News Release

Translation

June 27, 2018
JCR Pharmaceuticals Co., Ltd.

Matters Concerning Controlling Shareholders (Affiliated Companies)

JCR Pharmaceuticals Co., Ltd. (TSE 4552: Chairman and President Shin Ashida, "JCR") announces , with respect to MEDIPAL HOLDINGS CORPORATION, our affiliated company, matters concerning the controlling shareholders that are described below.

1. Trade names of the parent company, controlling shareholders (excluding the parent company) or other affiliated companies

(As of March 31, 2018)

Name	Attribution	Voting rights Ownership ratio (%)			Financial instruments exchange on which the outstanding shares are listed
		Direct ownership	Collective ownership	Total	
MEDIPAL HOLDINGS CORPORATION	Other affiliated company	23.61	-	23.61	The First Section of the Tokyo Stock Exchange

2. The positioning of the listed company in the corporate group of the parent company and relations with other listed companies and the parent company

MEDIPAL HOLDINGS CORPORATION ("MEDIPAL") is the largest shareholder of JCR (voting rights ownership of 23.61%), and is an "other affiliated company."

JCR and MEDIPAL concluded a business alliance agreement on September 21, 2017 with the aim to further enhance the corporate values of both companies, propel their continuous growth, and to effectively and efficiently leverage MEDIPAL's strengths in distribution and sales promotion, and JCR's strengths in pharmaceutical research and development.

As regards business activities and management decisions, MEDIPAL makes its own decisions and executes operations independently, under the responsibilities of the JCR, and the JCR recognizes that our independence is secured.

(Other positions held by officers)

(As of June 27, 2018)

Title	Name	Title at the parent company or its group company
Outside Director	Toshihide YODA	• Managing Director in charge of IR and General Manager of Business Development, MEDIPAL HOLDINGS CORPORATION • Director, MEDICEO Corporation • Director, SP Line Corporation • Director, MEDIE Co., Ltd. • Director, JCR USA, Inc.

3. Matters concerning transactions with the controlling shareholders

There are no special matters to announce.

[About JCR Pharmaceuticals]

JCR is a specialty pharma engaged in the research, development, manufacture and marketing of biopharmaceuticals and regenerative medicine with a focus on rare diseases. Its philosophy, “Contributing towards people’s healthcare through pharmaceutical products” drives JCR to create innovative pharmaceutical products as value-added treatment options for the under-served patient community.

[Cautionary Statement Regarding Forward-Looking Statements]

This document contains forward-looking statements that are subject to known and unknown risks and uncertainties, many of which are outside our control. Forward-looking statements often contain words such as “believe,” “estimate,” “anticipate,” “intend,” “plan,” “will,” “would,” “target” and similar references to future periods. All forward-looking statements regarding our plans, outlook, strategy and future business, financial performance and financial condition are based on judgments derived from the information available to us at this time. Factors or events that could cause our actual results to be materially different from those expressed in our forward-looking statements include, but not limited to, a deterioration of economic conditions, a change in the legal or governmental system, a delay in launching a new product, impact on competitors’ pricing and product strategies, a decline in marketing capabilities relating to our products, manufacturing difficulties or delays, an infringement of our intellectual property rights , an adverse court decision in a significant lawsuit and regulatory actions.

This document involves information on pharmaceutical products (including those under development). However, it is not intended for advertising or providing medical advice. Furthermore, it is intended to provide information on our company and businesses and not to solicit investment in securities we issue.

Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the factors that could cause actual results to differ materially, even if new information becomes available in the future.

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