



# **FY3/2020 Full-Year Financial Results Briefing**

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**A material for the conference call**

**May 12, 2020**  
**Japan Lifeline Co., Ltd.**

- 1. Overview of Financials of FY3/20 (Full-Year)**
- 2. Sales Highlights & Prospects**
- 3. Impact of COVID-19 on Business Performance**



## **1. Overview of Financials of FY3/20 (Full-Year)**

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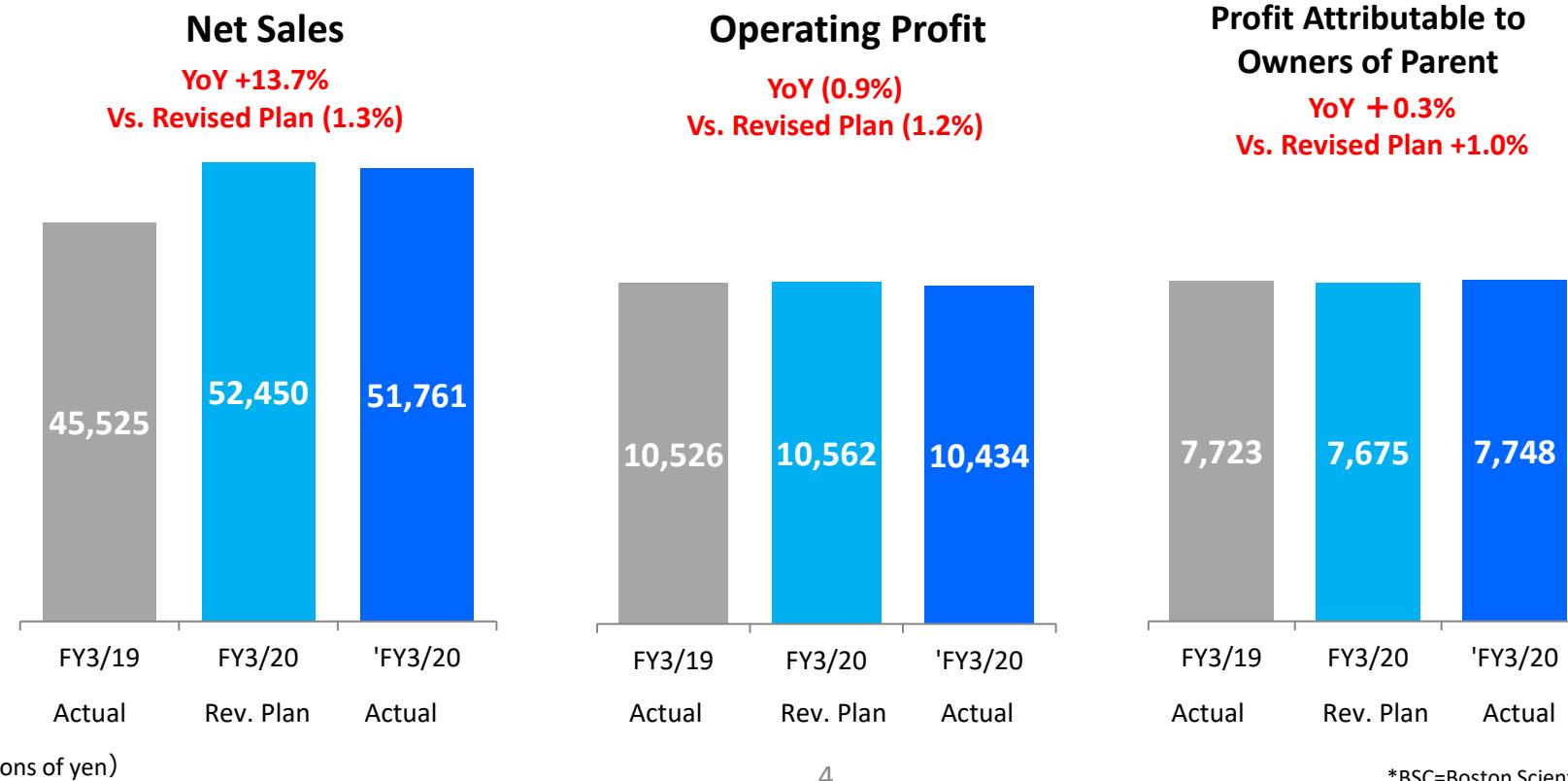
**Senior Vice President  
Corporate Administration Headquarters**

**Shogo Takahashi**

# Consolidated Financial Highlights for FY3/20 (Full-Year)

JL Japan Lifeline

- BSC's CRM products played a key role to drive a double-digit revenue growth, absorbing the negative impact such as NHI reduction and the termination of some products of cardiovascular surgery.
- Operating profit stayed at the same level as the previous year due to the lower gross margin and the increase in SG&A expenses.
- Net profit outperformed the previous year and revised plan thanks to acquiring tax credits.



- Gross profit decreased due to the growth in third-party products and NHI reduction and such.
- S-ICD's contribution to profit was limited as it went through the initial sales period with less profit until Aug. 2019
- SG&A expenses increased due to sales support funds paid to BSJ and amortization expenses of the upfront payment.

Millions of yen	FY3/19 Actual	FY3/20 Rev. Plan (Announced on Nov 5, 2019)	FY3/20 Actual	YoY	Vs. Rev. Plan
<b>Net Sales</b>	<b>45,525</b>	<b>52,450</b>	<b>51,761</b>	<b>+13.7%</b>	<b>(1.3%)</b>
<b>Gross Profit</b>	<b>27,822</b>	<b>29,592</b>	<b>29,191</b>	<b>+4.9%</b>	<b>(1.4%)</b>
<b>Gross Profit%</b>	<b>61.1%</b>	<b>56.4%</b>	<b>56.4%</b>	<b>(4.7pt)</b>	<b>0.0pt</b>
<b>Operating Profit</b>	<b>10,526</b>	<b>10,562</b>	<b>10,434</b>	<b>(0.9%)</b>	<b>(1.2%)</b>
<b>Operating Profit%</b>	<b>23.1%</b>	<b>20.1%</b>	<b>20.2%</b>	<b>(2.9pt)</b>	<b>+0.1pt</b>
<b>Ordinary Profit</b>	<b>10,808</b>	<b>10,784</b>	<b>10,425</b>	<b>(3.5%)</b>	<b>(3.3%)</b>
<b>Ordinary Profit%</b>	<b>23.7%</b>	<b>20.6%</b>	<b>20.1%</b>	<b>(3.6pt)</b>	<b>(0.5pt)</b>
Net profit attributable to owners of parent	7,723	7,675	7,748	+0.3%	+ 1.0%
<b>%</b>	<b>17.0%</b>	<b>14.6%</b>	<b>15.0%</b>	<b>(2.0pt)</b>	<b>+0.4pt</b>

\*1 S-ICD (Subcutaneous Implantable Cardioverter Defibrillator)

\*2 BSJ (Boston Scientific Japan)

## BSC's CRM products growing rapidly

- After the accelerated launch of exclusive S-ICD in Apr., all CRM products have been on full-fledged sale since Sep. 2019
- Tachy-related products drove net sales to double

## In-house products stable

- Atrial fibrillation (AF)-related products grew in line with the increasing number of cases
- In surgery-related, open stent graft and vascular graft grew in sales volume

## Challenges in new therapeutic area & overseas market

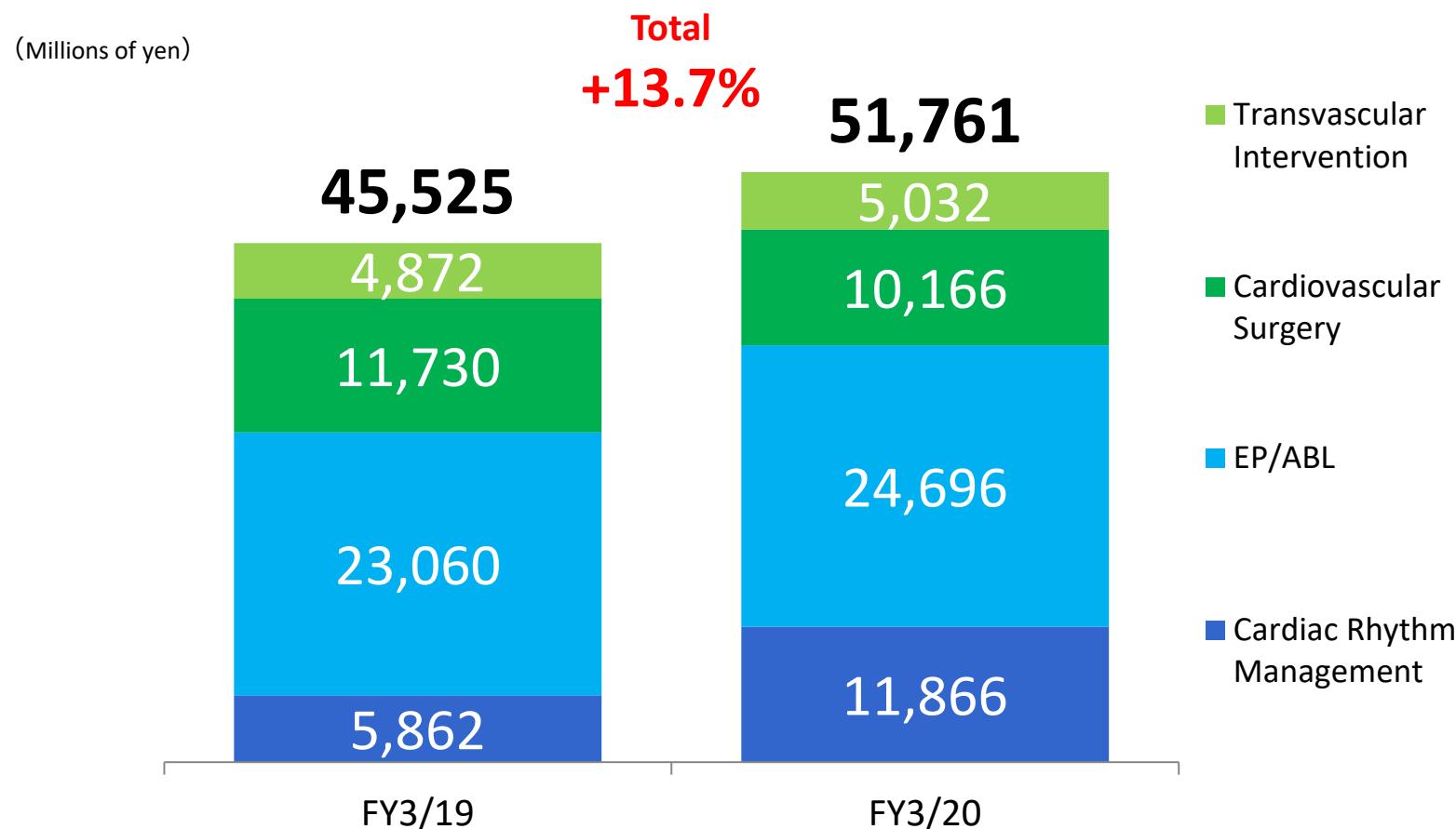
- Launched radiofrequency ablation system for liver cancer in Dec. 2019 to tap into GI area
- Started to export half-finished EP catheter to North-America
- Established a subsidiary in South Korea

## Impact of COVID-19

- A decrease in number of cases seen at some hospitals since late Mar.
- A certain impact on sales for FY3/20

## A significant ¥6.2bln revenue growth after absorbing the negative factors\*

\*NOTE: NHI reduction (impact approx. 0.8bln yen), termination of some products in cardiovascular surgery (impact approx. 2.2bln yen)



## Cardiac Rhythm Management YoY +102.4%

- Pacemaker-related products grew substantially in short amount of time due to increased competitiveness with BSC's products
- Increased market share in tachy area with full-lineup of ICD-related products such as quality ICDs and CRT-Ds as well as S-ICDs

## EP/Ablation YoY +7.1%

- AF-related products including *BeeAT* grew steadily in line with increasing number of cases
- General EP catheter decreased slightly due to the severe competition
- Esophageal temperature monitoring catheter stayed in the same level as the previous year
- *HeartLight* increased in sales volume. Keep up with efforts for more accounts

## Cardiovascular Surgery YoY (13.3%)

- Sales of open stent graft continued to grow at double-digit
- Lower revenue caused by the termination of thoracic stent graft in Mar. 2019 and of heart valve-related products in May 2019

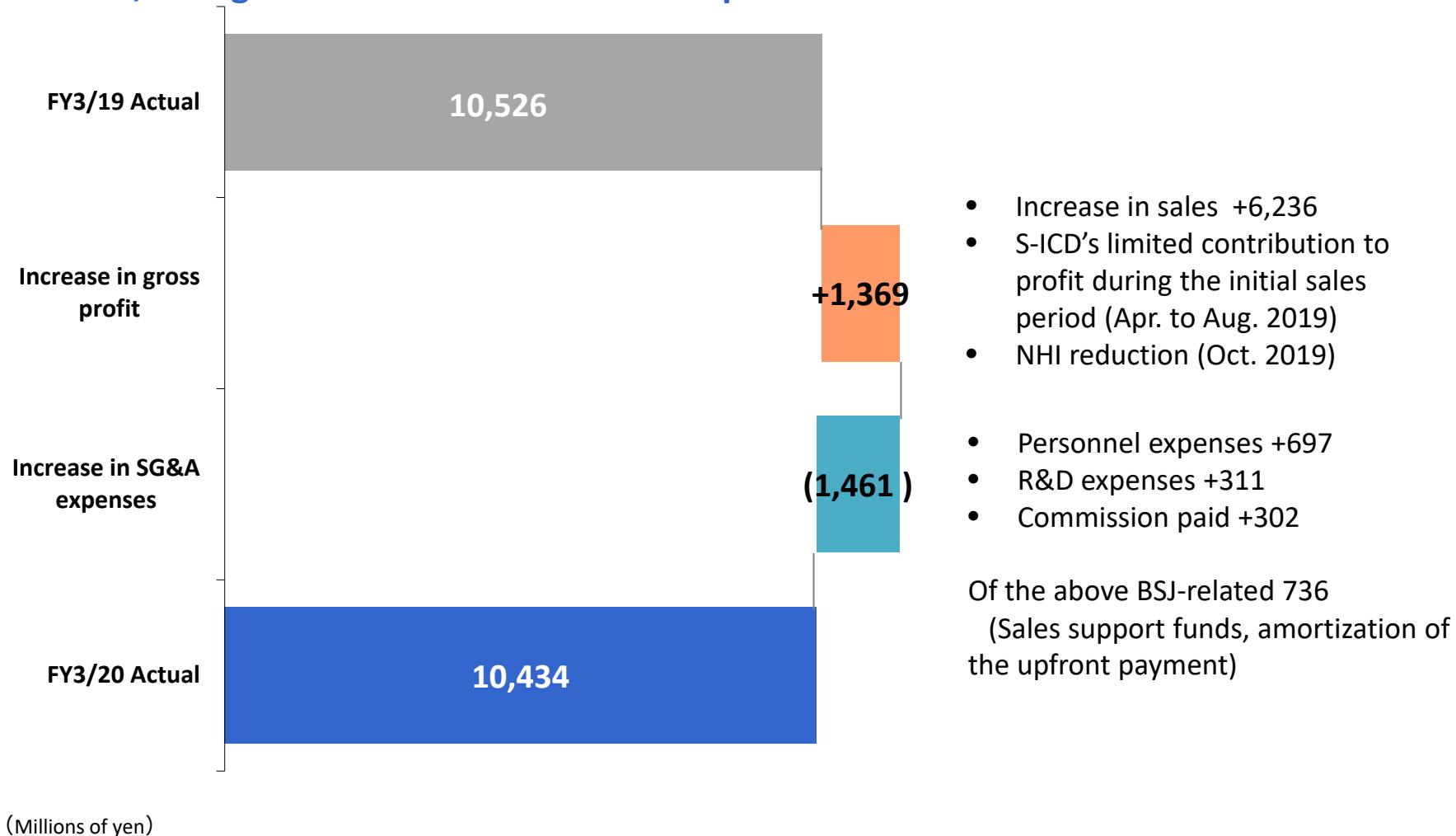
## Transvascular Intervention YoY +3.3%

- Sales of drug-eluting coronary stent *Orsiro* grew thanks to excellent results of a clinical study and subsequent sales promotion and domestic studies
- The radiofrequency ablation system for liver cancer *arfa* launched in Dec. 2019, as the second in-house product in GI area following the colonic stent

# Operating Profit for FY3/20 (Full-Year)

YoY (91mln yen)

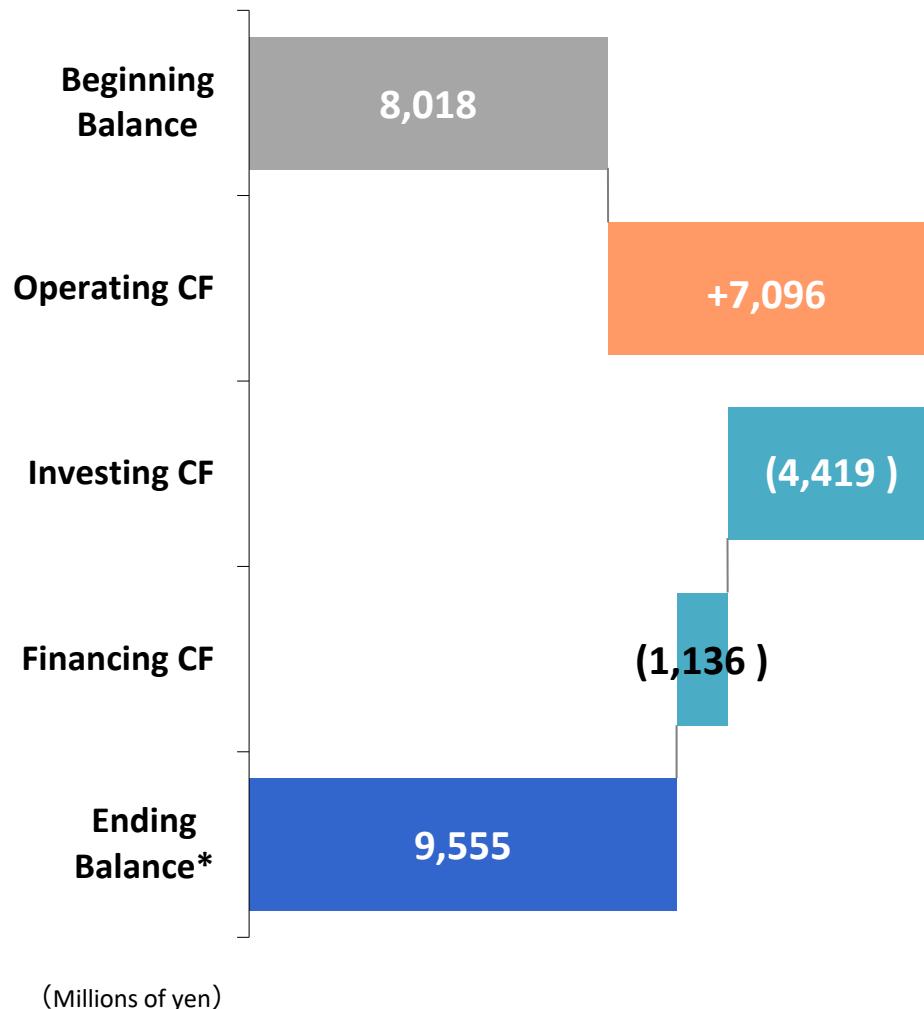
Profit growth levelled off as the fiscal year went through the transient period with NHI reduction, changes and terminations in some products



# Cash Flow for FY3/20 (Full-Year)

JL Japan Lifeline

vs. Year End of FY3/19 +1,536 mln yen



## ■ Operating CF

[Increase] • Income before taxes +10,425  
 • Depreciation and amortization expenses +1,264

[Decrease] • Increase in accounts receivable (1,598)  
 • Increase in inventory (1,123)  
 • Amounts of corporate tax paid (3,289)

## ■ Investing CF

[Increase] • Proceeds from sales of investment securities +1,000

[Decrease] • Purchase of property, plant and equipment (2,472)  
 • Payments for short-term loans (844)  
 • Payments for long-term loans (663)

## ■ Financing CF

[Increase] • Proceeds from long-term debt +2,405

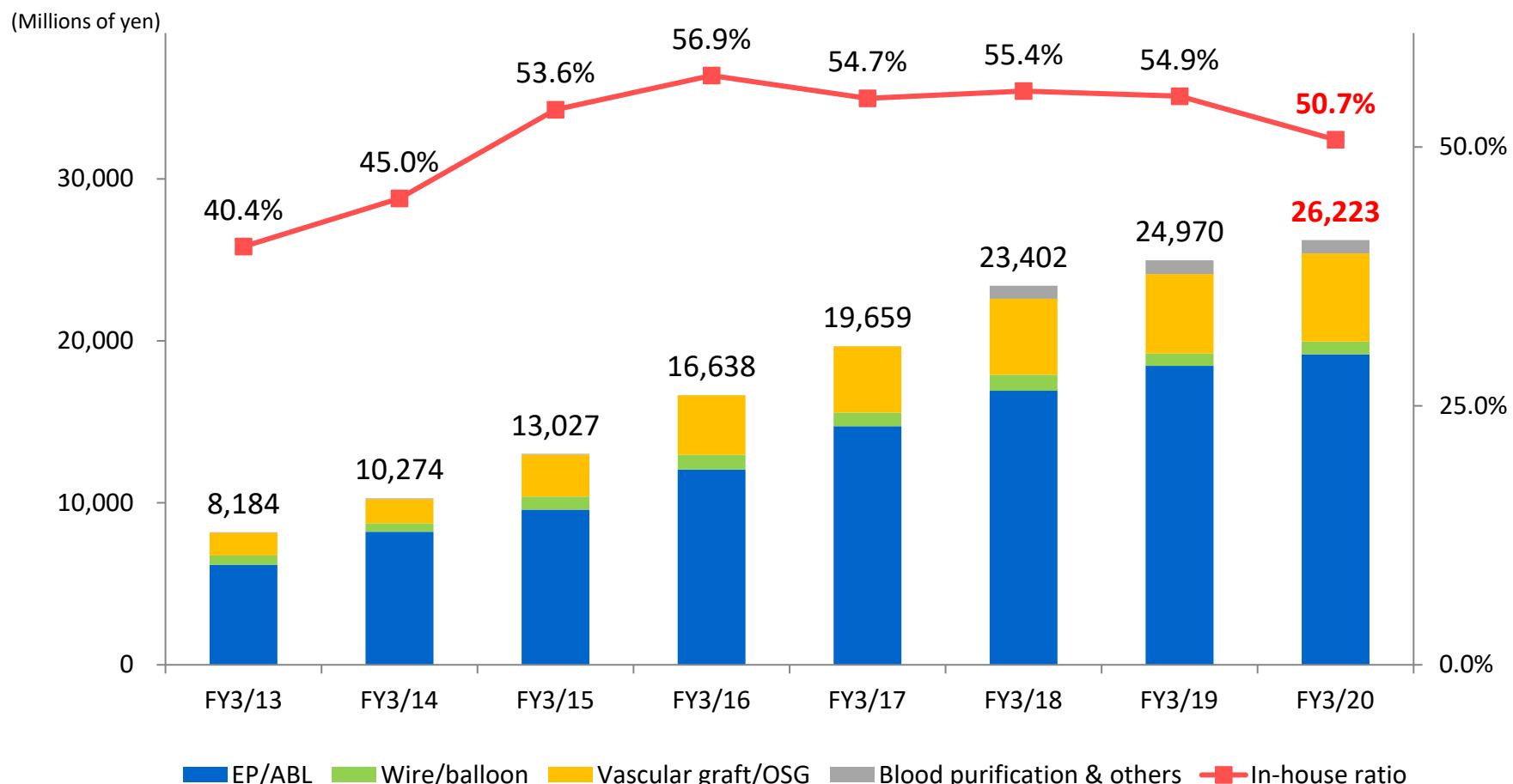
[Decrease] • Repayment of long-term debt (768)  
 • Cash dividends paid (2,332)

\*Include the amount of negative 4mln yen regarding the translation difference of cash and cash equivalent

# Sales of In-house Products

JL Japan Lifeline

- In-house ratio decreased due to a significant growth in third-party products
- Aim to increase in-house ratio to 60% in medium term



The ratio of in-house products to non-consolidated sales is the ratio of in-house group products. Including blood purification from FY3/18

Completed factory-related capex with the completion of Malaysian Factory and the second building of Oyama Factory in FY3/20

Millions of yen	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Capital expenditures	1,752	905	3,630	1,248	2,536* <sup>1</sup>
Depreciation and amortization	717	753	953	1,176	1,264
R&D expenses	933	1,051	1,121	1,431	1,743
Employees at year-end	Consolidated	795	829	906	932
	Non-consolidated	610	661	814	850
					1,074* <sup>2</sup>
					995* <sup>2</sup>

\*<sup>1</sup> exclude non-consolidated capital investment approx. 2bln yen by JLL Malaysia Sdn. Bhd.

\*<sup>2</sup> consolidated/non-consolidated number of employees include employees on loan from BSJ to JLL

# (Ref.) Sales by Product Category (Full-Year, YoY Comparison)



Millions of yen	FY3/19		FY3/20				Note	
	Actual		Actual					
	Amount	Ratio	Amount	Ratio	Change	Change%		
Brady	5,169	11.4%	5,682	11.0%	512	9.9%	Pacemaker related	
Tachy	496	1.1%	5,960	11.5%	5,464	1101.4%	ICD related	
Others*	196	0.4%	223	0.4%	26	13.5%	Include AED	
Cardiac Rhythm Management	5,862	12.9%	11,866	22.9%	6,003	102.4%		
EP catheter*	17,028	37.4%	17,915	34.6%	887	5.2%	Include internal atrial cardioversion catheter (BeeAT)	
ABL catheter*	1,369	3.0%	1,421	2.7%	52	3.8%	Include laser balloon ablation catheter (HeartLight)	
Others*	4,662	10.2%	5,358	10.4%	695	14.9%	Include radiofrequency atrial transseptal needle (RF Needle)	
EP/ABL	23,060	50.7%	24,696	47.7%	1,635	7.1%		
Heart valve related	1,448	3.2%	259	0.5%	(1,189)	(82.1%)		
Vascular graft related*	9,133	20.1%	8,879	17.2%	(253)	(2.8%)	Include stent graft (abdominal/ thoracic) & Open Stent Graft	
Blood purification*	1,070	2.4%	994	1.9%	(76)	(7.1%)		
Others	77	0.2%	32	0.1%	(44)	(57.5%)	Include oxygenator	
Cardiovascular Surgery	11,730	25.8%	10,166	19.6%	(1,563)	(13.3%)		
Balloon catheter*	565	1.2%	453	0.9%	(111)	(19.7%)		
Guidewire*	403	0.9%	477	0.9%	74	18.5%		
Others*	3,903	8.6%	4,101	7.9%	197	5.1%	Include penetration catheter, atrial septum defect closing device, colonic stent, drug eluting coronary stent & products sold by subsidiaries	
Transvascular Intervention	4,872	10.7%	5,032	9.7%	160	3.3%		
Total	45,525	100.0%	51,761	100.0%	6,236	13.7%		

\* This symbol indicates in-house products are included

# (Ref.) Sales by Product Category (Full-Year, Actual vs. Rev. Plan)

**JL** Japan Lifeline

(Millions of yen)	FY3/20		FY3/20				Note	
	Revised Plan		Actual					
	Amount	Ratio	Amount	Ratio	Change	Change%		
Brady	5,765	11.0%	5,682	11.0%	(83)	(1.5%)	Pacemaker related	
Tachy	6,030	11.5%	5,960	11.5%	(69)	(1.2%)	ICD related	
Others*	315	0.6%	223	0.4%	(92)	(29.3%)	Include AED	
Cardiac Rhythm Management	12,112	23.1%	11,866	22.9%	(246)	(2.0%)		
EP catheter*	18,027	34.4%	17,915	34.6%	(112)	(0.6%)	Include internal atrial cardioversion catheter (BeeAT)	
ABL catheter*	1,530	2.9%	1,421	2.7%	(108)	(7.1%)	Include laser balloon ablation catheter (HeartLight)	
Others*	5,380	10.3%	5,358	10.4%	(21)	(0.4%)	Include radiofrequency atrial transseptal needle (RF Needle)	
EP/ABL	24,938	47.5%	24,696	47.7%	(242)	(1.0%)		
Heart valve related	256	0.5%	259	0.5%	3	1.3%		
Vascular graft related*	8,946	17.1%	8,879	17.2%	(66)	(0.7%)	Include stent graft (abdominal/ thoracic) & Open Stent Graft	
Blood purification*	1,136	2.2%	994	1.9%	(141)	(12.5%)		
Others	28	0.1%	32	0.1%	4	16.1%	Include oxygenator	
Cardiovascular Surgery	10,367	19.8%	10,166	19.6%	(200)	(1.9%)		
Balloon catheter*	498	1.0%	453	0.9%	(44)	(8.9%)		
Guidewire*	466	0.9%	477	0.9%	11	2.4%		
Others*	4,067	7.8%	4,101	7.9%	33	0.8%	Include penetration catheter, atrial septum defect closing device, colonic stent, drug eluting coronary stent & products sold by subsidiaries	
Transvascular Intervention	5,032	9.6%	5,032	9.7%	0	0.0%		
Total	52,450	100.0%	51,761	100.0%	(688)	(1.3%)		

\* This symbol indicates in-house products are included

# (Ref.) Consolidated P/L (Full-Year)

JL Japan Lifeline

Millions of yen	FY3/19		FY3/20			
	Actual		Actual			
	Amount	Ratio	Amount	Ratio	Change	Change%
Net sales	45,525	100.0%	51,761	100.0%	6,236	13.7%
Cost of Goods Sold	17,703	38.9%	22,570	43.6%	4,866	27.5%
Gross Profit	27,822	61.1%	29,191	56.4%	1,369	4.9%
SG&A	17,295	38.0%	18,756	36.2%	1,461	8.4%
Operating Profit	10,526	23.1%	10,434	20.2%	(91)	(0.9%)
Non-operating income	571	1.3%	891	1.7%	320	56.0%
Non-operating expenses	289	0.6%	900	1.7%	611	211.5%
Ordinary Profit	10,808	23.7%	10,425	20.1%	(382)	(3.5%)
Extraordinary income	5	0.0%	3	0.0%	(1)	(30.6%)
Extraordinary expenses	12	0.0%	4	0.0%	(8)	(66.6%)
Profit before tax	10,801	23.7%	10,425	20.1%	(376)	(3.5%)
Tax expenses	3,077	6.8%	2,676	5.2%	(400)	(13.0%)
Profit attributable to owners of parent	7,723	17.0%	7,748	15.0%	24	0.3%

# (Ref.) Consolidated P/L (Full-Year, vs. Rev. Plan)

JL Japan Lifeline

Millions of yen	FY3/20		FY3/20			
	Revised Plan		Actual			
	Amount	Ratio	Amount	Ratio	Change	Change%
Net sales	52,450	100.0%	51,761	100.0%	(688)	(1.3%)
Cost of Goods Sold	22,857	43.6%	22,570	43.6%	(287)	(1.3%)
Gross Profit	29,592	56.4%	29,191	56.4%	(401)	(1.4%)
SG&A	19,030	36.3%	18,756	36.2%	(273)	(1.4%)
Operating Profit	10,562	20.1%	10,434	20.2%	(127)	(1.2%)
Non-operating income	827	1.6%	891	1.7%	64	7.8%
Non-operating expenses	604	1.2%	900	1.7%	295	48.8%
Ordinary Profit	10,784	20.6%	10,425	20.1%	(358)	(3.3%)
Extraordinary income	1	0.0%	3	0.0%	2	190.6%
Extraordinary expenses	1	0.0%	4	0.0%	3	273.1%
Profit before tax	10,784	20.6%	10,425	20.1%	(359)	(3.3%)
Tax expenses	3,109	5.9%	2,676	5.2%	(432)	(13.9%)
Profit attributable to owners of parent	7,675	14.6%	7,748	15.0%	73	1.0%

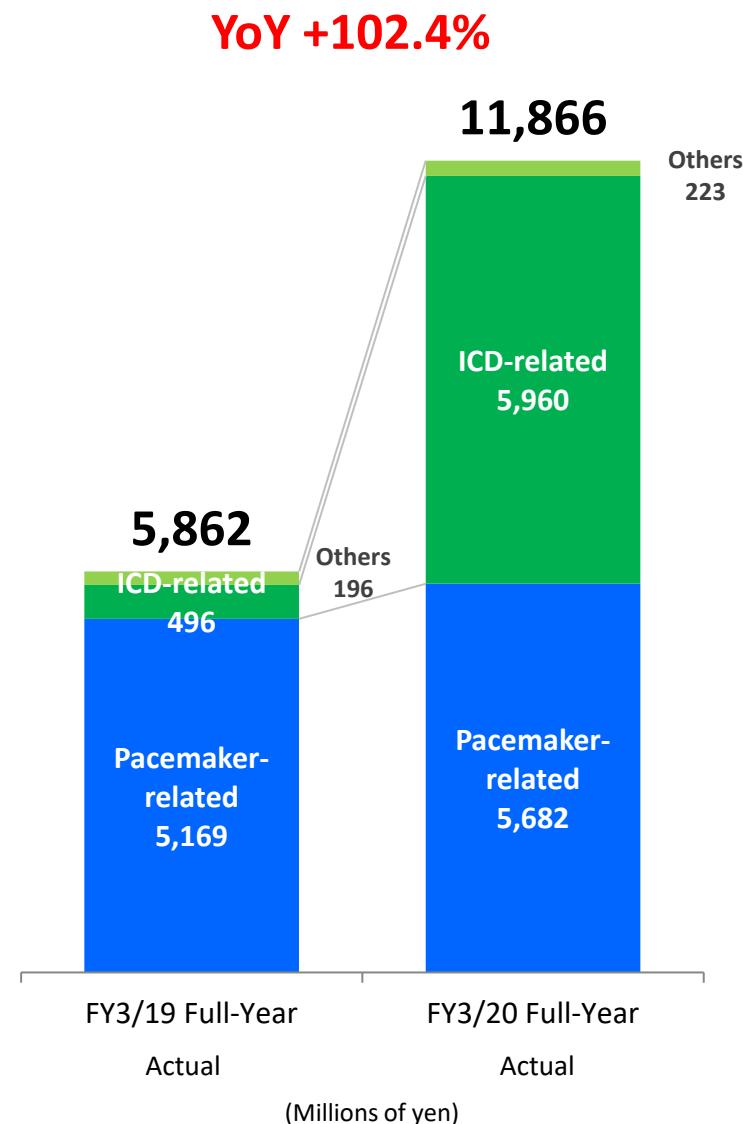
## **2. Sales Highlights & Prospects**

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**President and CEO**  
**Keisuke Suzuki**

# Cardiac Rhythm Management

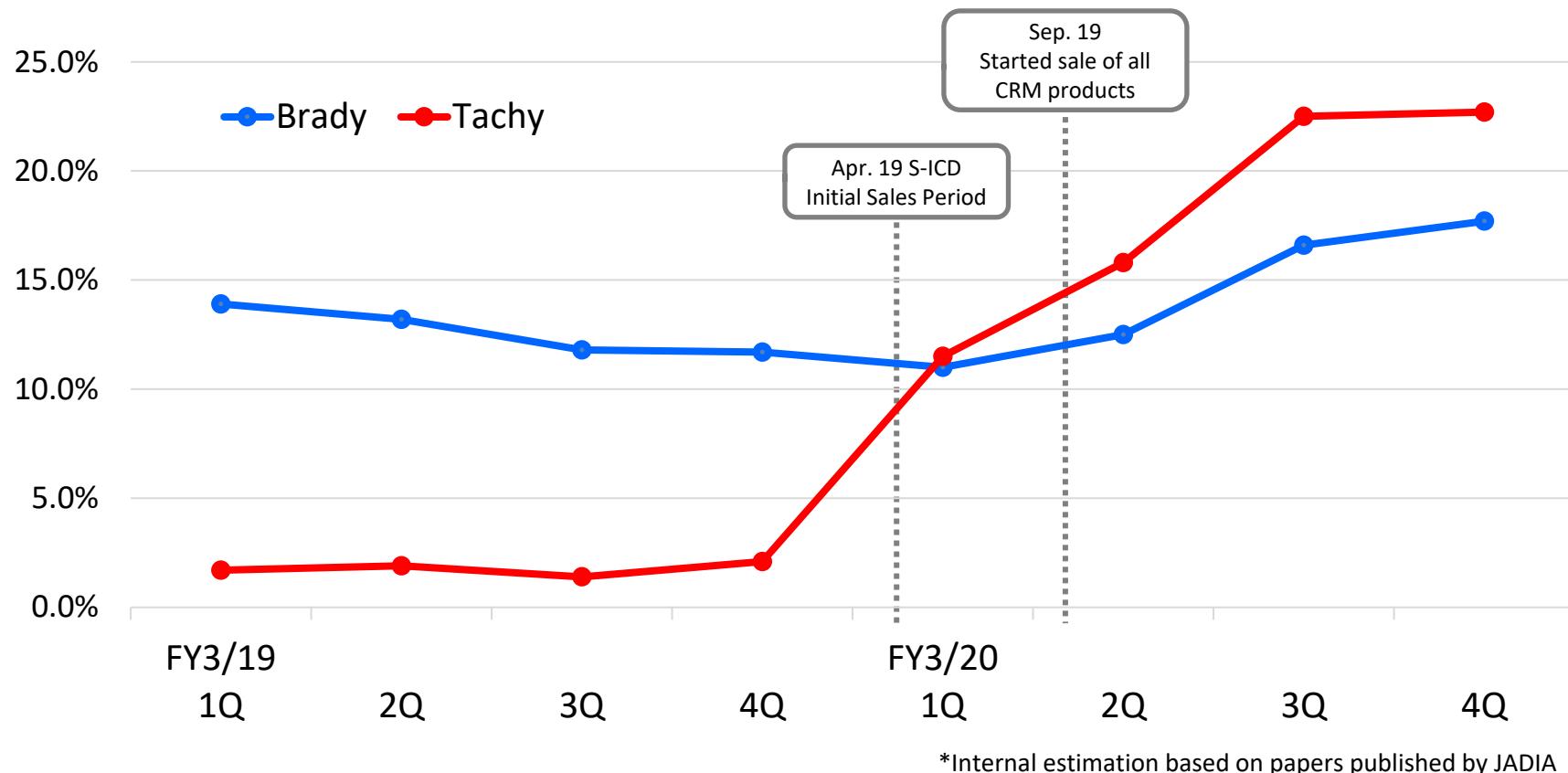
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- **ICD-related products contributed to double the revenue**
  - Exclusive distribution agreement for BSC's CRM products
    - Since Apr. 2019 S-ICD initial sales period
    - Since Sept. 2019 all CRM products on sale
- **Pacemaker-related products grew steadily**
  - Increased sales volume to gain more market share
- **ICD-related products showed a significant growth**
  - Exclusive S-ICD
  - Broke away from brady-centered product portfolio after gaining excellent tachy products of BSC's

## Completed the transition to BSC products

- Achieved the top share already in tachy area
- Keep up with efforts for more share in brady area as well



Aiming for more share in the future

Covers all therapeutic areas including exclusive S-ICD

Pacemaker-related: Bradycardia	ICD-related: Tachycardia
<p><b>Pacemaker</b></p>  <p><b>ACCOLADE</b></p>	<p><b>S-ICD EXCLUSIVE</b></p>  <p><b>EMBLEM MRI</b></p>
 <p><b>CRT-P</b></p>	<p><b>ICD</b></p> 
 <p><b>VISIONIST</b></p>	<p><b>CRT-D</b></p> 
	<p><b>RESONATE ICD</b></p> <p><b>RESONATE CRT-D</b></p>

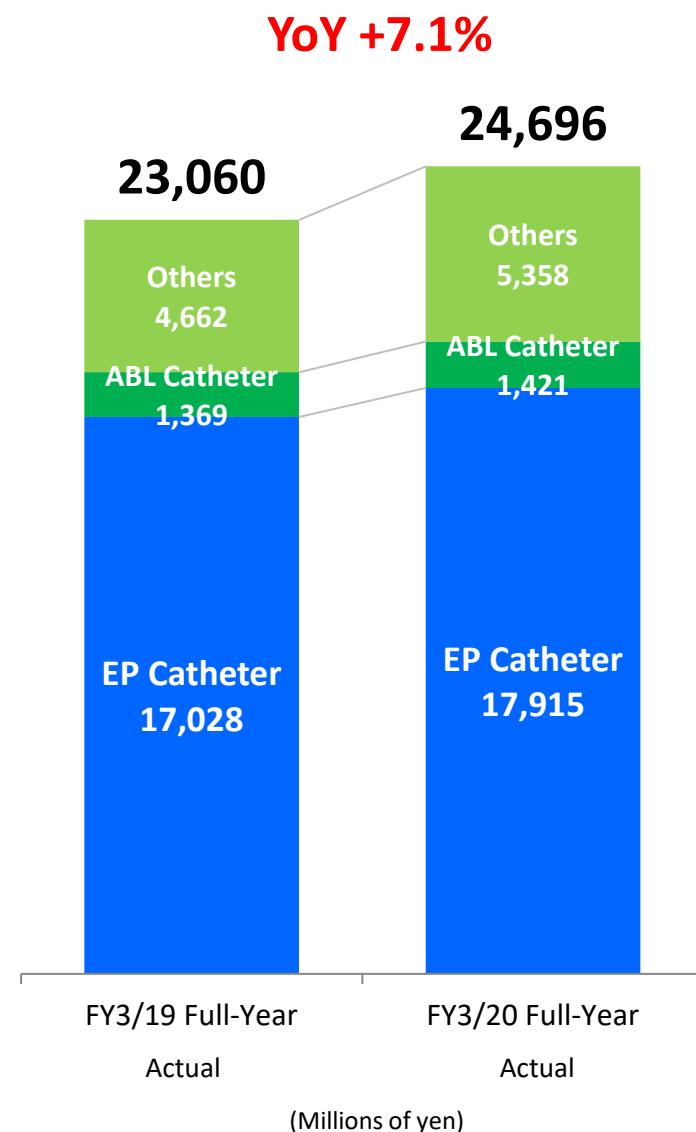
- **BSC's unique diagnostic system *HeartLogic™***
  - A diagnostic function of heart failure to be equipped with *RESONATE CRT-D* (Scheduled launch in Sep. 2020)
  - Capable of identifying signs of heart failure with high accuracy in advance
    - 70% accuracy (MultiSENSE Study) 34 days before the event
    - Adopted multiple indexes (thoracic impedance, respiration, activity, heart rate, heart sounds)
  - Detect heart failure to avoid a worsening of prognosis
  - A study to evaluate the clinical efficacy is ongoing



**Expect this unique diagnostic function to further strengthen the competitive edge of tachy products**

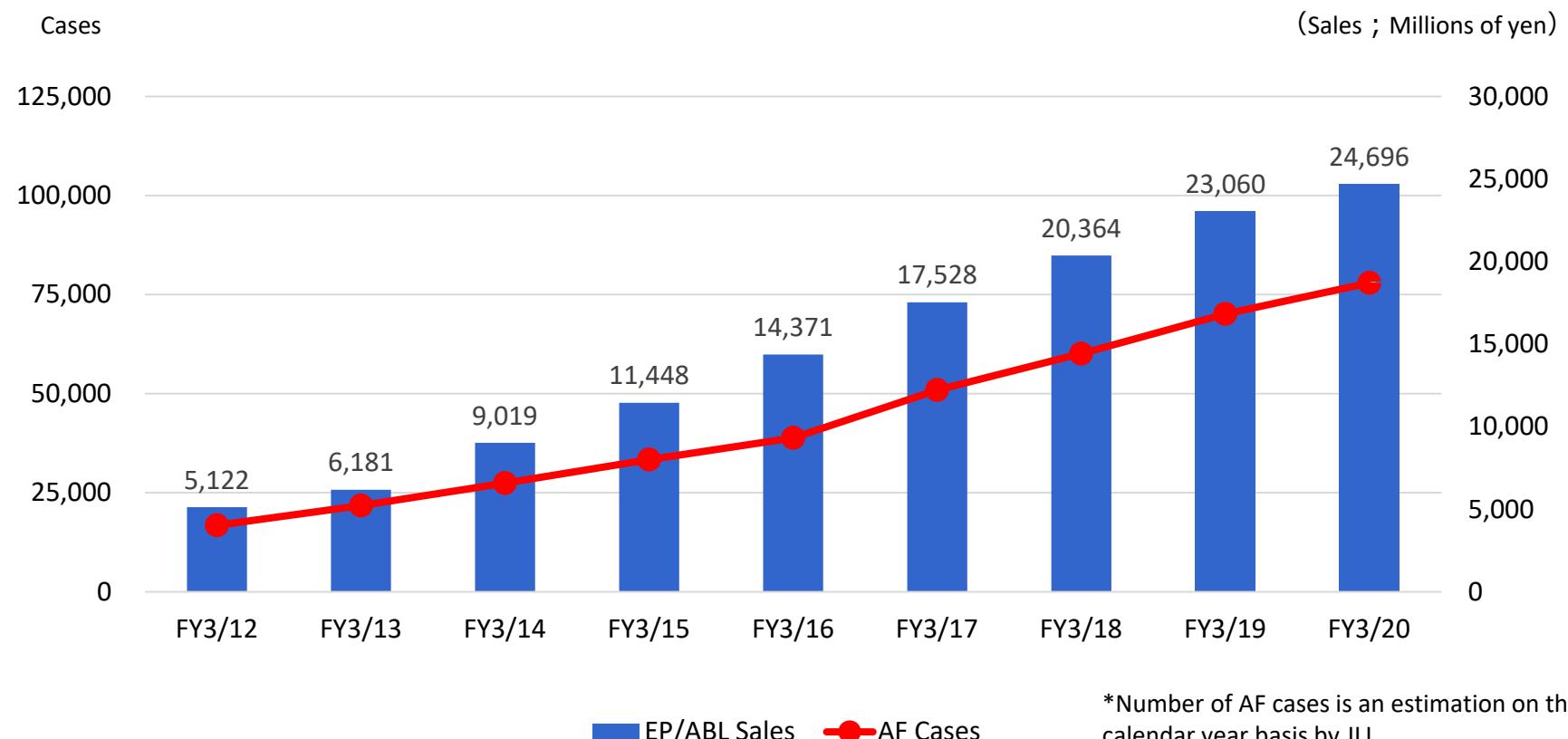
# **EP/Ablation**

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- **AF-related products grew stably**
  - *BeeAT & RF needle* YoY +12%
- **NHI reduction**
  - Reimbursement for general EP diagnostic catheter dropped by 5% in Oct. 2019
- **Sales of *HeartLight* grew**
  - keep up with efforts for more share
- **Initiated export for North America**
  - Started to export half-finished products of limited models as for the beginning

- Number of AF ablation cases continued to grow at double-digit
- COVID-19 affected number of cases to some extent in late Mar.
- Number of possible patients remain at a high level



- **A new generator for the internal atrial cardioversion system *SHOCK AT  $\alpha$***

- Launched in Feb. 2020
- Improved safety and usability
  - Improved detection accuracy with a new sensing mechanism adopted
  - Improved usability such as a shorter charge time and no need of changing batteries enabled by AC power newly adopted
  - Recording and downloading functions newly added



SHOCK AT  $\alpha$

**“More safely and more accurately”**  
**Reflect clinical needs to provide a better product**

- **Launch of in-house EP catheter in North America**
  - Baylis Medical (Canada) as a distributor
  - Target models are limited to those with unique features and exported on the knock-down method
  - JLL's first step in North American market



- **A new product of steerable sheath**
  - *SureFlex* (manufactured by Baylis Medical)
  - To be sold in domestic market
  - Realize extended product portfolio combined with in-house *Guidee*
    - Realize a smooth interatrial septum puncture
    - Capable of maneuvering tips with precision



**Strong partnership in both domestic sales  
and overseas expansion**

- **Endoscopic laser ablation catheter**

- *HeartLight*
- Manufactured by CardioFocus
  - Equipped endoscope enables direct viewing of pulmonary veins during ablation
  - Equipped balloon can fit with various anatomies of pulmonary veins
  - Expect long-term good clinical results
- Keep up with efforts for more new accounts
- To establish a dedicated website to raise awareness of the product



Endoscopic Laser Ablation System  
HeartLight  
Left: Catheter Right: Console



A-fib Navi  
<https://www.shinbousaidou-navi.com/>

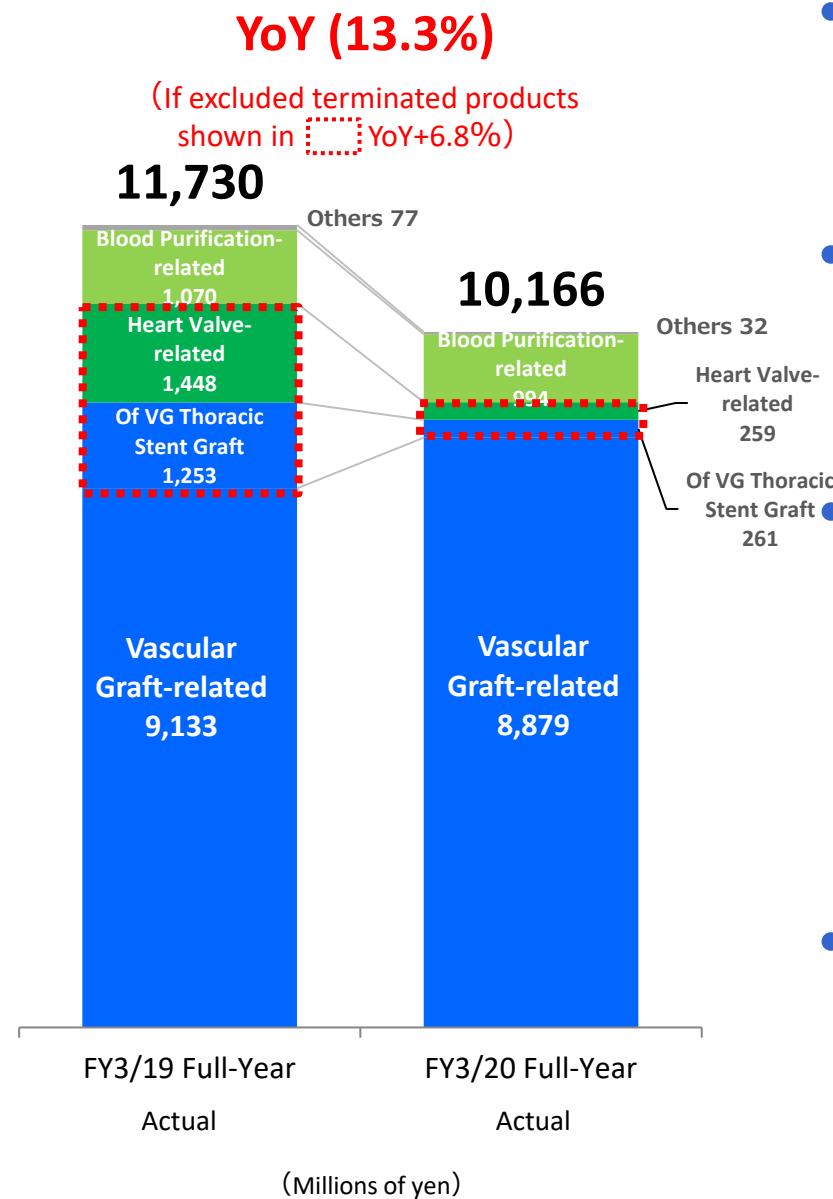
- **Early launch of the successor product**

- The next generation X3 enables to reduce the procedure time significantly
- Aim to launch it in FY3/22

**Aim to strengthen treatment area  
with the promising next generation**

# **Cardiovascular Surgery**





- **Termination of some products**
  - Heart valve, thoracic stent graft
  - A decrease in sales (2,181) mln yen
- **Open stent graft**
  - Exclusive in-house product *FROZENIX*
  - Continued to grow at double-digit
- **Vascular graft**
  - Abdominal products successfully expanded sales
  - Employed with open stent graft, sales of four-branched vascular graft increased
- **Abdominal stent graft**
  - Aim to gain more share by accumulating more clinical cases

- **Acquired CE mark for Open Stent Graft**

- *FROZENIX*
- Acquired CE mark in Mar. 2020
- Many clinical results in Japan
- Under negotiation with European distributors
- Aim to expand market channels following the Taiwan case in 2017



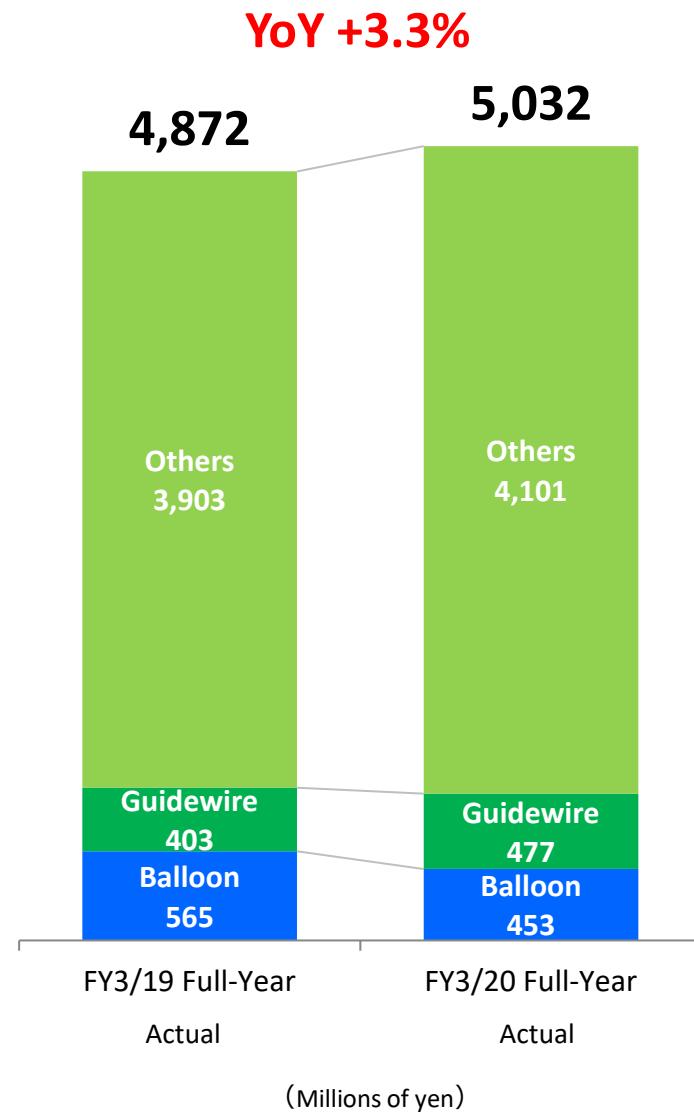
Open Stent Graft

FROZENIX

Promote overseas expansion with in-house products  
in cardiovascular surgery area as well

# **Transvascular Intervention**

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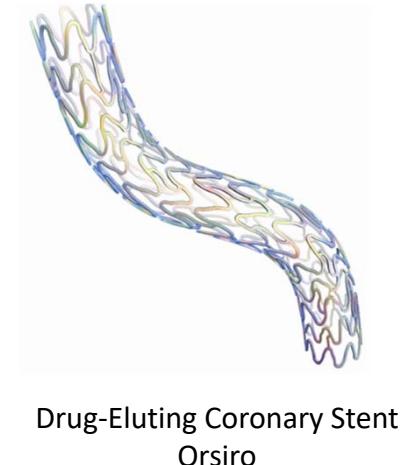


- **Drug-eluting coronary stent**
  - Increased in sales volume
  - The increase was mild due to the drop (negative 10.4%) in NHI reimbursement price
- **Decreased due to competition**
  - Penetration catheter
  - Balloon catheter
- **A new product of guidewire fared well**
  - Strong sales of *Amati*
- **Entered liver cancer therapeutic area**
  - The new product *arfa* went on full-release in Dec. 2019

- ***Orsiro continued to grow further***

- Acknowledged its clinical superiority over competitive products in BIOSTEMI trial
- Appeal *Orsiro*'s superior features to customers to gain further share
- CASTLE Study\* to be implemented in Japan as well

\* Randomized Comparison "All-Comers" Study of Ultra Thin-Strut and Thin Strut Drug-Eluting Stents



- ***A new product of guidewire fared well***

- Guidewire *Amati*
- Excellent torque, excellent traceability
- Improved stability and safety with the less coating at the tip



**Increased sales even in the severe competition**

- **Radiofrequency ablation system for liver cancer *arfa***
  - In-house product and no other similar products made in Japan
  - Treat liver cancer by ablation with a percutaneous approach
  - Aim to expand market share since full-release in Dec. 2019
  - Developed with JLL's proprietary ablation technology
    - Capable of measuring the temperature of the tissues during ablation
    - Realized high operability



*arfa* Active Electrodes



*arfa* Generator

**Tap into GI area as a new market**

### **3. Impact of COVID-19 on Business Performance**

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## Taking company-wide initiatives to prevent infections

### Sales Offices

- Restrict on non-essential visits to hospitals
- Secure the logistics and distribution system as per normal

### Working System

- Urge thorough implementation of teleworking
- Recommend staggered commuting

### Preventive Measures Against Infections

- Urge thorough Handwashing, gargling and wearing masks
- Restrict internal/external meetings and recommend use of online meetings
- Prohibit meetings with customers in principle

### Restrictions on Traffic

- Prohibit traffic between sales offices in principle
- Prohibit domestic/overseas business trips in principle

## No impact observed on product supply at present

### Domestic Factories (Toda, Ichihara and Oyama)

- Continue operations as per normal

### Overseas Factories (Shenchen, Malaysia)

- The Shenchen Factory in China temporarily stopped operation but resumed from Feb. 17. Now almost back in normal operation.
- A certain impact observed in respect to Malaysia Factory due to the Movement Control Order, however, the factory is still in the state of preparation for mass production and thus no significant impact on product supply.

### Contract Manufactures (Philippines and Malaysia)

- Rate of operation became lower due to measures such as lock-down but a certain amount of inventory is secured
- As for some products with low inventory levels, domestic factories already started substitution production.

### Supplier of Third-Party Products (domestic/overseas)

- Secured a certain amount of domestic inventory
- Keep up with efforts to secure the stable product supply

### Number of cases has been decreasing due to delaying operation schedule at hospitals

**Late Mar.** A drop in number of cases observed at some hospitals but the company-wide impact was limited

**Apr. 7th** The emergency declaration by the government

**Early Apr.** Proposals by primary cardiovascular-related academic societies

- Secure medical systems to treat emergency cases while preventing the collapse of the medical care system as a whole
- Delay elective surgery

## Sales for Apr. 2020 YoY (1.0%)

- Impact of COVID-19 is estimated to be approx. negative 13%

(Millions of yen)

Product Category	Sales Apr. 2020	Impact of COVID-19 (est.)	Status
<b>Cardiac Rhythm Management</b>	<b>1,109</b>	Approx. Neg. 12%	<ul style="list-style-type: none"> <li>• A decrease typically seen in exchange cases</li> <li>• Restriction on visits affected acquiring new accounts of S-ICD</li> </ul>
<b>EP/Ablation</b>	<b>1,877</b>	Approx. Neg. 16%	<ul style="list-style-type: none"> <li>• Many cases are elective, subject to delaying schedule, causing smaller revenue</li> <li>• Affecting <i>HeartLight</i>'s proctoring schedule</li> </ul>
<b>Cardiovascular Surgery</b>	<b>761</b>	Approx. Neg. 2%	<ul style="list-style-type: none"> <li>• Emergency cases account for many in this category and milder impact on sales compared to the others</li> <li>• Elective cases are postponed</li> </ul>
<b>Transvascular Intervention</b>	<b>313</b>	Approx. Neg. 27%	<ul style="list-style-type: none"> <li>• A drop in elective PCI cases observed</li> <li>• A temporary shift to drug treatment observed</li> </ul>
<b>Total</b>	<b>4,061</b>	Approx. Neg. 13%	

## Impact on sales

- Estimated impact in Apr. to be negative 13%. Anticipate further decrease in May.
- It is likely a peak of decreasing trend come in May, but hold no clear prospects in the long-term at present

## Save SG&A expenses

- A number of primary academic societies announced postponement so that less sales activities and less related expenses expected

## Fixed Costs

- A 500mln yen increase is expected with regards to BSJ-related expenses

**Forecast for FY3/21 is yet to be determined  
due to several unclear factors**

**Scrutinize the impact and expect to announce the forecast at the time  
of the announcement of 1Q financial results**

### **Forecast of Dividend at year-end of FY3/2021 to be determined**

- **To update the dividend forecast upon the announcement of the forecast of the financial results**

**Our dividend policy puts an importance on stable dividends**

**Anticipate to maintain the current level of dividends**

**Carefully watch and analyze the situations ongoing and update the mid-term plan after 2Q financial results.**

## Medium-Term Highlights

- Established a new business platform in arrhythmia treatment area with the partnership with BSC
- EP/Ablation enjoys the continuous growth in AF cases and taps into the market with new products for further growth
- Made progress in overseas expansion and new therapeutic area. These challenges will help increase in-house ratio
- Finished with production systems build-up with completion of Malaysia Factory and the second building of Oyama Factory

**Demands for medical devices remain robust  
Continue to promote initiatives for further growth**



# Company Overview

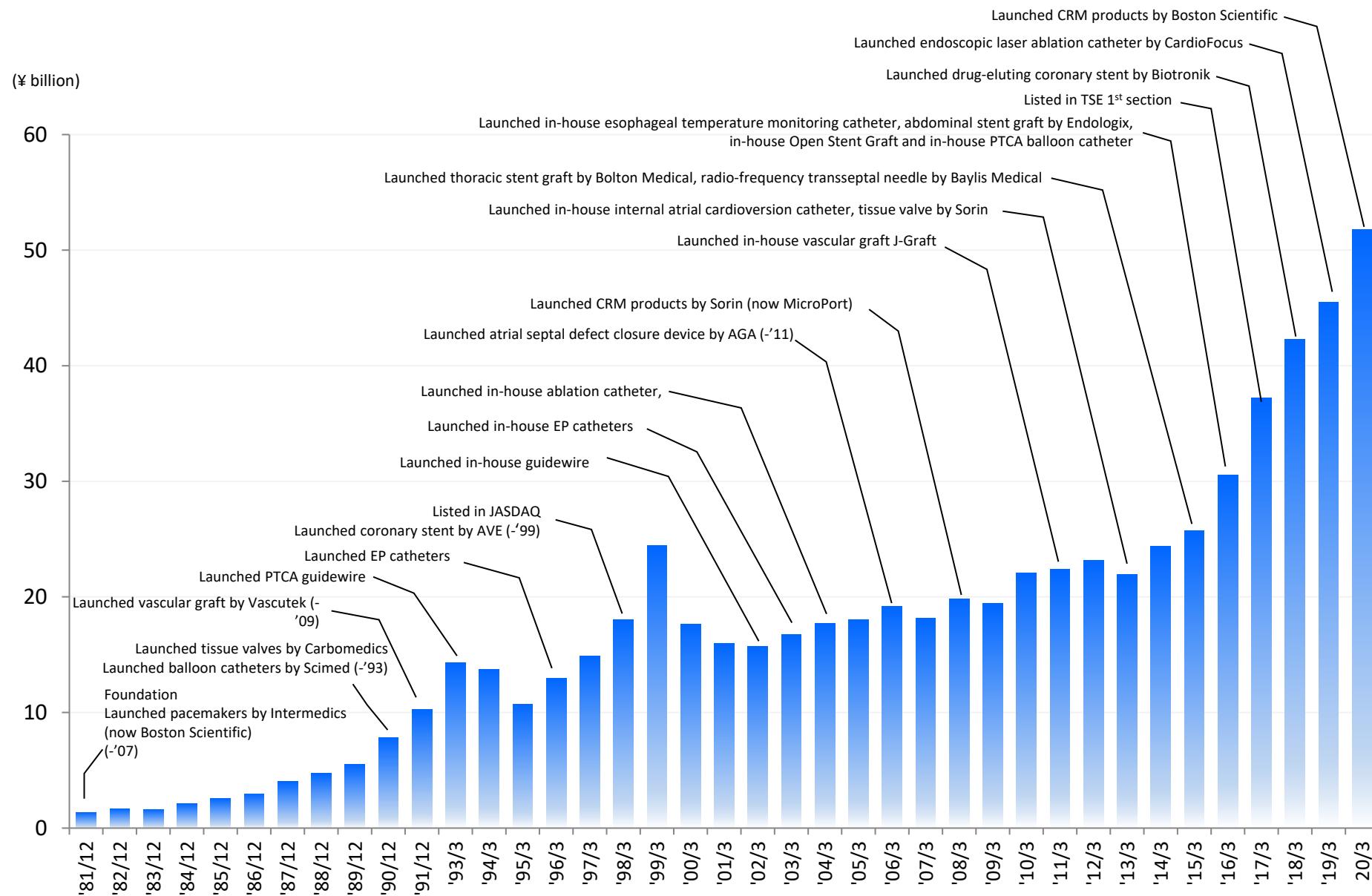
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# Company Overview

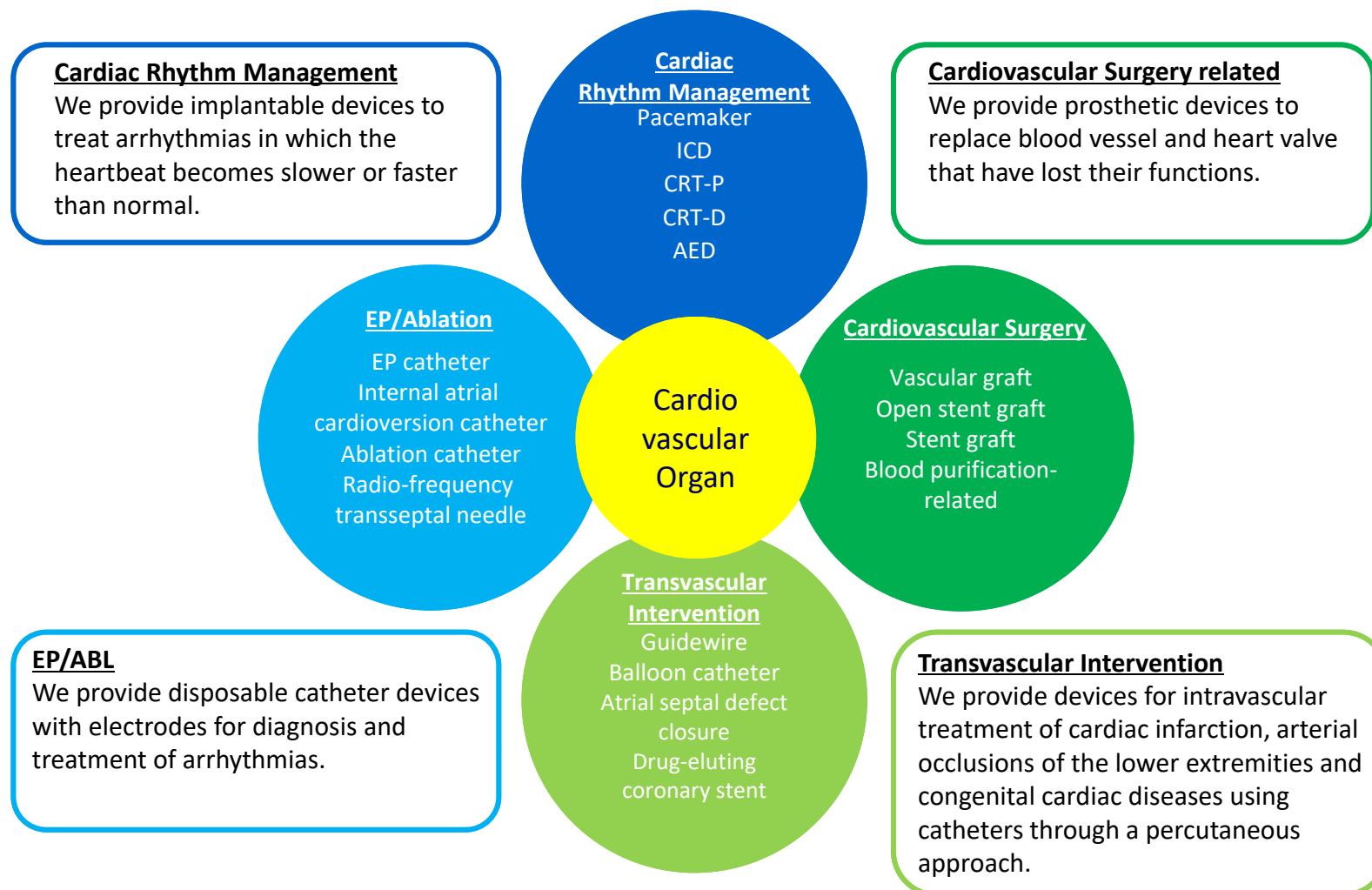


Company Name	Japan Lifeline Co., Ltd.
Chief Representative	President and CEO Keisuke Suzuki
Headquarters	Tennoz Ocean Square, 2-2-20, Higashishinagawa, Shinagawa-ku, Tokyo Japan
Established	February 6, 1981
Exchange	Tokyo Stock Exchange, First Section
Security Code	7575
Business Lines	Manufacture, marketing and export of medical devices; import and distribution of medical devices
Paid-in Capital	¥2,115 million
Number of Employees	1,074 (consolidated), 995 (non-consolidated) as of Mar. 31, 2020
Locations	48 sales offices (Domestic: 47, Overseas: 1), Haneda Logistics Center, Kansai Logistics Center, Research Center, Toda Factory, Oyama Factory, Ichihara Factory, Tennoz Accademia (Education Center) as of Mar.31, 2020
Consolidated Subsidiaries	Synexmed (Hong Kong) Limited, Synexmed (Shenzhen) Co., Ltd.

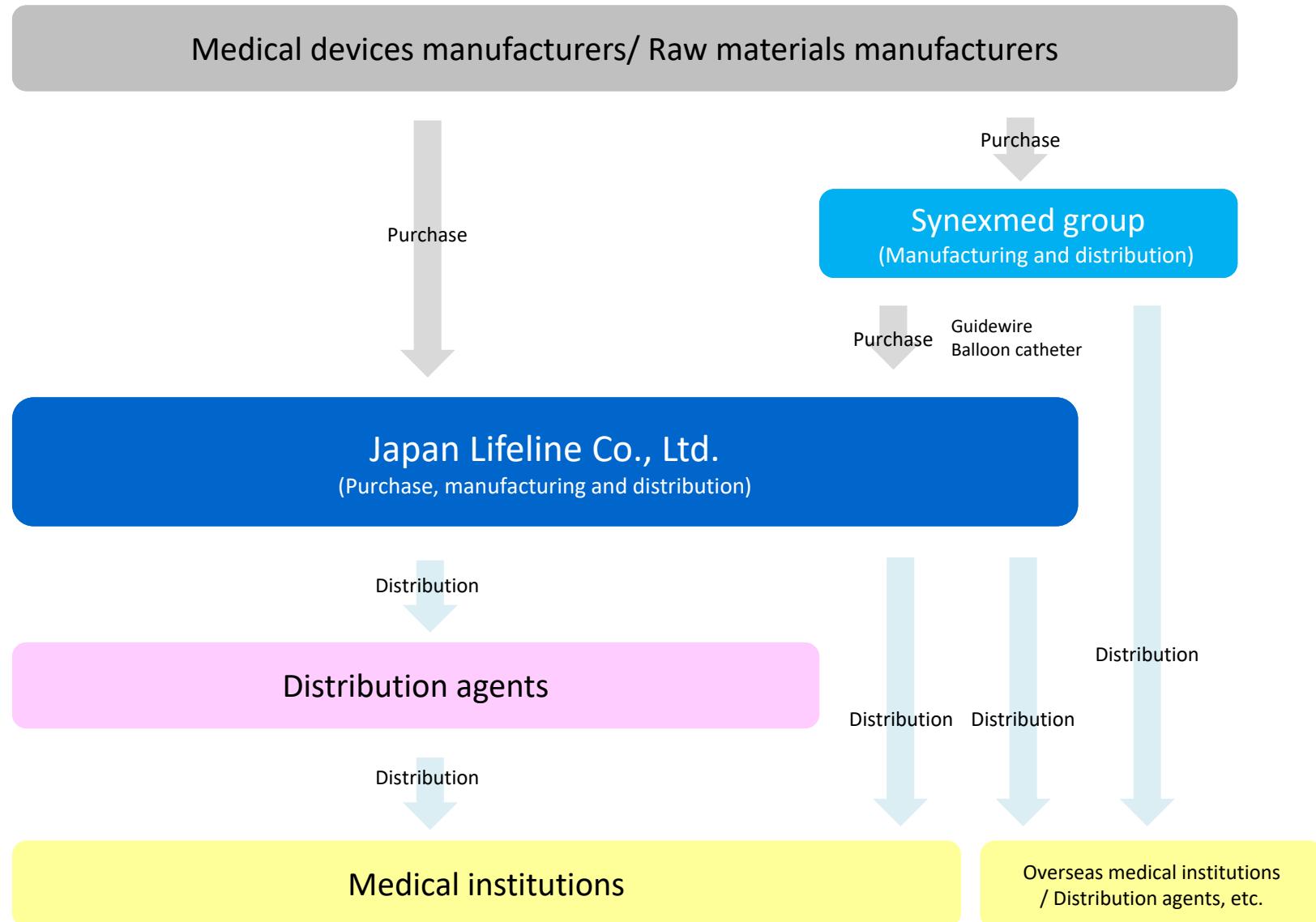
# Track Record – Annual Revenue



JLL has been dealing with medical devices to treat heart diseases such as arrhythmias and myocardial infarction since its foundation. JLL's business domains are roughly divided into 4 parts; Cardiac Rhythm Management, EP/ABL, Cardiovascular Surgery and Transvascular Intervention.



# Business System Chart



# Main Products: Cardiac Rhythm Management

## Cardiac Pacemaker

(Boston Scientific)



A pacemaker is used to treat arrhythmia, specifically bradycardia in which heartbeat becomes slower than normal. It gives an electric shock for heart to recover regular heartbeat.

## CRT-P (Cardiac Resynchronization Therapy Pacemaker)

(Boston Scientific)



A CRT-P is used for patients with severe heart failure to fix dyssynchrony of their heart and thus improve their heart's pumping function by giving electric shocks to both left and right ventricles of the heart.

## ICD (Implantable Cardioverter Defibrillator)

(Boston Scientific)



An ICD is used to detect a ventricular fibrillation (VF), a type of lethal arrhythmia classified as tachycardia in which heartbeat becomes faster than normal. It delivers an electric shock to prevent cardiac arrest.

## S-ICD (Subcutaneous Implantable Cardioverter Defibrillator)

(Boston Scientific)



By utilizing S-ICD, all the systems get implanted subcutaneously so that any foreign materials do not remain in vessels nor in the heart, expecting less severe complications. In case of traditional ICDs, the lead is delivered through veins to be left in the heart

## CRT-D (Cardiac Resynchronization Therapy Defibrillator)

(Boston Scientific)

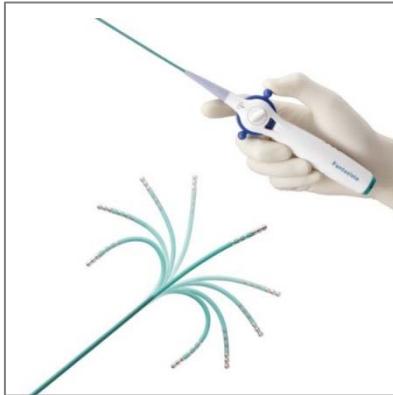


A CRT-D fixes the dyssynchrony of heart and improves the pumping function by giving electric shocks to both left and right ventricles to treat severe heart failure. In addition, it has a defibrillation function like an ICD.

# Main Products: EP/Ablation

## Ablation Catheter

(In-house product)



An ablation catheter is used to cauterize abnormal electric pathways that can cause tachycardia with radiofrequency current flown from the electrode at the tip of the catheter.

An EP catheter is used to diagnose arrhythmia and judge the indication of possible methods of treatment. The catheter tip is equipped with electrodes, which measure the intracardiac potentials and identify the cause of arrhythmia by inducing it.

## Internal Atrial Cardioversion Catheter

(In-house product)



An internal atrial cardioversion catheter stops atrial fibrillation less invasively by conducting cardioversion within the heart during an ablation treatment. In addition, it has a diagnostic function like a normal EP catheter.

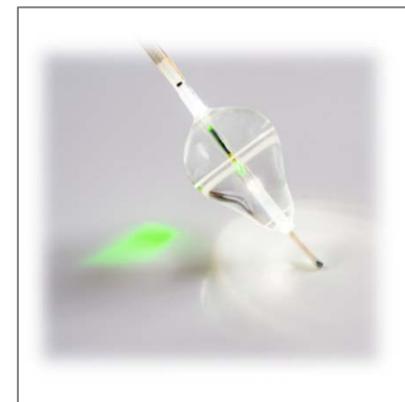
## Electrophysiological (EP) Catheter

(In-house product)



## Endoscopic Ablation Catheter

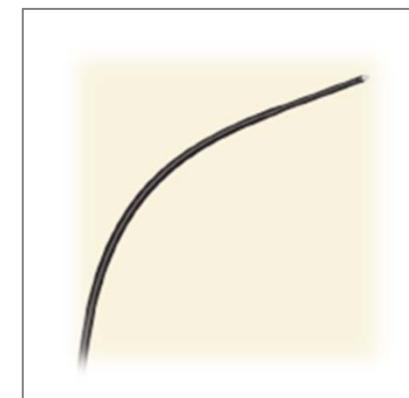
(Cardio Focus)



This device is used to cauterize abnormal electric pathways like ablation catheters. It is also equipped with advanced balloon technology, various types of laser output, and an endoscope, all of which help conduct procedures much safer and faster.

## Radio-frequency Transseptal Needle

(BAYLIS MEDICAL)



A radio-frequency transseptal needle penetrates the heart wall (atrial septum), using RF to make a hole and pass an ablation catheter from right atrium to left atrium.

# Main Products: Cardiovascular Surgery

JL Japan Lifeline

## Vascular Graft

(In-house product)



A vascular graft is used to replace an injured blood vessel with aortic aneurysm. This device is used in open chest surgery.

## Open Stent Graft

(In-house product)



An open stent graft is often used with vascular grafts to provide treatment for aortic aneurysm. This device is fixed to the blood vessel with expanding force by the equipped stent inside in the aorta. As suturing of distal side of the aorta is not required, the surgery can be performed less invasively.

## Stent Graft (abdominal)

(Endologix)



This device is used to treat aortic aneurysm without open chest surgery. Inserted percutaneously via catheter from the groin and placed at the treatment site, the procedure is much less invasive for patients.

This device is used for acute blood purification therapy, excluding toxic materials from blood

## Blood Purification System

(In-house product)



# Main Products: Transvascular Intervention

## Balloon Catheter

(In-house product)



A balloon catheter is used to treat myocardial infarction and angina pectoris caused by clogging of the blood vessel (coronary artery) delivering oxygen and nutrients to the cardiac muscle. It expands a balloon mounted inside of it in the clogged blood vessel and secures blood flow again.

A guide wire is used to deliver the balloon catheter to the site of the clogged blood vessel. It is firstly delivered beyond the clogged blood vessel to secure a path so that a balloon catheter can go through along the guidewire.

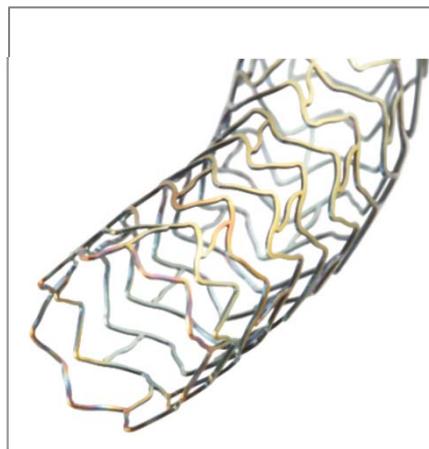
## Guidewire

(In-house product)



## Drug-Eluting Stent

(Biotronik AG)



A drug eluting stent is used to treat ischemic heart disease. Different from conventional bare metal stents, drug-eluting stents are applied with a drug that gradually oozes and helps prevent restenosis of the coronary artery.

This disc-shaped device is used to close a hole opened in the wall separating the right and left atria congenitally (ASD, or Atrial Septal Defect), without conducting open chest surgery.

## Atrial Septal Defect Closure

(Occlutech Holding AG)



## R&D

### Research Center (Toda City, Saitama)



Since Apr. 2018

## Core Factory

### Toda Factory (Toda City, Saitama)



Since Jan. 2012

## Mass Production

### Oyama Factory (Oyama City, Tochigi)



Since Oct. 2014

## VG\*<sup>1</sup> / OSG\*<sup>2</sup>

### Ichihara Factory (Ichihara City, Chiba)



Since Jan. 2011

## Overseas Factory 1

### Shenzhen Factory SynexMed (Shenzhen, China)



Since Oct. 2010

## Overseas Factory 2

### Malaysia Factory JLL Malaysia (Penang Prov. Malaysia)



To start operation from Jul. 2020

\*<sup>1</sup> Vascular graft \*<sup>2</sup> Open Stent Graft

## Precautions

Among the descriptions in this document, the matters that are not historic fact are the forecast concerning the future of our company and the future prospects based on forecasts. Particularly, the matters concerning clinical trials, regulatory approval and launch timing, which are involved in introduction of products, are our company's prediction obtained from past experiences and available information. Since the actual result may be different from the forecast described in this document, due to the influences of various risks and uncertain factors, please do not depend on these forecasts excessively.

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