and we commit to honor our social responsibilities as corporate citizens.

CSR Policy

- We will carry out activities that help to enhance our corporate value.
- We will commit ourselves to continue activities within our capacity.
- We will encourage our employees to participate in those activities.

Four Areas of Activity

1 A Healthy and Prosperous Society

Develop and distribute high quality and world-leading products and services

We commit ourselves to the development and distribution of high-quality, highly reliable cutting-edge clinical diagnostics products, laboratory testing and diagnosis support services, and, as a leading Japanese brand, make those products and services available to people around the world.



2 Human Resources

Help our employees develop problem-solving and value-creating capabilities

For the betterment of our global society as well as the Miraca Group’s growth, we help our employees, as members of global society with diverse backgrounds, develop capabilities and willingness to solve problems and provide novel, value-added products and services.



3 Environment

Provide environmentally friendly products and services

We manufacture products, manage product life-cycles, and provide services that lead to less environmental burden, and encourage each and every one of our employees, as members of local communities, to contribute to a better environment.



4 Local Communities

Live together and in harmony with local communities

We aim to participate in activities such as charitable donations, public-interest enhancing activities and healthcare-related educational activities for the betterment of local communities, and encourage each and every one of our employees, as members of local communities, to join those activities in view of a better co-habitation and harmony with local communities.



1 A Healthy and Prosperous Society

The clinical laboratory testing that forms the core of the Miraca Group’s businesses plays an important role in not only providing appropriate diagnoses, treatment and safe medical care, but also with respect to prevention and pre-symptomatic illnesses. As such, it is our mission to provide high-quality, highly reliable products and services. Through our businesses, each and every one of our employees will continue contributing to “a healthy and prosperous society.”

R&D that improves the quality of medical care

The development of new testing reagents and techniques is conducive to advancing and improving the quality of medical care. Fujirebio, which is a pioneer in immunoserological tests, makes the most of its own unique techniques for developing reagents and organically interlinks development functions situated in its three main bases of Japan, the United States, and Europe. Through this approach, it is moving forward with improving the appeal of its products at a global level.

January 2017 saw the launch in Europe of LUMIPULSE® G β-Amyloid1-42, a measurement reagent for our LUMIPULSE instruments. Through our recent advances in the development of new reagents for Alzheimer’s disease, our hope is that this LUMIPULSE reagent will improve the efficiency of in-hospital testing and contribute to healthcare as a whole. This product uses cerebrospinal fluid as its test specimen, but we are currently working to develop tests that use blood, as this is less invasive and will reduce the burden placed on patients.

Initiatives for quality assurance

Since the quality of testing reagents and the accuracy of testing results are important factors that influence patient diagnosis and treatment, the Miraca Group makes meticulous efforts for the sake of quality assurance.

For our in vitro diagnostics business, we have obtained ISO9001 and ISO13485 certifications based on our quality policy that is consistent throughout the entire Company. In addition, we comply with the laws and regulations of each country in which we operate and have also established our own distinctive standards to ensure that we only bring to market products that have passed our strict quality examinations.

For our clinical laboratory testing business, our Quality Management System (QMS) has received ISO15189 certification, which is an international standard. Our Quality Assurance Committee works to improve quality by appointing technical managers and creating and applying the QMS to meet

management and technical requirements. It also undertakes initiatives on a daily basis to improve and standardize work, such as by revising our Standard Operating Procedures (SOPs), holding courses on preventing human error, 5S activities for labs, training for testers, and more.



Product quality test

Supplying products and services in a stable manner

In the medical industry, it is important that products and services be delivered without delay. In the Miraca Group, we take action each and every day to ensure the stable supply of our products and services.

To achieve this, Fujirebio has established and started operating a supply-demand management system. For example, based on the prevalence of illnesses like influenza and market fluctuations and conditions, Fujirebio can more accurately predict production quantities and production timing, making it possible to supply medical institutions with just the right number of products at just the right time.

Moreover, SRL is working to optimize its distribution network so that it can report testing results quicker, more accurately, and in a stable manner. Specifically, it reviews reassessments of its nationwide specimen shipping routes on a daily basis, and starting in 2017 it incorporated transportation countermeasures for when typhoons and other natural disasters occur.



Collection of samples by SRL

2 Human Resources

Healthcare is constantly evolving and moving forward. IoT, big data, and AI are dramatically speeding up this evolution, with predictions to the effect that a singularity* will occur in the field of medicine as well. Human resources with flexible approaches to thinking will be absolutely essential for us to continue keeping pace with this evolution. In the Miraca Group, we consider our human resources to be an invaluable asset, and focus on creating opportunities for their education and growth.

* This is the name for the turning point that will be reached when artificial intelligence (AI) surpasses human intelligence (also called the technological singularity). It also refers to the changes in the world that this will bring about.

Focusing on the training of DMRs

Diagnostic Medical Representatives (DMRs) play an important role in supplying the frontlines of medicine with healthcare-related information concerning clinical diagnostics. There is a DMR Certification Scheme that is designed to improve the quality of DMRs in their capacity as in vitro diagnostic specialists and

contribute to medical care. Fujirebio has institutionalized training and simulated trials suited to DMR certification. Even after employees pass this test, they undergo training designed to raise their skill level in a phased manner, thereby cultivating professionals who can contribute to healthcare.

Establishment of the Education and Training Center

SRL established its Education and Training Center in April 2017 as a division whose goal is personnel development at our Group companies. By drastically overhauling our training structures, which previously had been fragmented between divisions, and having departments oversee all-purpose training for subjects like communication skills, we have set in place an environment for enhancing the skills of all of our workers, regardless of employment configuration. What is more, we plan to have each department take the lead in offering highly specialized technical training and, based on repeated feedback within the departments, will initiate a new human resource training program starting from FY2018.



Training

3 Environment

The Miraca Group regards environmental consciousness and conservation through its business activities to be an important part of its social responsibility. As such, we proactively work toward goals like reducing CO₂, reducing our energy consumption, reducing waste, and conserving forests. Fujirebio and SRL have both instituted EMSs* that fulfill ISO14001 (2015) requirements, and use the plan-do-check-act (PDCA) cycle to address this issue at every stage from setting environmental targets through to their implementation, evaluation, and activities to raise awareness about them.

* EMS: Environmental Management System

Capital investments designed to improve energy efficiency (Hachioji Laboratory)

Starting from FY2016, we have been upgrading testing instruments at Fujirebio's and SRL's Hachioji facilities (office, laboratory), updating the existing systems for air conditioning, electricity, and lighting control systems and replacing them with new devices in an effort to further improve their energy efficiency. We are making progress on sequentially replacing similar equipment at regional buildings as well as improving energy efficiency across the Group.

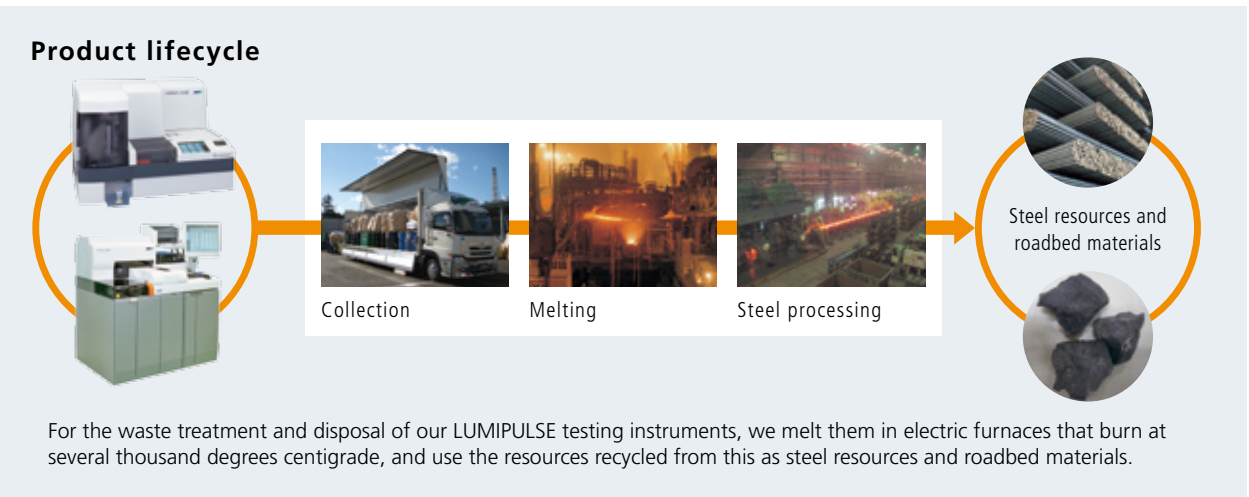


Switching to LED lights in our Hachioji office and laboratory

Product lifecycles geared toward achieving a recycling-oriented society

Fujirebio engages in manufacturing that gives consideration to reducing its environmental impact at every stage, from product design through to disposal after use, in aiming for environmentally friendly manufacturing. With our flagship LUMIPULSE® products we are working to contribute to a recycling-oriented society throughout the entire product lifecycle covering manufacture,

use, reuse, and disposal (recycling/landfill disposal). Specifically, we work to both conserve resources and cut down on waste. When it comes to waste treatment, testing instruments are melted down in an electric furnace to produce steel resources, roadbed materials and other recycled resources.



4 Local Communities

As a member of local communities, the Miraca Group considers it important to focus on activities that are rooted in local regions. Our aim is to coexist and achieve harmony with local communities by carrying out a wide range of activities, including those for public benefit, science, awareness-raising, encouraging research, and promotion and support for culture and the arts.

Initiatives contributing to science

Because we maintain our own medical network, we acknowledge that providing the latest information on clinical medicine and forums for raising awareness is a CSR activity that can be uniquely addressed by the Miraca Group. As part of this, at the Medicopia Symposium that we have held since 1981, we hold lectures and discussions that view medical problems from a diverse range of viewpoints in line with the basic theme of "Interchange and Development of Clinical and Basic Medical Care."

In addition, at the SRL Forum on Infectious Diseases, lectures consisting of timely and practical subject matter are given to

provide the latest information on infectious diseases. Each forum is attended by a large number of healthcare professionals.



Medicopia Symposium

Promoting exchanges with the local community and encouraging research

We make efforts when it comes to exchanges with the local community, such as by hosting the Miraca Group Summer Festival, which is customarily held every year in Hachioji City, Tokyo, where Miraca Group research labs and factories are located. What is more, we have been involved in the management of the

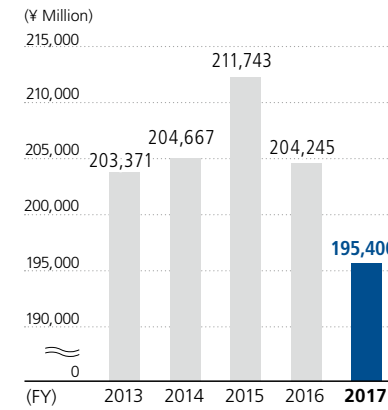
Charitable Trust Laboratory Medicine Research Foundation of Japan for a long time with the goals of encouraging research by young researchers and contributing to advances in and the increasing sophistication of medicine and medical technology.

Consolidated Management Indicators

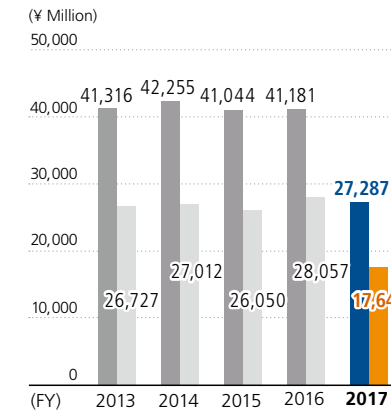
(FY)		2013	2014	2015	2016	2017
Net sales	(¥ Million)	203,371	204,667	211,743	204,245	195,400
EBITDA *	(¥ Million)	41,316	42,255	41,044	41,181	27,287
Operating profit	(¥ Million)	26,727	27,012	26,050	28,057	17,648
Ordinary profit	(¥ Million)	27,118	26,566	23,782	26,385	16,567
Profit (loss) attributable to owners of parent	(¥ Million)	15,322	16,002	(5,081)	333	257
Total assets	(¥ Million)	242,159	262,203	237,296	213,926	176,068
Net assets	(¥ Million)	157,348	171,851	155,700	148,087	113,225
Net cash	(¥ Million)	13,396	(861)	9,445	29,247	16,144
Cash flows from operating activities	(¥ Million)	28,723	29,261	29,316	36,436	15,767
Cash flows from investing activities	(¥ Million)	(17,153)	(27,874)	(11,965)	(8,599)	(21,552)
Cash flows from financing activities	(¥ Million)	(9,699)	(9,980)	(12,115)	(23,138)	(9,635)
Cash and cash equivalents at end of period	(¥ Million)	35,671	27,288	31,745	35,547	20,444
Operating margin	(%)	13.1	13.2	12.3	13.7	9.0
ROE	(%)	10.4	9.7	(3.1)	0.2	0.2
ROA	(%)	11.7	10.5	9.5	11.7	8.5
ROIC	(%)	8.4	7.9	7.9	9.5	7.2
Equity ratio	(%)	64.9	65.5	65.5	69.1	64.2
Basic earnings (loss) per share	(¥)	261.48	274.82	(89.21)	5.84	4.51
Net assets per share	(¥)	2,677.30	3,016.78	2,727.81	2,592.04	1,979.78
Research & development expenses	(¥ Million)	5,412	5,384	5,702	4,748	5,365
Capital expenditure	(¥ Million)	11,660	14,916	12,117	9,017	26,221
Depreciation	(¥ Million)	10,899	11,203	11,287	10,499	7,842
Number of permanent employees		6,244	6,140	6,129	6,116	5,541
Dividend payout ratio	(%)	32.9	33.5	—	1,952.1	2,882.5
Dividends per share	(¥)	86	92	110	114	130
Number of shares issued		58,925,566	57,137,966	57,246,866	57,287,166	57,334,183
Number of treasury shares at end of period		244,770	248,069	250,435	251,376	253,080

* EBITDA = Operating profit + Depreciation + Amortization of goodwill

Net sales

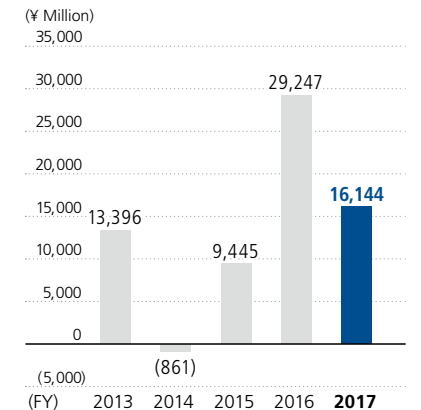


EBITDA* / Operating profit

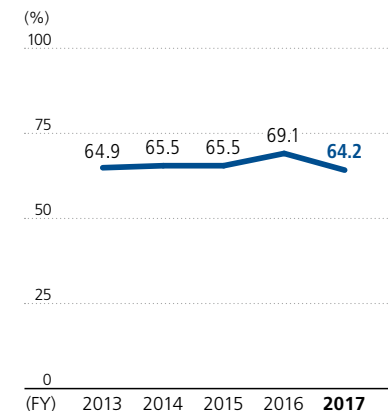


Legend: EBITDA (Blue bar), Operating profit (Orange bar)
 * EBITDA = Operating profit + Depreciation + Amortization of goodwill

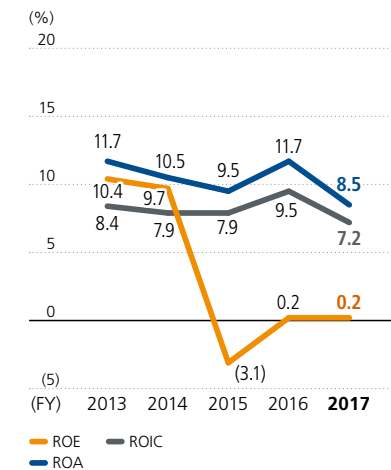
Net cash



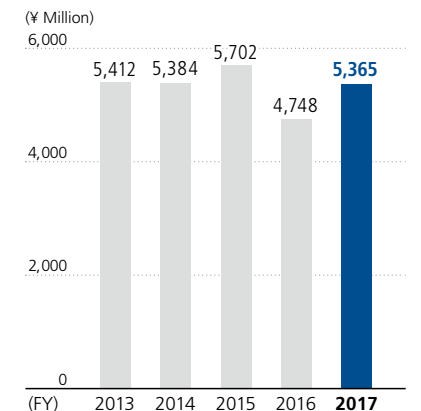
Equity ratio



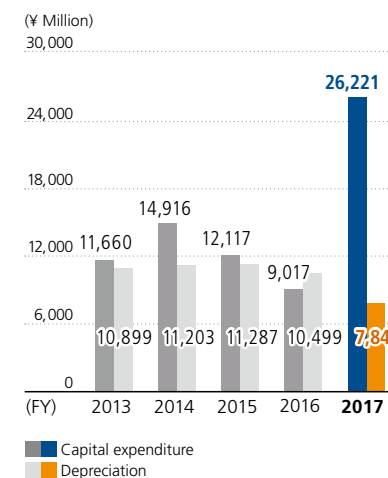
ROE / ROA / ROIC



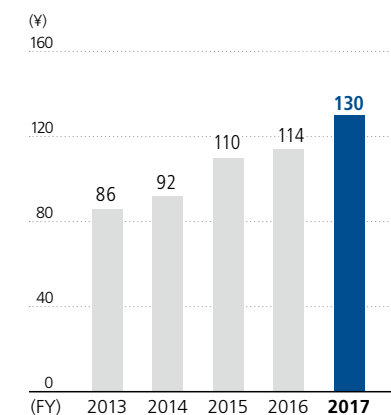
Research & development expenses



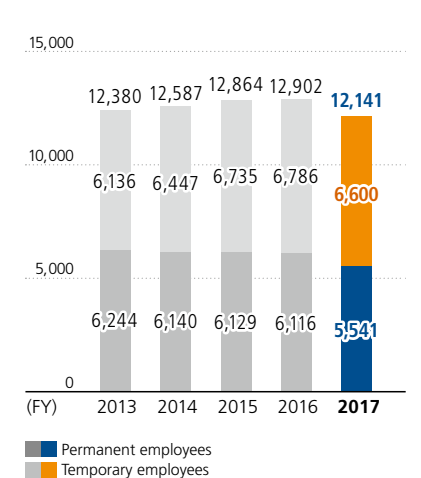
Capital expenditure / Depreciation



Dividends per share



Number of employees



Legend: Permanent employees (Blue bar), Temporary employees (Orange bar)

Consolidated Financial Statements

Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2017	As of March 31, 2018
Assets		
Current assets		
Cash and deposits	¥ 26,558	¥ 20,455
Notes and accounts receivable – trade	36,565	31,896
Lease investment assets	486	574
Securities	9,000	—
Merchandise and finished goods	4,764	4,881
Work in process	4,875	4,573
Raw materials and supplies	4,638	5,087
Deferred tax assets	2,268	2,427
Other	5,383	8,025
Allowance for doubtful accounts	(1,776)	(160)
Total current assets	92,763	77,761
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,023	48,794
Accumulated depreciation	(36,238)	(35,468)
Buildings and structures, net	15,785	13,326
Machinery, equipment and vehicles	14,491	14,663
Accumulated depreciation	(11,827)	(11,824)
Machinery, equipment and vehicles, net	2,663	2,838
Tools, furniture and fixtures	40,362	41,933
Accumulated depreciation	(35,979)	(29,353)
Tools, furniture and fixtures, net	4,383	12,579
Land	9,065	9,710
Leased assets	8,677	8,744
Accumulated depreciation	(5,150)	(5,501)
Leased assets, net	3,527	3,243
Construction in progress	2,630	7,108
Total property, plant and equipment	38,055	48,807
Intangible assets		
Goodwill	25,347	2,192
Customer-related intangible assets	25,203	1,249
Software	1,693	2,641
Leased assets	116	183
Other	4,354	5,100
Total intangible assets	56,716	11,368
Investments and other assets		
Investment securities	13,118	14,274
Deferred tax assets	6,500	15,339
Other	6,787	8,540
Allowance for doubtful accounts	(15)	(22)
Total investments and other assets	26,391	38,130
Total non-current assets	121,163	98,306
Total assets	¥213,926	¥176,068

	(Millions of yen)	
	As of March 31, 2017	As of March 31, 2018
Liabilities		
Current liabilities		
Notes and accounts payable – trade	¥ 9,273	¥ 9,368
Electronically recorded obligations – operating	1,086	1,194
Current portion of long-term loans payable	1,999	1,999
Lease obligations	641	644
Accounts payable – other	7,410	14,834
Income taxes payable	2,821	1,122
Deferred tax liabilities	40	78
Provision for bonuses	5,128	5,237
Other	8,775	7,037
Total current liabilities	37,179	41,517
Non-current liabilities		
Long-term loans payable	4,299	2,299
Lease obligations	3,311	3,160
Deferred tax liabilities	7,962	46
Net defined benefit liability	2,555	3,117
Asset retirement obligations	615	618
Provision for compensation loss	—	10,395
Other	9,914	1,686
Total non-current liabilities	28,659	21,324
Total liabilities	65,839	62,842
Net assets		
Shareholders' equity		
Capital stock	8,962	9,066
Capital surplus	24,684	24,788
Retained earnings	88,341	81,637
Treasury shares	(1,226)	(1,235)
Total shareholders' equity	120,761	114,257
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	278	310
Foreign currency translation adjustment	27,138	(756)
Remeasurements of defined benefit plans	(339)	(803)
Total accumulated other comprehensive income	27,077	(1,248)
Share acquisition rights	248	217
Total net assets	148,087	113,225
Total liabilities and net assets	¥213,926	¥176,068

Consolidated Statements of Income

	(Millions of yen)	
	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net sales	¥204,245	¥195,400
Cost of sales	124,561	122,948
Gross profit	79,683	72,452
Selling, general and administrative expenses	51,625	54,804
Operating profit	28,057	17,648
Non-operating income		
Interest income	45	62
Dividend income	27	16
Dividend income of insurance	144	157
Rent income	44	43
Fiduciary obligation fee	131	82
Other	203	222
Total non-operating income	596	584
Non-operating expenses		
Interest expenses	484	334
Rent expenses	46	63
Share of loss of entities accounted for using equity method	1,346	1,091
Other	390	175
Total non-operating expenses	2,267	1,665
Ordinary profit	26,385	16,567
Extraordinary income		
Gain on sales of non-current assets	36	13
Gain on reversal of share acquisition rights	10	7
Reversal of foreign currency translation adjustment	—	27,467
Other	250	77
Total extraordinary income	296	27,565
Extraordinary losses		
Loss on retirement of non-current assets	1,311	148
Impairment loss	3,332	28,076
Loss on liquidation of project	14,587	—
Loss on sales of shares of subsidiaries and associates	—	12,875
Business structure improvement expenses	696	2,556
Provision for compensation loss	—	6,748
Other	2,316	811
Total extraordinary losses	22,244	51,216
Profit (loss) before income taxes	4,438	(7,083)
Income taxes – current	6,236	1,639
Income taxes – deferred	(2,131)	(8,980)
Total income taxes	4,105	(7,341)
Profit	333	257
Profit attributable to owners of parent	¥ 333	¥ 257

Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Profit	¥ 333	¥ 257
Other comprehensive income		
Valuation difference on available-for-sale securities	(119)	32
Foreign currency translation adjustment	(1,782)	(27,894)
Remeasurements of defined benefit plans, net of tax	150	(464)
Total other comprehensive income	¥(1,751)	¥(28,326)
Comprehensive income	¥(1,418)	¥(28,068)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	(1,418)	(28,068)

Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2017

	(Millions of yen)					
	Shareholders' equity					
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	¥8,877	¥24,599	¥94,392	¥(1,221)	¥126,646	
Changes of items during period						
Issuance of new shares – exercise of share acquisition rights	85	85			171	
Issuance of new shares – restricted stock					—	
Dividends of surplus			(6,384)		(6,384)	
Profit attributable to owners of parent			333		333	
Purchase of treasury shares				(4)	(4)	
Net changes of items other than shareholders' equity						
Total changes of items during period	85	85	(6,051)	(4)	(5,884)	
Balance at end of period	¥8,962	¥24,684	¥88,341	¥(1,226)	¥120,761	
	Accumulated other comprehensive income					
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Share acquisition rights	Total net assets
Balance at beginning of period	¥ 397	¥28,921	¥(490)	¥28,828	¥225	¥155,700
Changes of items during period						
Issuance of new shares – exercise of share acquisition rights						171
Issuance of new shares – restricted stock						—
Dividends of surplus						(6,384)
Profit attributable to owners of parent						333
Purchase of treasury shares						(4)
Net changes of items other than shareholders' equity	(119)	(1,782)	150	(1,751)	22	(1,728)
Total changes of items during period	(119)	(1,782)	150	(1,751)	22	(7,613)
Balance at end of period	¥ 278	¥27,138	¥(339)	¥27,077	¥248	¥148,087

Fiscal year ended March 31, 2018

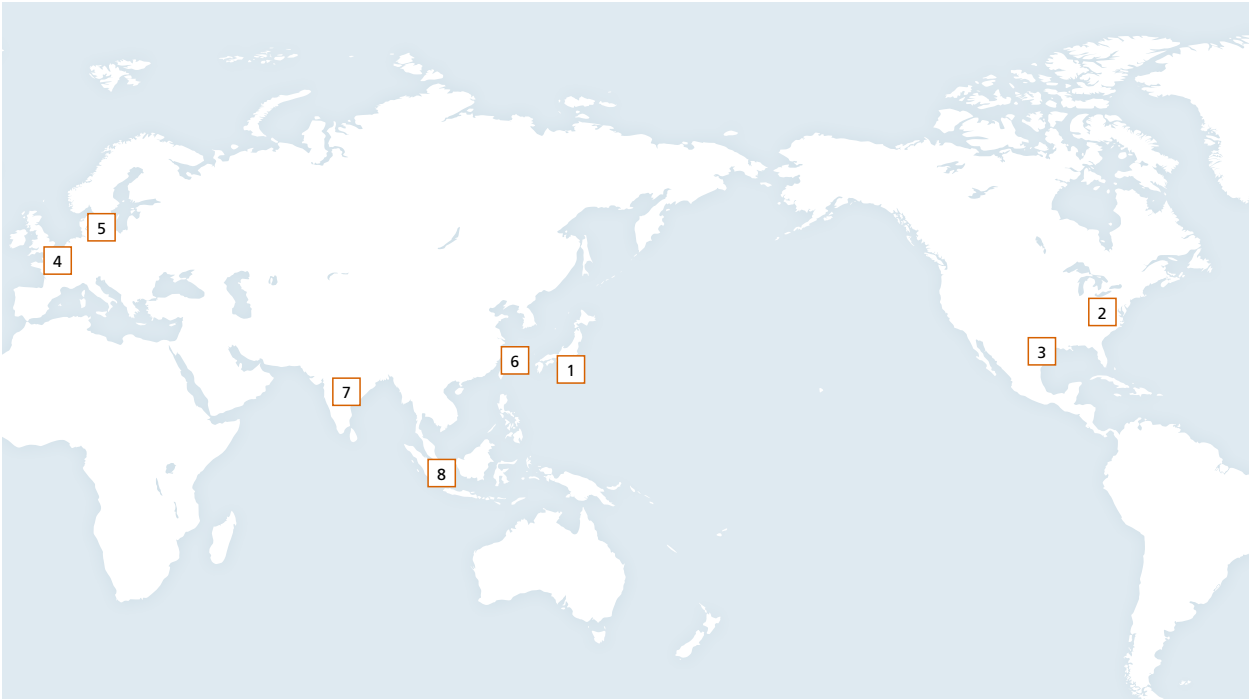
	(Millions of yen)					
	Shareholders' equity					
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	¥8,962	¥24,684	¥88,341	¥(1,226)	¥120,761	
Changes of items during period						
Issuance of new shares – exercise of share acquisition rights	77	77			154	
Issuance of new shares – restricted stock	26	26			52	
Dividends of surplus			(6,960)		(6,960)	
Profit attributable to owners of parent			257		257	
Purchase of treasury shares				(8)	(8)	
Net changes of items other than shareholders' equity						
Total changes of items during period	103	103	(6,703)	(8)	(6,504)	
Balance at end of period	¥9,066	¥24,788	¥81,637	¥(1,235)	¥114,257	
	Accumulated other comprehensive income					
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Share acquisition rights	Total net assets
Balance at beginning of period	¥278	¥27,138	¥(339)	¥27,077	¥248	¥148,087
Changes of items during period						
Issuance of new shares – exercise of share acquisition rights						154
Issuance of new shares – restricted stock						52
Dividends of surplus						(6,960)
Profit attributable to owners of parent						257
Purchase of treasury shares						(8)
Net changes of items other than shareholders' equity	32	(27,894)	(464)	(28,326)	(30)	(28,356)
Total changes of items during period	32	(27,894)	(464)	(28,326)	(30)	(34,861)
Balance at end of period	¥310	¥ (756)	¥(803)	¥ (1,248)	¥217	¥113,225

Consolidated Statements of Cash Flows

	(Millions of yen)	
	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash flows from operating activities		
Profit (loss) before income taxes	¥ 4,438	¥ (7,083)
Depreciation	10,499	7,842
Impairment loss	3,332	28,076
Loss (gain) on sales of shares of subsidiaries and associates	—	12,875
Provision for compensation loss	—	6,748
Reversal of foreign currency translation adjustment	—	(27,467)
Loss on liquidation of project	14,587	—
Amortization of goodwill	2,623	1,796
Increase (decrease) in provision for bonuses	207	460
Increase (decrease) in net defined benefit liability	(1,482)	(114)
Increase (decrease) in allowance for doubtful accounts	376	377
Interest and dividend income	(73)	(78)
Share of loss (profit) of entities accounted for using equity method	1,346	1,091
Interest expenses	484	334
Foreign exchange losses (gains)	802	(374)
Decrease (increase) in notes and accounts receivable – trade	416	(1,706)
Decrease (increase) in inventories	66	(894)
Increase (decrease) in notes and accounts payable – trade	(775)	333
Increase (decrease) in accrued consumption taxes	704	(1,111)
Decrease (increase) in other current assets	1,916	(354)
Increase (decrease) in other current liabilities	(906)	1,022
Other, net	532	1,272
Subtotal	39,098	23,046
Interest and dividend income received	48	26
Interest expenses paid	(504)	(334)
Income taxes paid	(2,205)	(6,971)
Net cash provided by (used in) operating activities	36,436	15,767
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,384)	(14,757)
Purchase of intangible assets	(3,770)	(2,537)
Purchase of investment securities	—	(874)
Payments for guarantee deposits	(117)	(425)
Purchase of shares of subsidiaries	—	(1,035)
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	—	(1,242)
Other, net	(326)	(678)
Net cash provided by (used in) investing activities	(8,599)	(21,552)
Cash flows from financing activities		
Repayments of long-term loans payable	(6,039)	(1,999)
Repayments of finance lease obligations	(775)	(750)
Cash dividends paid	(6,374)	(6,951)
Redemption of bonds	(10,000)	—
Proceeds from issuance of common shares	147	141
Other, net	(95)	(74)
Net cash provided by (used in) financing activities	(23,138)	(9,635)
Effect of exchange rate change on cash and cash equivalents	(896)	317
Net increase (decrease) in cash and cash equivalents	3,802	(15,102)
Cash and cash equivalents at beginning of period	31,745	35,547
Cash and cash equivalents at end of period	¥ 35,547	¥ 20,444

Main Group Companies and Bases

(As of June 30, 2018)



1 Miraca Holdings Inc.

Miraca Holdings
(Shinjuku Mitsui Building)



- SRL, Inc.
- SRL International, Inc.
- Japan Clinical Laboratories, Inc.
- HOKUSHIN Clinical Laboratory, Inc.
- SRL Kitakanto Laboratory Inc.



SRL Hachioji Laboratory

- Fujirebio Holdings, Inc.
- Fujirebio Inc.
- Advanced Life Science Institute, Inc.



Fujirebio Hachioji Office

- NIHON STERY CO., LTD.
- Care'x, Inc.
- SRL Medisearch Inc.
- Community Medicine Support Center, Inc.
- Nikken Medical, Inc.



NIHON STERY
Tokyo Center

Miraca Research Institute G.K.

2 • Fujirebio Diagnostics, Inc.
(U.S.A.)



3 • Baylor Miraca Genetics Laboratories, LLC (U.S.A.)

4 • Fujirebio Europe N.V.
(Belgium)



5 • Fujirebio Diagnostics AB
(Sweden)



6 • Fujirebio Taiwan Inc. (Taiwan)

7 • FUJIREBIO INDIA PRIVATE LIMITED (India)

8 • Fujirebio Asia Pacific Pte. Ltd. (Singapore)

Healthcare system-related

Medical fees (in Japan)

- This refers to the amount of fees calculated as compensation for medical practice and the like received via insured medical care. It includes technical fees, drug costs, testing costs, and other expenses that constitute compensation for medical practice administered by physicians, nurses, and other healthcare professionals, and is calculated based on medical fee points tables (which are revised once every two years).
- With insured medical care, patients are responsible for a portion of the amount of medical fees (10% – 30%) with the rest paid by public medical institutions (patients pay the full amount of medical expenses for elective treatments not covered by insurance).

Primary care physician system

- These are readily accessible, reliable physicians with whom patients can consult over any health-related matters and who will offer referrals to specialized medical institutions when necessary (from the Japan Medical Association).

Testing, business/product-related

Clinical testing

- This is divided into physiological testing and laboratory testing. The former consists of tests involving direct contact with the patient, such as ultrasounds or electrocardiograms. The latter consists of tests performed on samples obtained from the patient's body, such as blood or urine.

Off-site testing business

- A business in which samples from a hospital or clinic are sent to a laboratory and the results are returned after testing.

In-hospital testing business

- A business in which a company operates a laboratory within a hospital. There are two types: a branch type whereby a testing company handles everything regarding operation, including the dispatch of human resources, and a Facility Management System (FMS) type whereby a company also provides the equipment and testing reagents.

General tests

- These mainly consist of test items used in physical examinations and the like (example: blood sugar, neutral lipids, red blood cell count, etc.). These do not require sophisticated technologies, and progress is being made on their automation.

Esoteric tests

- Representative test items include gene-related factors, chromosomes, etc. In many cases these tests require sophisticated technology or equipment and even large hospitals frequently outsource them, primarily to large-scale testing centers like SRL.

New Central Laboratory (Project)

- This is a project for a new testing laboratory with the goals of performing mass processing and improving efficiency through automation and the construction of said laboratory. The planning for its establishment started in 2017.

LUMIPULSE®

- This is Fujirebio's flagship product. It is a fully automated immunoassay system that employs Chemiluminescence Enzyme Immunoassay (CLEIA) techniques.
- Since it is sold as a set that includes testing instruments and specialized reagents, the continued use of these specialized reagents will lead to steady earnings.

FUXIONPLUS

- This is a clinical chemistry analyzer that integrates an immunoassay system (Fujirebio's LUMIPULSE® L2400) and a biochemical system (JEOL Ltd.'s BioMajesty™ ZERO JCA-ZS050).

Tumor markers (cancer markers)

- This is the general term for substances found within the blood that increase as a cancer progresses. These substances are measured, with the results used to confirm whether or not a cancer has relapsed, or for medical treatment follow-ups, etc.

Financial indicators

EBITDA

- EBITDA = Operating profit + Depreciation + Amortization of goodwill

ROE (return on equity)

- This is an indicator showing how much profit a company has generated versus its equity.
- ROE = Profit ÷ Yearly average of equity

ROIC (return on invested capital)

- This is an indicator showing how much profit a company has generated by using capital invested for business activities.
- ROIC = NOPAT (Operating profit – Estimated effective income tax) ÷ Invested capital [Yearly average of (Net assets + Interest-bearing liabilities (including lease obligations) + Other non-current liabilities)]

(As of March 31, 2018)

Corporate Profile

Corporate Name

Miraca Holdings Inc.

Headquarters

Shinjuku Mitsui Building
2-1-1 Nishishinjuku, Shinjuku-ku, Tokyo 163-0408
Tel: +81-3-5909-3335

Director, President and Group CEO

Shigekazu Takeuchi

Established

December 18, 1950
(Corporate name change and transition to a holding company structure through a corporate split on July 1, 2005)

Capital Stock

9,066 million yen (As of March 31, 2018)

Employees (Consolidated)

5,541 (As of March 31, 2018)

Management Structure

"Company with committees" Japanese corporate governance system

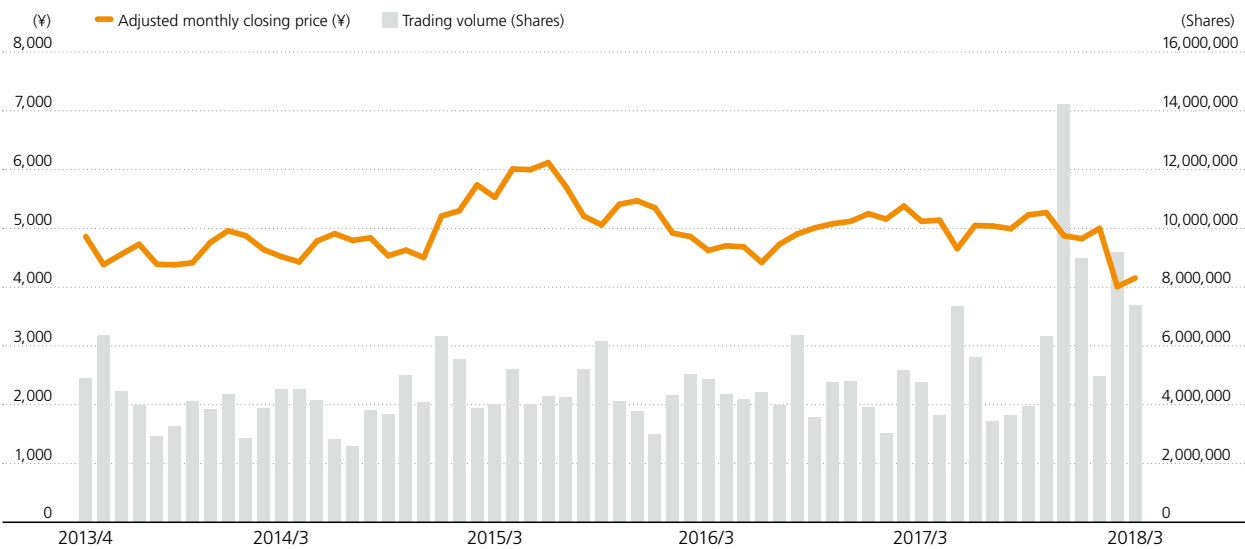
Main Subsidiaries

SRL, Inc. and Fujirebio Inc.

Share Information

Number of shares authorized:	200,000,000
Number of shares issued and outstanding:	57,334,183
One share unit:	100
Number of shareholders:	5,743

Share Price and Trading Volume

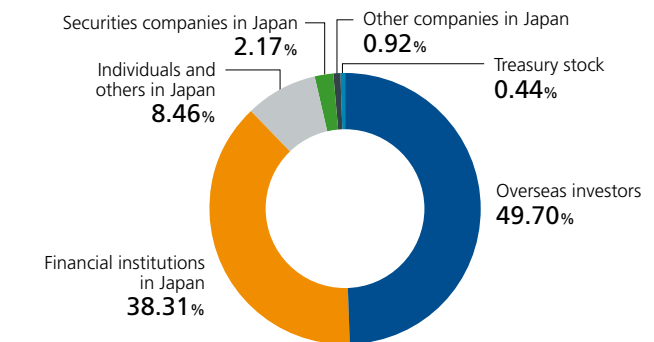


Major Shareholders

Name of shareholders	Number of shares held (Thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,400.5	7.71
JP Morgan Chase Bank 385632	3,471.8	6.08
Japan Trustee Services Bank, Ltd. (Trust Account)	3,180.6	5.57
State Street Bank and Trust Company	2,892.9	5.07
Mizuho Bank, Ltd.	2,132.1	3.74
The Dai-ichi Life Insurance Company, Limited	2,000.7	3.51
Nippon Life Insurance Company, Ltd.	1,538.6	2.70
Meiji Yasuda Life Insurance Company	1,272.2	2.23
The Bank of New York Mellon SA/NV 10	1,092.5	1.91
Japan Trustee Services Bank, Ltd. (Trust Account 5)	1,088.1	1.91

Notes: 1. The Company holds 253,080 shares of treasury stock, which is excluded from the major shareholders listed above.
2. Shares owned by The Master Trust Bank of Japan, Ltd. and by Japan Trustee Services Bank, Ltd. are held at their trust accounts.
3. Shares owned by Mizuho Bank, Ltd. include 2,131.5 thousand shares being held as trust assets of Retirement Benefits Trust Accounts of Mizuho Bank, Ltd. (shareholding ratio of 3.73%)

Shareholders Based on the Shareholding Percentage





Miraca Holdings Inc.

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<https://www.miraca.com/en/>

