March 31, 2016

Company name: SanBio Co., Ltd.
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(TSE Mothers Code: 4592)
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(Delayed) Notice Concerning Borrowing of Funds

SanBio Co., Ltd. (hereafter "the Company") announces that on March 31, 2016, it concluded an agreement for borrowings based on a commitment line of credit* as shown below.

1. Reasons for the borrowings

The Company will use the funds from the said borrowings for research and development expenses related to the program for regenerative treatment of chronic dysfunction caused by traumatic brain injury using SB623 in Japan. Specifically, during the period ending March 31, 2021 (maximum), the Company plans to borrow funds as required with an upper limit of ¥1.0 billion, as research and development expenses are incurred.

Through these borrowings and a portion of funds procured from the stock listing in April 2015, the Company plans to cover the research and development expenses related to the program for regenerative treatment of chronic traumatic brain injury in Japan.

2. Details of the borrowings

(1) Contract lender	Mizuho Bank, Ltd.
(2) Borrowing limit	¥1.0 billion
(3) Contract type	Term loan with commitment period
(4) Applied interest rate	Mizuho TIBOR+1.2% (Annual rate) (1.3% (as of March 31, 2016))
(5) Commitment fee	0.1% (Annual rate)
(6) Contract date	March 31, 2016
(7) Contract period	April 1, 2016 to March 31, 2025 (Commitment period: April 1, 2016 to March 31, 2021)
(8) Repayment method	Principal equal monthly payment (From three months following the commitment period, repayments to be made every three months (16 times in total))

3. Outlook

The effect of this matter on the Company's consolidated financial results is not significant.

* About commitment lines of credit

An agreement in which a financial institution commits to provide lending at any time based on requests from a company, within a range of a predetermined period and lending limit set between the company and the financial institution.