

Announcement of Shareholder Change

~Becoming a PHC Holdings Corporation Group company from August 1, 2019~

LSI Medience Corporation (Head office: Chiyoda-ku, Tokyo; President: Haruo Watanabe, hereafter LSIM) is pleased to announce that it has become a PHC Group company with the acquisition of all (100%) shares of LSIM by PHC Holdings Corporation (Head office: Minato-ku, Tokyo; President: Michael Kloss, hereafter PHCHD) on August 1, 2019, through the completion of the planned stock exchange as part of the Strategic Capital Alliance between Life Science Institute, Inc. (Head office: Chiyoda-ku, Tokyo; President: Seiichi Kiso, hereafter LSII) and PHCHD.



Right: Haruo Watanabe, President of LSI Medience Corporation

Left: Michael Kloss, President & CEO of PHC Holdings Corporation

LSIM, with its core competency of testing and analytical technologies in the healthcare field, has provided a wide range of products and services such as Clinical Testing, Diagnostics Reagents and Instruments, Drug Development Support Services, and Doping Testing. Due to the growing aging population in Japan, demand for clinical testing will become more and more robust, especially in the areas of oncology and genetic testing fields. As a member of PHC Group that operates healthcare businesses in more than 125 countries worldwide, LSIM will further expand its businesses through various resources and channels.

Haruo Watanabe, President of LSIM, said about joining PHC Group, "We are excited to join the PHC Group and continue to serve the healthcare services business, focused on the domestic clinical testing industry. We are confident that we will be able to drive further innovation and provide higher quality equipment and services that meet the needs of our customers more effectively with the

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support and expertise of the PHC Group. We Believe we can further develop our highly reputable business in Japan and expand it globally.”

Michael Kloss, President and CEO of PHCD, explained, “We are pleased to complete the stock exchange with LSII and add LSIM, the third biggest player in the domestic clinical testing industry, to our group. We believe that this deal will provide various opportunities for synergies with our existing businesses, such as utilizing mutual customer bases and creating further innovation by bringing together the technologies and expertise of both companies.”

About LSI Medience Corporation

Founded in 1975, LSI Medience Corporation is engaged in clinical testing, diagnostics reagents and instruments, and drug development support service as its three core businesses. By utilizing the power of analysis as its core competence developed over the years in various testing fields as well as its analytical abilities on test results, LSI Medience Corporation aims to create new solutions. Contributing to prevention, early detection, and treatment of diseases, it also actively supports next-generation healthcare including personalized medicine. LSI Medience is one of the leading comprehensive healthcare service companies in Japan with 88.7 billion yen net sales in FY2018 and 3,570 employees (both consolidated).

For further information, please visit

www.medience.co.jp/english/

About PHC Holdings Corporation

Incorporated in 2014, PHC Holdings Corporation is a global healthcare company with its subsidiaries including PHC Corporation and Ascensia Diabetes Care Holdings AG. Committed to its corporate mission, “We contribute to the wellbeing of society through our diligent efforts by creating new value propositions for all the people who wish for better health,” the company develops, manufactures, sells and services medical equipment and solutions across diabetes care, diagnostics, life sciences and healthcare IT. PHC Holdings Corporation group’s consolidated net sales in FY2018 was 186.8 billion yen with global distribution of products and services for more than 125 countries.

For further information on PHC Holdings Corporation, please visit

www.phchd.com

About Life Science Institute, Inc.

Founded in 2014, Life Science Institute, Inc. promotes business in three healthcare domains: health and medical ICT business, next generation healthcare, and drug discovery solutions. By offering diverse solutions to people hoping for good health, such as a solution to meet patients’ unmet

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medical needs, it aims to realize KAITEKI society in which people can lead healthy and comfortable lives. The consolidated net sales of Life Science Institute, Inc. in FY2018 was 131.8 billion yen.

For further information, please visit

www.lsi.co.jp/en/