August 21, 2017

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(Delayed) Notice Concerning Signing of Commitment Line Agreement

SanBio Co., Ltd. (hereafter "the Company") announces that on August 21, 2017, it concluded a commitment line agreement with Mizuho Bank, Ltd. Details are shown below.

1. Reasons for the borrowing

The Company signed the commitment line agreement with Mizuho Bank, Ltd. as cash in reserve for the actual implementation of a program for treatment of chronic disabilities resulting from traumatic brain injury with the regenerative cell medicine "SB623." This agreement enables the Company to borrow up to ¥1,600 million of cash as needed at any time during the period until the end of July 2021 (maximum).

Currently, Phase 2 clinical trials of the program for chronic traumatic brain injury treatment are underway in both the US and Japan.

2. Details of the borrowing

(1) Contracting party	Mizuho Bank, Ltd.
(2) Loan limit	¥1,600 million
(3) Form of agreement	Commitment Line
(4) Applicable interest rate	Mizuho TIBOR +1.2% (annual rate) (1.25% (as of August 21, 2017))
(5) Commitment fee	0.5% (annual rate)
(6) Date of agreement	August 21, 2017
(7) Commitment period	August 21, 2017 ~ July 31, 2021
(8) Repayment method	Repayment within the commitment period

3. Outlook

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

(Note) Definition of commitment line

A commitment line is an agreement where a financial institution promises (commits) to grant loans to a company upon request at any time, provided it is within the period and loan limit as pre-determined by both the financial institution and the company.