

Baylor College of Medicine and Miraca Holdings
Agree to Joint Venture on Clinical Genetic Testing

HOUSTON – (Oct. 31, 2014) -- Baylor College of Medicine and Miraca Holdings Inc., today agreed on a joint venture in which the College will share ownership and governance of its clinical genetics diagnostic laboratories with the Japan-based international healthcare company that has a focus on clinical diagnostics and laboratory tests.

Baylor Miraca Genetics Laboratories will be built on Baylor's existing Medical Genetics Laboratories which engages in clinical laboratory genetic testing. The transaction is subject to regulatory approvals and other customary closing conditions.

The jointly-owned clinical diagnostic venture will be headquartered in Houston. The parties expect, initially, that the joint venture will be staffed by approximately 225 people.

Baylor has provided diagnostics services for over 35 years and is the No. 1 National Institutes of Health-funded genetics program. It also is home to one of three U.S.-based large-scale genome sequencing centers funded by the NIH. Baylor will continue to independently drive its genetic diagnostic research agenda and the Joint Venture is expected to fully support the academic mission of the College's Department of Molecular and Human Genetics.

All Baylor faculty involved in clinical diagnostics will remain Baylor faculty members and employees. The College's educational training programs in genetics and genome sequencing will continue operating through a formal academic affiliation with the Joint Venture, enabling trainees to have an opportunity to expand their laboratory diagnostic skills in a larger enterprise with samples coming from around the world.

Miraca, a holding company operating in the healthcare sector, is dedicated to in-vitro diagnostic, clinical laboratory testing and other healthcare-related businesses through its subsidiaries such as Fujirebio Inc., one of the major domestic in vitro diagnostic reagent manufacturers, and SRL, Inc., the largest clinical laboratory testing company in Japan. Miraca also has the largest U.S. independent anatomic pathology business, Miraca Life Sciences, headquartered in Irving, Texas, and is continuing to expand its footprint outside Japan. Miraca will provide its experience and capability to commercialize the Joint Venture.

Dr. Paul Klotman, president, CEO and executive dean of BCM, said, "This partnership will bring together our top-ranked genetics program with a leading diagnostics company. The result will be an opportunity for tremendous growth of our clinical genetics testing program, while ensuring the quality of diagnostics to patients and healthcare providers on an international level."

"Academic medical centers and teaching hospitals in Houston have lagged behind other areas of the country in commercializing medical inventions developed in their laboratories," said Klotman. "With partnerships such as this, the potential for growing biotech into a major economic driver for Houston and the Texas Medical Center is tremendous."

Klotman added, "What makes this venture so beneficial to our patients and community is that it pairs the academic leadership and innovation of a highly ranked Baylor program with the business acumen of a well-run, well-recognized strategic partner."

Dr. Hiromasa Suzuki, president and CEO of Miraca, said, "We will aim to collaborate closely with Baylor, a pioneer in genetic testing, with respect to research, development and commercialization in order to continuously supply innovative genetic testing services to our customers."

"We believe this important Joint Venture will lead Miraca to become a top-tier provider with a strong operating base of innovative genetic business in the U.S.," he said.

About Miraca Holdings

Miraca Holdings, a Japan-based holding company with group net sales of JPY203.4 billion (FYE 3/2014), is engaged in the following three business segments in the healthcare sector : (1) development, manufacture, and commercialization of in vitro diagnostics, (2) clinical laboratory testing, and (3) other healthcare related businesses, which are conducted by its subsidiaries and affiliates including Fujirebio Inc., a leading supplier of in vitro diagnostics in Japan, and SRL, Inc. ("SRL"), Japan's largest commercial laboratory. SRL offers comprehensive clinical laboratory testing services to medical institutes throughout the nation, ranging from general testing to esoteric testing including gene-based tests.

About Baylor College of Medicine

Baylor is a top tier medical school for research with \$363 million in research support, more than 90 research and patient care centers and units and over 3,000 students, residents and fellows. Medical Genetic Laboratories at Baylor offers a broad range of testing from traditional cytogenetics to chromosomal microarray analysis and next generation sequencing. MGL is located in Houston's Texas Medical Center with over 200 employees, over 3,000 tests available and clients in all 50 states and in 16 countries. MGL's lab is well-equipped with cutting edge diagnostic equipment, allowing it to efficiently generate the most accurate clinical genetic data.

Media Inquiries

Baylor College of Medicine

Lori Williams

loriw@bcm.edu

TEL: 713-798-4710, 713-775-6912 (cell)

Miraca Holdings Inc.

Hiroaki Kimura

Executive Officer

hk-kimura@miraca-holdings.co.jp