March 16, 2016

Company name: SanBio Co., Ltd.
Representative: Keita Mori, Representative Director and President
(TSE Mothers Code: 4592)
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Notification of Partial Amendments to the Articles of Incorporation

SanBio Co., Ltd. (hereafter "the Company") announces that at a Board of Directors meeting held on March 16, 2016, it was resolved as below to submit a proposal for approval of partial amendments to the Articles of Incorporation to the Company's 3rd Annual General Meeting of Shareholders, scheduled to be held on April 28, 2016.

1. Reasons for amendments to the Articles of Incorporation

(1) New establishment of items resolved by a General Meeting of Shareholders

With the purpose of motivating employees of the Company and its subsidiaries to improve business results while securing superior personnel in order to achieve mid- to long-term improvement in corporate value of the Group as a whole, the Company is planning to issue stock acquisition rights (stock options) to employees of the Company and its subsidiaries.

With regard to the issuance of the stock acquisition rights, details of the offer are planned to be determined via resolution of the Board of Directors of the Company pursuant to stipulations in Article 238 and Article 240 of the Companies Act. However, in order to issue stock acquisition rights that also entitle employees of the Company's subsidiary SanBio, Inc. (California, US), the content of the plan may require the resolution of a General Meeting of Shareholders pursuant to US laws. Therefore, the Company requests to establish in its Articles of Incorporation provisions enabling the General Meeting of Shareholders to determine the content of such plans (new establishment of Article 16 (Items Resolved by a General Meeting of Shareholders) in the new Articles of Incorporation).

(2) Liability limitation agreements with Outside Directors and Outside Corporate Auditors

The "Act Partially Amending the Companies Act" (Act No. 90 of 2014) was promulgated on May 1, 2015, which allows for the conclusion of liability limitation agreements with Directors who are not Executive Directors, etc. and Corporate Auditors. In order to enable these Directors and

Corporate Auditors to duly fulfill their expected roles upon conclusion of such liability limitation agreements, the Company proposes making required amendments to Article 28 (Liability Limitation Agreements with Outside Directors) and Article 38 (Liability Limitation Agreements with Outside Corporate Auditors) of the existing Articles of Incorporation.

The amendments to Article 28 (Liability Limitation Agreements with Outside Directors) have been approved by each Corporate Auditor.

(3) Numbering of articles, etc., in line with amendments

In line with the above changes, the Company proposes amendments to the numbering of articles, etc.

2. Contents of amendments to the Articles of Incorporation

The contents of the amendments are as follows.

(Underlines indicate amended sections.)

Existing Articles of Incorporation	Proposed Amendments
(Newly established)	(Items Resolved by a General Meeting of Shareholders) Article 16 In addition to the matters to be resolved by the General Meetings of Shareholders pursuant to laws and regulations and other stipulations of the Articles of Incorporation, it may determine by its resolution the content of the plan to issue stock acquisition rights (stock options) to employees of the Company and its subsidiaries. 2 When the Company determines the content of the plan as provided in the previous Item, it may prescribe the following and other matters as the summary of the issuance of stock acquisition rights. (1) The class of shares underlying the issuance of the stock acquisition rights according to the plan (2) The maximum total number of shares underlying the issuance of the stock acquisition rights and the calculation method thereof (3) The amount of cash to be paid in exchange for the issuance of stock acquisition rights according to the plan and the calculation method thereof (or to the extent that there shall be no payment of cash in such case)

Existing Articles of Incorporation	Proposed Amendments
	(4) Summary of content and value of property to be contributed upon issuance of stock acquisition rights according to the plan (5) Period of validity for the plan
Article 16 to Article 27 (Omitted)	Article 17 to Article 28 (Unchanged)
(Liability Limitation Agreements with Outside Directors) Article 28 As stipulated in Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with Outside Directors to limit the amount of liabilities for damages arising from negligence of duties to the total amount of each Item in Article 425, Paragraph 1 of the Companies Act.	(Liability Limitation Agreements with Directors) Article 29 As stipulated in Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with Directors (excluding those who are Executive Directors, etc.) to limit the amount of liabilities for damages arising from negligence of duties to the total amount of each Item in Article 425, Paragraph 1 of the Companies Act.
Article 29 to Article 37 (Omitted)	Article 30 to Article 38 (Unchanged)
(Liability Limitation Agreements with Outside Corporate Auditors) Article 38 As stipulated in Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with Outside Corporate Auditors to limit the amount of liabilities for damages arising from negligence of duties to the total amount of each Item in Article 425, Paragraph 1 of the Companies Act.	(Liability Limitation Agreements with Corporate Auditors) Article 39 As stipulated in Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with Corporate Auditors to limit the amount of liabilities for damages arising from negligence of duties to the total amount of each Item in Article 425, Paragraph 1 of the Companies Act.
Article 39 to Article 48 (Omitted)	Article 40 to Article 49 (Unchanged)

3. Schedule

General Meeting of Shareholders for amendments to the Articles of Incorporation

April 28, 2016

Effective date of amendments to the Articles of Incorporation

April 28, 2016