English translation

SymBio Pharmaceuticals Limited

Summary of Financial Results for the First Quarter of Fiscal Year Ending December 31, 2016 [Japanese GAAP] (Non-consolidated)

May 10, 2016

Company Name	**SymBio Pharmaceuticals Limited**	Listing: Tokyo Securities Exchange	
Securities Code	4582	URL: http://www.symbiopharma.com/	
Representative	Representative Director, President and Chief Executive Officer	Fuminori Yoshida	
Contact Person	Director, Finance & Accounting	Tetsuya Maruyama	TEL +81-3-5472-1125
Scheduled Date to File Quarterly Report	May 11, 2016	Date of dividend payment (plan)	―

Supplementary materials for quarterly financial results: Yes [No]

Holding of quarterly earnings performance review: Yes [No]

(millions of yen ï rounded down, unless otherwise stated)

1. Business Results for the First Quarter of FY 2016 (January 1, 2016 to March 31, 2016)

(1) Operating Results (cumulative) (Percentages indicate year-on-year changes)

	Net Sales		Operating Income (loss)		Ordinary Income (loss)		Quarterly Net Income (loss)	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
1Q FY 2016	193	(52.7)	(518)	―	(655)	―	(652)	―
1Q FY 2015	408	135.0	(332)	―	(418)	―	(420)	―

	Quarterly Net Income (loss) per share	Diluted Quarterly Net Income per share
	Yen	Yen
1Q FY 2016	(20.15)	―
1Q FY 2015	(12.98)	―

(Note) Diluted quarterly net income per share is not stated above due to quarterly net loss per share, despite the potential dilution of shares.

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
	millions of yen	millions of yen	%
1Q FY 2016 (as of March 31, 2016)	4,438	3,804	78.4
FY 2015 (as of December 31, 2015)	4,984	4,431	82.9

(Reference) Equity: 1Q FY 2016 (as of March 31, 2016) 3,479 million yen

FY 2015 (as of December 31, 2015) 4,131 million yen

2. Dividends

	Annual Dividend per Share				
	1st Quarter	2nd Quarter	3rd Quarter	Fiscal Year End	Full Year
	Yen	Yen	Yen	Yen	Yen
FY 2015	―	0.00	―	0.00	0.00
FY 2016	―				
FY 2016 (Forecast)		0.00	―	0.00	0.00

(Note) Revision of dividend forecasts recently announced: Yes ・ [No]

3. Earnings Forecasts for FY 2016 (January 1, 2016 to December 31, 2016)

(Percentages indicate year-on-year changes)

	Net Sales		Operating Income (loss)		Ordinary Income (loss)		Net Income (loss)		Net Income (loss) per share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	Yen
Full Year	2,339	21.0	(2,778)	—	(2,811)	—	(2,815)	—	(83.22)

(Note) Revision of earnings forecasts recently announced: Yes ・ No

Notes:

(1) Application of special accounting treatment in preparation of quarterly financial reports: Yes ・ No

(2) Changes in accounting policies, changes in accounting estimates and restatements after error corrections:

(a) Changes in accounting policies due to revision of accounting standards: Yes ・ No

(b) Changes in accounting policies due to other reasons: Yes ・ No

(c) Changes in accounting estimates: Yes ・ No

(d) Restatements after error correction: Yes ・ No

(3) Number of shares outstanding (common stock)

(i) Number of shares outstanding at the end of the period (including treasury stock)	1Q FY 2016	32,390,923 shares	FY 2015	32,390,923 shares
(ii) Number of shares of treasury stock at the end of the period	1Q FY 2016	75 shares	FY 2015	75 shares
(iii) Average number of shares during the period (cumulative)	1Q FY 2016	32,390,848 shares	1Q FY 2015	32,390,848 shares

* Status of quarterly review

The review of quarterly financial statements as required by the Financial Instruments and Exchange Act was underway as of the date of this disclosure document.

* Explanation regarding the appropriate use of earnings forecasts and other matters

All forecasts presented in this document, including earnings forecasts, are based on the information currently available to management and assumptions judged to be reasonable. Actual results may differ substantially from these forecasts due to various factors. Regarding the assumptions on which the Companyôs earnings forecasts are based and their usage, please refer to ñ1. Qualitative Information Concerning Quarterly Financial Results, and (3) Qualitative information concerning earnings forecasts,ò on Page 2 of the attachment.

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1. Qualitative Information Concerning Quarterly Financial Results

(1) Qualitative information concerning business results

Progress in the Companyôs business for the first quarter of FY 2016 is as follows:

(i) Domestic

[Anticancer agent: SyB L-0501 (generic name: bendamustine hydrochloride, trade name: TREAKISYM®)]

The Company markets TREAKISYM® in Japan through its business partner, Eisai Co., Ltd. (ñEisaiò), for the indications of refractory/relapsed low-grade non-Hodgkinôs lymphoma and mantle cell lymphoma. Net sales through Eisai increased as expected.

For patients who need new therapies and to maximize the product value of TREAKISYM®, the Company continues to pursue three additional indications:

Regarding the indications of first-line low-grade non-Hodgkinôs lymphoma and mantle cell lymphoma, the Company filed a supplemental New Drug Application (sNDA) in Japan to the Pharmaceuticals and Medical Devices Agency (ñPMDAò) in December 2015. In the EU, the Company received a notice from Astellas Pharma GmbH (Head office: Germany) that they withdrew their application in January 2016. However, the Company has continued with procedures for approval in Japan in consultation with the PMDA.

Regarding the indication of chronic lymphocytic leukemia, the Company filed a sNDA in December 2015, and approval processes are undergoing towards early approval. TREAKISYM® was designated as an orphan drug (pharmaceutical for the treatment of rare diseases) for the indication of chronic lymphocytic leukemia in June 2012. In addition, the ñEvaluation Committee on Unapproved or Off-Labeled Drugs with High Medical Needs,ò a committee established by the Ministry of Health, Labour and Welfare in Japan, requested the Company to further develop TREAKISYM®.

Thirdly, regarding the indication of refractory/relapsed intermediate/high-grade non-Hodgkinôs lymphoma, the Company continues to discuss the path forward for approval with the PMDA.

[Anticancer agents: SyB L-1101 (intravenous formulation) and SyB C-1101 (oral formulation), generic name: rigosertib]

For the global Phase III trial of the intravenous formulation of rigosertib conducted by Onconova Therapeutics, Inc. (Head office: Pennsylvania, U.S.; ñOnconovaò), the U.S. Licensor of the agent, the Company is in charge of the clinical development in Japan and has started the domestic trial in December 2015. The global Phase III trial is conducted with clinical trial sites in more than ten countries worldwide, for higher-risk myelodysplastic syndrome (HR-MDS) patients who do not respond to the current standard treatment with hypomethylating agents (HMAs) or who relapse after treatment under the current standard of care (ñprimary HMA failureò). The Company is working on procedures for patient enrollment.

Regarding the oral formulation of rigosertib, the Company started its domestic Phase I clinical trial of the oral formulation of rigosertib in combination with azacitidine (Note) for the target indication of HR-MDS in December 2015, and is working on procedures for patient enrollment. The Company plans to complete this clinical trial promptly, and its participation in the global Phase III clinical trial to be conducted by Onconova is under consideration.

(Note) About azacitidine (Vidaza®: currently marketed by Nippon Shinyaku Co., Ltd.): This drug was confirmed to extend overall survival for the first time in the Phase III clinical trial for the indication of HR-MDS, and was approved in Japan in 2011. It is currently used as a first-line drug for MDS patients who have difficulties in hematopoietic stem cell transplantation.

[Patient-controlled iontophoretic transdermal system for the short-term management of acute postoperative pain: SyB P-1501]

In October 2015, the Company entered into an agreement with Incline Therapeutics, Inc., a wholly-owned subsidiary of U.S.-based The Medicines Company (Head office: New Jersey, U.S.), for an exclusive license to develop and commercialize in Japan SyB P-1501, a patient-controlled iontophoretic transdermal system for the short-term management of acute postoperative pain. The Company has continued preparations for a domestic Phase III clinical trial to test SyB P-1501.

[New drug candidates]

The Company has continued with search and evaluation activities to identify promising new drug candidates to actively seek for global rights of new drug candidates, aiming to secure the Companyôs growth potential from a medium-to-long-term perspective for new drug candidates, and at the same time to convert into a pharmaceutical company with both sustainability and profitability.

(ii) Overseas

SyB L-0501 is also marketed in South Korea, Taiwan and Singapore. Since shipment to sales partners in each of these countries are planned to be made in and after the second quarter, overseas sales were not recognized for the first quarter of fiscal year ending December 31, 2016.

(iii) Business results

As a result of the above, net sales totaled 193,183 thousand yen for the first quarter of fiscal year ending December 31, 2016, primarily reflecting product sales of SyB L-0501 in Japan. For the domestic sales of TREAKISYM®, the shipping plans to Eisai are concentrated in and after the second quarter and the product sales to overseas markets are planned after the second quarter as well. Accordingly, overall net sales showed a year-on-year decrease of 52.7%.

Selling, general and administrative expenses totaled 574,911 thousand yen (a year-on-year increase of 27.0%), including research and development (ñR&Dò) expenses of 223,560 thousand yen (a year-on-year increase of 8.4%) primarily due to expenses associated with the clinical trial conducted in Japan for the global Phase III trial of the intravenous formulation of rigosertib, the domestic Phase I clinical trial of the oral formulation of rigosertib in combination with azacitidine, and preparations for the domestic Phase III clinical trial of SyB P-1501.

As a result, operating loss of 518,404 thousand yen was recognized for the first quarter of fiscal year ending December 31, 2016 (operating loss of 332,295 thousand yen for the first quarter of the previous fiscal year). In addition, mainly because the Company recorded non-operating expenses totaling 138,890 thousand yen primarily comprising foreign exchange loss, ordinary loss totaled 655,445 thousand yen (ordinary loss of 418,875 thousand yen for the first quarter of the previous fiscal year) and net loss totaled 652,631 thousand yen (net loss of 420,496 thousand yen for the first quarter of the previous fiscal year).

Segment information has been omitted as the Company operates within a single segment of the pharmaceutical industry which includes the development and commercialization of drugs, manufacturing, marketing and other related activities.

(2) Qualitative information concerning financial position

Total assets as of March 31, 2016 stood at 4,438,199 thousand yen, a decrease of 546,089 thousand yen from the previous fiscal year end. This was primarily due to decreases of 573,609 thousand yen in cash and deposits, 300,742 thousand yen in accounts receivable-trade, and 16,769 thousand yen in advances paid, off-setting an increase of 307,441 thousand yen in merchandise and finished goods.

Liabilities stood at 633,248 thousand yen, an increase of 80,771 thousand yen from the previous fiscal year end, primarily reflecting an increase of 117,907 thousand yen in accounts payable-trade.

Net assets decreased by 626,860 thousand yen from the previous fiscal year end to 3,804,950 thousand yen primarily due to recording of net loss of 652,631 thousand yen for the first quarter.

As a result, the equity ratio decreased by 4.5 percentage points from the previous fiscal year end to 78.4%.

(3) Qualitative information concerning earnings forecasts

No revision was made to the earnings forecasts for FY 2016 as of the date of this document.

2. Quarterly Financial Statements

(1) Balance sheets

(Unit: thousands of yen)

	FY 2015 (as of December 31, 2015)	1Q FY 2016 (as of March 31, 2016)
Assets		
Current assets		
Cash and deposits	4,261,438	3,687,828
Accounts receivable-trade	300,742	—
Merchandise and finished goods	133,029	440,471
Prepaid expenses	38,591	39,836
Advances paid	79,639	62,869
Other	13,337	57,182
Total current assets	4,826,778	4,288,189
Non-current assets		
Property, plant and equipment		
Buildings, net	22,208	21,690
Tools, furniture and fixtures, net	30,747	29,047
Total property, plant and equipment	52,956	50,738
Intangible assets		
Software	50,506	45,527
Software in progress	900	900
Lease assets	594	432
Total intangible assets	52,001	46,859
Investments and other assets		
Long-term prepaid expenses	1,227	1,065
Lease and guarantee deposits	51,326	51,346
Total investments and other assets	52,553	52,411
Total non-current assets	157,510	150,010
Total assets	4,984,289	4,438,199
Liabilities		
Current liabilities		
Accounts payable-trade	319,866	437,774
Accounts payable-other	183,690	149,297
Income taxes payable	14,183	11,864
Forward exchange contracts	14,999	18,710
Other	18,200	14,318
Total current liabilities	550,940	631,964
Non-current liabilities		
Provision for retirement benefits	1,537	1,284
Total non-current liabilities	1,537	1,284
Total liabilities	552,477	633,248

(Unit: thousands of yen)

	FY 2015 (as of December 31, 2015)	1Q FY 2016 (as of March 31, 2016)
Net assets		
Shareholdersôequity		
Common stock	8,330,775	8,330,775
Capital surplus	8,300,775	8,300,775
Retained earnings	(12,499,609)	(13,152,240)
Treasury stock	(17)	(17)
Total shareholdersôequity	4,131,924	3,479,292
Stock acquisition rights	299,887	325,658
Total net assets	4,431,811	3,804,950
Total liabilities and net assets	4,984,289	4,438,199

(2) Statements of operations (cumulative)

(For the first quarter of the fiscal year ending December 31, 2016)

(Unit: thousands of yen)

	1Q FY 2015 (from January 1, 2015 to March 31, 2015)	1Q FY 2016 (from January 1, 2016 to March 31, 2016)
Net sales	408,221	193,183
Cost of goods sold	287,805	136,676
Gross profit	120,416	56,506
Selling, general and administrative expenses	452,711	574,911
Operating loss	(332,295)	(518,404)
Non-operating income		
Interest income	3,967	1,849
Interest on securities	895	—
Other	18	—
Total non-operating income	4,880	1,849
Non-operating expenses		
Interest expenses	4	1
Commission fees	2,213	2,243
Stock issuance costs	160	—
Foreign exchange losses	88,501	136,644
Other	581	—
Total non-operating expenses	91,460	138,890
Ordinary loss	(418,875)	(655,445)
Extraordinary gain		
Gain on reversal of stock acquisition rights	366	4,903
Total extraordinary gain	366	4,903
Extraordinary loss		
Loss on retirement of non-current assets	1,037	1,139
Total extraordinary losses	1,037	1,139
Loss before income taxes	(419,546)	(651,681)
Income taxes-current	950	950
Total income taxes	950	950
Net loss	(420,496)	(652,631)

(3) Notes on quarterly financial statements

(Notes regarding going concern assumption)

None to be reported.

(Notes regarding significant changes in shareholdersô equity)

There are no significant changes in shareholdersô equity compared to the end of the previous fiscal year.

(Significant subsequent events)

1. Issuance of 37th stock acquisition rights (stock option)

At the Board of Directorsô meeting held on March 30, 2016, a resolution was passed regarding the issuance of stock acquisition rights as a stock option to six (6) Directors of the Company as follows. The stock option was allotted to relevant Directors on the allotment date of April 14, 2016.

Number of stock option	2,365 units
Class and number of shares underlying the stock option	Common stock 236,500 shares
Issue price/ Total issue price of the stock option	Issue price 27,200 yen Total issue price 64,328,000 yen
Amount to be paid in for the stock option	Amount to be paid in: 272 yen per share The person who receives the allotment of stock acquisition rights shall set off his/her claims for compensation against the Company in lieu of payment of monies for the stock acquisition rights allotted.
Exercise price of the stock option	Exercise price per share of one (1) yen
Period during which the stock option can be exercised	From March 31, 2019 to March 30, 2026
Terms and conditions for exercise of the stock option	(1) The person allotted shall be a director or employee of the Company or its affiliate at the time of exercise. However, the terms and conditions for the exercise of stock option described herein shall not apply when: (a) the person resigns from the Company or its affiliate due to the expiry of her/his term, (b) the person retires from the Company or its affiliate due to compulsory retirement age or (c) the Board of Directors resolves that he/she has resigned or retired on an amicable basis. (2) For other terms and conditions, the Company and Directors shall comply with the ñStock Option Allotment Agreementò concluded between the parties.
Paid-in capital amount increased due to the issuance of shares upon exercise of the stock option	Increase in the amount of paid-in capital due to the issuance of shares upon the exercise of stock option shall be one-half of the maximum amount of paid-in capital increase and others, which is calculated in accordance with Article 17 of the Corporation Accounting Rules, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
Matters concerning transfer of the stock option	Requires approval at the Board of Directorsô meeting.

2. Issuance of 38th stock acquisition rights (stock option)

At the Board of Directorsô meeting held on March 30, 2016, a resolution was passed regarding the issuance of stock acquisition rights as a stock option to 73 Company employees as follows. The stock option was allotted to relevant employees on the allotment date of April 14, 2016.

Number of stock option	3,950 units
Class and number of shares underlying the stock option	Common stock 395,000 shares
Issue price/ Total issue price of the stock option	Issue price 27,200 yen Total issue price 107,440,000 yen
Amount to be paid in for the stock option	Amount to be paid in: 272 yen per share The person who receives the allotment of stock acquisition rights shall set off his/her claims for compensation against the Company in lieu of payment of monies for the stock acquisition rights allotted.
Exercise price of the stock option	Exercise price per share of one (1) yen
Period during which the stock option can be exercised	From March 31, 2019 to March 30, 2026
Terms and conditions for exercise of the stock option	(1) The person allotted shall be a director or employee of the Company or its affiliate at the time of exercise. However, the terms and conditions for the exercise of stock option described herein shall not apply when: (a) the person resigns from the Company or its affiliate due to the expiry of her/his term, (b) the person retires from the Company or its affiliate due to compulsory retirement age or (c) the Board of Directors resolves that he/she has resigned or retired on an amicable basis. (2) For other terms and conditions, the Company and Company employees shall comply with the ñStock Option Allotment Agreementò concluded between the parties.
Paid-in capital amount increased due to the issuance of shares upon exercise of the stock option	Increase in the amount of paid-in capital due to the issuance of shares upon the exercise of stock option shall be one-half of the maximum amount of paid-in capital increase and others, which is calculated in accordance with Article 17 of the Corporation Accounting Rules, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
Matters concerning transfer of the stock option	Requires approval at the Board of Directorsô meeting.

3. Issuance of the 3rd unsecured convertible bonds with stock acquisition rights and the 39th stock acquisition rights

The Company made a resolution at the Board of Directorsô meeting held on April 6, 2016 to issue the 3rd unsecured convertible bonds with stock acquisition rights (hereinafter, the constituents are the ñConvertible Bond Type Stock Acquisition Rightsò and the ñBondsò) and the 39th stock acquisition rights, for which payments were completed on April 22, 2016. The details are as follows.

(1) 3rd unsecured convertible bonds with stock acquisition rights

Number of stock acquisition rights	40 units
Issue price	Issue price per Bond shall be 75 million yen (100 yen per 100 yen par value) The issue price of the Convertible Bond Type Stock Acquisition Rights shall be gratis.
Total issue price	3,000,000,000 yen
Number of residual securities from the issuance	14,218,009 shares
Conversion price	211 yen
Method for subscription or allotment (allottee)	The Bonds shall be allotted to the following entity by third-party allotment. Whiz Healthcare Japan 2.0 Investment Limited Partnership Managing Partner : Whiz Partners
Interest rate	The Bonds do not bear interest.
Due date of redemption	April 22, 2019
Collaterals	No secured mortgage or guarantee is provided for the Bonds with Stock Acquisition Rights. There are no assets especially reserved for the Bonds with Stock Acquisition Rights.
Use of the funds	(1) Expenses related to acquisition of companies who own new drug candidates and development of such new drug candidates subsequent to said acquisition (2) Expenses related to acquisition of rights for new drug candidates and development of such new drug candidates subsequent to said acquisition of rights (3) Expenses related to development of SyB P-1501 and SyB C-1101 for higher-risk myelodysplastic syndrome (HR-MDS) (in combination with azacitidine)

Others	Direction to exercise by the Company The allottee may exercise the Convertible Bond Type Stock Acquisition Rights at will, but (1) The Company may, on or after the due date of payment, at any time during the period until two business days before the final business day of the exercise period of the Convertible Bond Type Stock Acquisition Rights, direct the allottee to exercise the Convertible Bond Type Stock Acquisition Rights by providing written notice, in the event that (i) the Company concludes a binding business partnership agreement or equivalent document (excluding non-disclosure agreements or similar items) (hereinafter the ñBusiness Partnership Agreements, etc.ò) regarding its business (including research and development, licensing, sales, procurement, and production, and not limited to the above) with a third-party that has been preapproved by Whiz Partners, and (ii) the Company requires 1,000 million yen or more in funding to fulfill its duties under the Business Partnership Agreements, etc. on or before the exercise request date. The allottee shall make the exercise within two business days of the day of the relevant direction. However, the number of Convertible Bond Type Stock Acquisition Rights that the Company may direct exercise of based on this item (1) shall have an upper limit of a cumulative 13 units (total principal amount of 975 million yen; 4,620,853 shares underlying the stock acquisition rights). (The number of Convertible Bond Type Stock Acquisition Rights that the Company may direct exercise of based on item (2) below shall not be included in the upper limit of the number of Convertible Bond Type Stock Acquisition Rights that the Company may direct exercise of based on this item (1).) Furthermore, the Company may not direct the allottee to exercise within five business days of the day that an exercise request is made resulting from direction to exercise the Convertible Bond Type Stock Acquisition Rights based on item (2) below, within five business days of an exercise request from the allottee to exercise the Convertible Bond Type Stock Acquisition Rights or the stock acquisition rights, or during a period in which the allottee or Whiz Partners is in possession of undisclosed insider information of the Company. (2) On or after April 22, 2018, in the following cases, the Company may direct the allottee to exercise the Convertible Bond Type Stock Acquisition Rights at any time during the period until two business days before the final business day of the exercise period of the Convertible Bond Type Stock Acquisition Rights. The allottee shall make the exercise within two business days of the day (hereinafter the ñExercise Direction Dateò) of the relevant direction. 1) If the closing price of the Companyôs common shares on Tokyo Stock Exchange, Inc. (hereinafter the ñTokyo Stock Exchangeò) exceeds 150% of the conversion price for ten consecutive trading days including the Exercise Direction Date (if there is a day within the relevant period without a closing price, ten trading days excluding the relevant day; hereinafter the same applies), the Company may, with an upper limit of a cumulative 10 units of the Convertible Bond Type Stock Acquisition Rights (total principal amount of 750 million yen; 3,554,502 shares underlying the stock acquisition rights), direct the allottee to exercise the Convertible Bond Type Stock Acquisition Rights (excluding the Convertible Bond Type Stock Acquisition Rights provided in item (1) above). 2) If the closing price of the Companyôs common shares on the Tokyo Stock Exchange exceeds 200% of the conversion price for ten consecutive trading days including the Exercise Direction Date, the Company may, with an upper limit of a cumulative 20 units of the Convertible Bond Type Stock Acquisition

	Rights (total principal amount of 1,500 million yen; 7,109,004 shares underlying the stock acquisition rights), including the exercise of the Convertible Bond Type Stock Acquisition Rights in the previous item, direct the allottee to exercise the Convertible Bond Type Stock Acquisition Rights (excluding the Convertible Bond Type Stock Acquisition Rights provided in item (1) above). However, in either case, the Convertible Bond Type Stock Acquisition Rights that may be directed to be exercised on the relevant Exercise Direction Date shall have an upper limit of 20% of the average daily trading volume for the aforementioned period. Furthermore, the Company may not direct the allottee to exercise the Convertible Bond Type Stock Acquisition Rights within five business days of the day that an exercise request is made resulting from direction to exercise the Convertible Bond Type Stock Acquisition Rights based on item (1) above, within five business days of an exercise request from the allottee to exercise the Convertible Bond Type Stock Acquisition Rights or the stock acquisition rights, or during a period in which the allottee or Whiz Partners is in possession of undisclosed insider information of the Company. <u>Redemption requests from the allottee</u> The allottee may, only in cases 1) to 5) below, on or after the due date of payment and during the period until April 22, 2018 (inclusive), through written notification to the Company at least 15 business days before the intended redemption date, request advanced redemption of the Bonds, wholly or partly, held by the allottee in an amount equivalent to the face value multiplied by a ratio of 110.0%. Furthermore, this item shall not apply on or after April 23, 2018. 1) Organizational restructuring of the Company 2) Transfer of all, or a significant portion, of the Companyôs business 3) Request for dissolution or bankruptcy, initiation of corporate reorganization proceedings, initiation of civil rehabilitation proceedings, initiation of special liquidation, or initiation of other insolvency proceedings of the Company 4) Delisting or determination to delist the Companyôs common shares 5) If a significant infringement of the Investment Agreement is made by the Company or if a notification to request correction of a minor infringement is made by Whiz Partners and the infringing state is not improved within two weeks The preceding respective items for the subscription shall be on the condition that the notification becomes effective in accordance with the Financial Instruments and Exchange Act.

(2) 39th stock acquisition rights

Number of stock acquisition rights	104 units (43,000 shares per stock acquisition right)
Class and number of shares underlying the stock acquisition rights	Common stock 4,472,000 shares
Issue price/ Total issue price of the stock acquisition rights	Issue price 94,000 yen Total issue price 9,776,000 yen
Exercise price of the stock acquisition rights	Exercise price per share of 211 yen
Method for subscription or allotment (allottee)	The Bonds shall be allotted to the following entity by third-party allotment. Whiz Healthcare Japan 2.0 Investment Limited Partnership Managing Partner : Whiz Partners
Period during which the stock option can be exercised	From April 23, 2016 to April 22, 2021
Terms and conditions for exercise of the stock acquisition rights	Partial exercise of each Stock Acquisition Right shall not be permitted.
Paid-in capital amount increased due to the issuance of shares upon exercise of the stock acquisition rights	Increase in the amount of paid-in capital due to the issuance of shares upon the exercise of stock option shall be one-half of the maximum amount of paid-in capital increase and others, which is calculated in accordance with Article 17 of the Corporation Accounting Rules, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
Matters concerning transfer of the stock option	Requires approval at the Board of Directorsô meeting.
Use of the funds	(1) Expenses related to acquisition of companies who own new drug candidates and development of such new drug candidates subsequent to said acquisition (2) Expenses related to acquisition of rights for new drug candidates and development of such new drug candidates subsequent to said acquisition of rights (3) Expenses related to development of SyB P-1501 and SyB C-1101 for higher-risk myelodysplastic syndrome (HR-MDS) (in combination with azacitidine)

4. Issuance of new shares on the exercise of stock acquisition rights

During the period from April 1, 2016 to May 10, 2016, the Company issued new shares based on the exercise of rights regarding a portion of the 34th stock acquisition rights. The summary of such exercise of the stock acquisition rights is as follows.

Number and type of shares issued:	Common stock 2,054,600 shares
Total amount issued:	685,044 thousand yen
Amount transferred to capital from the total amount issued:	342,522 thousand yen