



September 14, 2020

Company name: SanBio Co., Ltd.
Representative: Keita Mori, Representative Director
and President
(TSE Mothers Code: 4592)
Contact: Yoshihiro Kakutani, Corporate Officer
of Management Administration
(TEL. +81-3-6264-3481)

Notice regarding the recording of other comprehensive income (foreign currency translation adjustment) and non-operating expenses (foreign exchange losses)

SanBio Company Limited (hereafter, “the Company”) hereby announces the recording of non-operating expenses (foreign exchange losses) in the first half of the fiscal year ending January 2021 (February 1–July 31, 2020).

1. Details of other comprehensive income (foreign currency translation adjustment) and non-operating expenses (foreign exchange losses)

In the first half of the fiscal year ending January 2021 (February 1–July 31, 2020), the Company recorded foreign exchange losses of 614 million yen as non-operating expenses due to fluctuations in foreign exchange rates. This was mainly attributed to foreign exchange losses arising from revaluation of foreign-currency denominated loan of the Company to its consolidated subsidiary. Due to the same fluctuations in foreign exchange rates, the Company recorded foreign currency translation adjustment of 487 million yen as other comprehensive income, arising from translation of the financial statements of the subsidiary.

2. Impact on earnings

Regarding the impact of the non-operating expenses (foreign exchange losses) on earnings, please refer to “Consolidated Financial Results for the Six Months Ended July 31, 2020 (Japanese GAAP)” disclosed on September 14, 2020.