English translation

SymBio Pharmaceuticals Limited

Summary of Financial Results
For the First Quarter of Fiscal Year Ending December 31, 2013
[Japanese GAAP] (Non-consolidated)

May 14, 2013

Company Name	**SymBio Pharmaceuticals Limited**	Listing: Osaka Securities Exchange	
Securities code	4582	URL http://www.symbiopharma.com/	
Representative	Representative Director, President and Chief Executive Officer	Fuminori Yoshida	
Contact person	Executive Vice President, CFO and Head of Corporate Div.	Takashi Shimomura	TEL 03(5472)1125
Scheduled date to file quarterly report	May 15, 2013	Date of dividend payment (plan)	–

Supplementary materials for the quarterly financial results: Yes / No

Holding of quarterly earnings performance review: Yes / No

(Millions of yen – rounded down, unless otherwise stated)

1. Business Results for the First Quarter of FY 2013 (January 1, 2013 to March 31, 2013)

(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 2013	489	(15.8)	(341)	–	(352)	–	(353)	–
1Q FY 2012	580	66.9	(480)	–	(515)	–	(516)	–

	Quarterly net income (loss) per share	Diluted net income per share
	Yen	Yen
1Q FY 2013	(16.52)	–
1Q FY 2012	(27.00)	–

(Note) Despite the issuance of stock acquisition rights, information in connection with diluted quarterly net profit per share is not disclosed due to quarterly net loss per share.

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
1Q FY 2013 (As of March 31, 2013)	6,376	5,766	89.8	249.18
FY 2012 (As of December 31, 2012)	5,502	4,899	88.6	254.71

(Reference) Net assets excluding subscription rights to shares:

1Q FY 2013 (As of March 31, 2013) 5,725 million yen

FY 2013 (As of December 31, 2012) 4,872 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 2012	–	0.00	–	0.00	0.00
FY 2013	–				
FY 2013 (Forecast)		0.00	–	0.00	0.00

(Note) Revisions to the dividends forecasts most recently announced: Yes / No

English translation

SymBio Pharmaceuticals Limited

3. Earnings forecasts for FY 2013 (January 1, 2013 to December 31, 2013)

(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	1,927	(1.4)	(1,889)	-	(1,922)	-	(1,926)	-	(81.03)

(Note) Revisions to the earnings forecasts most 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 polices due to revision of accounting standards: Yes ・ No

(b) Changes in accounting polices due to other reason: Yes No

(c) Changes in accounting estimates: Yes ・ No

(d) Restatements after error corrections: 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 2013	22,977,157 shares	FY 2012	19,130,900 shares
(ii) Number of shares of treasury stock at the end of the period	1Q FY 2013	75 shares	FY 2012	75 shares
(iii) Average number of shares during the period (cumulative)	1Q FY 2013	21,392,852 shares	1Q FY 2012	19,130,825 shares

* The status of the quarterly review

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

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

All forecasts presented in this document including earnings forecasts are based on the information currently available to the management and the assumptions that we judge reasonable. Actual results may differ substantially from these forecasts due to various factors. Regarding the assumptions on which the earnings forecasts are based and its usage, please refer to “1. Qualitative Information Concerning Quarterly Financial Results, (3) Qualitative information concerning earnings forecasts” on Page 1 of the attachment.

Index of the attachment

1. Qualitative Information Concerning Quarterly Financial Results …… 1
(1) Qualitative information concerning business results …… 1
(2) Qualitative information concerning financial position …… 2
(3) Qualitative information concerning earnings forecasts …… 2
2. Quarterly Financial Statements …… 3
(1) Balance sheets …… 3
(2) Statements of operations…… 5
Statements of operations (cumulative) …… 5
(3) Notes concerning going concern assumption…… 6
(4) Notes concerning significant changes in shareholders' equity …… 6
(5) Significant subsequent events …… 7

1. Qualitative Information Concerning Quarterly Financial Results

(1) Qualitative information concerning business results

Progress in the Company's business for the first quarter of FY 2013 is as follows:

(i) Domestic

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

The Company sells an anticancer drug SyB L-0501 in Japan through the business partner Eisai Co., Ltd. (Eisai) for the indications of refractory/relapsed indolent non-Hodgkin's lymphoma (NHL) and mantle cell lymphoma (MCL).

The Company has been engaged primarily in the following clinical trials with TREAKISYM® for extended indications.

For the Phase II clinical trials (collaborative trial in Japan and South Korea) of refractory/relapsed aggressive non-Hodgkin's lymphoma, although the Company had completed analysis and evaluation of the clinical trial data, we temporarily suspended the application for approval of the product we had planned to make in the previous fiscal year, based on the results of a pre-application meeting with the Pharmaceuticals and Medical Devices Agency (PMDA), and continued discussions with PMDA.

We completed the enrollment of patients in March 2013 for the Phase II clinical trials for the indications of untreated indolent non-Hodgkin's lymphoma and mantle cell lymphoma, as we continuously implemented the Phase II clinical trials for the indication of refractory/relapsed multiple myeloma.

Our notification of the clinical trial plan for domestic Phase II clinical trials for the indication of chronic lymphocytic leukemia was accepted in December 2012, and we made preparations for starting the enrollment of patients for the trials. Furthermore, TREAKISYM® was designated as an orphan drug for the indication of chronic lymphocytic leukemia in June 2012.

Moreover, we received a notice of release from the special drug use results survey, which was a condition for the approval of TREAKISYM®, from the Ministry of Health, Labour and Welfare in March 2013.

[SyB L-1101 (the intravenous form)/C-1101 (the oral form) (the generic name: rigosertib)]

With regard to SyB L-1101 (the intravenous form), an anticancer drug, we worked on the patient enrollment for domestic Phase I clinical trials for the indication of refractory/relapsed myelodysplastic syndrome (MDS).

As for SyB C-1101, the oral form, we started domestic Phase I clinical trials for the indication of untreated MDS with the first patient enrollment conducted in March 2013.

[SyB D-0701]

In January 2013, we completed the Phase II clinical trial of SyB D-0701 (a transdermal antiemetic patch) for the indication of radiotherapy-induced nausea and vomiting. We will conduct detailed analyses of the trial results to investigate the future direction of development.

(ii) Overseas

Sales of SyB L-0501 are performing well. The drug is sold in Taiwan through InnoPharmax Inc. (Taiwan) and in Singapore and South Korea through Eisai (local subsidiaries), as we do in Japan.

(iii) Fund procurement

The Company made a resolution on December 27, 2012 to issue the first unsecured convertible bond with stock acquisition rights (total issue price: 1 billion yen) with Whiz Healthcare PE Series 1 Investment Limited Liability Partnership as the allottee and the 29th warrant (total issue price: 5.1 million yen, total issue price of stocks when issued through exercising the stock acquisition rights: 500 million yen), with the aim of accelerating development of new drug candidates and further reinforcing the pipeline. Accordingly, Whiz Healthcare PE Series 1 Investment Limited Liability Partnership completed payment of 1,005,100 thousand yen to the Company on January 15, 2013.

In January 2013, the 29th series stock option was partially exercised and the total paid-in amount of 199,998 thousand yen has been received.

(iv) Business results

As a result of the aforementioned developments, net sales totaled 489,016 thousand yen (a year-on-year decrease of 15.8%) for the first quarter of the fiscal year ending December 31, 2013, reflecting primarily the sales of SyB L-0501 in Japan and Asian countries.

Selling, general and administrative expenses totaled 492,009 thousand yen (a year-on-year decrease of 19.2%), including research and development ("R&D") expenses of 277,494 thousand yen (a year-on-year decrease of 23.3%) for the accrual of expenses associated with the clinical trials for multiple indications for SyB L-0501 and clinical trials and preparations for SyB L-1101, among other things, as well as other selling, general and administrative expenses of 214,515 thousand yen (a year-on-year decrease of 13.3%).

As a result, we posted operating loss of 341,025 thousand yen for the first three months ended March 31, 2013 (in contrast to operating loss of 480,647 thousand yen for the same period in the previous fiscal year). In addition, recording of totaling 13,284 thousand yen as non-operating expenses, primarily comprising foreign exchange losses and stock issuance cost, and other factors led to ordinary loss of 352,425 thousand yen (ordinary loss of 515,508 thousand yen for the same period in the previous fiscal year) and net loss of 353,375 thousand yen (net loss of 516,458 thousand yen for the same period in the previous fiscal year).

Furthermore, segment information is omitted since the Company operates a single segment of pharmaceutical business including research and development of pharmaceutical drugs as well as manufacturing, marketing and other related activities.

(2) Qualitative information concerning financial positions

Total assets as of March 31, 2013 stood at 6,376,811 thousand yen, an increase of 874,620 thousand yen from the previous fiscal year end. This was primarily due to an increase of capital stock and capital surplus and the net loss for the three months period.

Total assets stood at 6,376,811 thousand yen, an increase of 874,620 thousand yen from the previous fiscal year end, primarily due to an increase of both cash and deposits of 407,151 thousand yen and marketable securities of 501,937 thousand yen arising from fund procurement.

Total liabilities stood at 610,788 thousand yen (in contrast to 602,232 thousand yen as of the previous fiscal year end)

Net assets increased by 866,065 thousand yen from the previous fiscal year end to 5,766,023 thousand yen since each of capital stock and capital surplus increased by 602,144 thousand yen in spite of a net loss of 353,375 thousand yen. As a result, the equity ratio increased by 1.2 percentage points to 89.8% from the previous fiscal year end.

(3) Qualitative information concerning earnings forecasts

No revision is made to the earnings forecasts for FY 2013 as of the date of this document.

2. Quarterly Financial Statements

(1) Balance sheets

(Unit: Thousand yen)

	FY 2012 (As of December 31, 2012)	1Q FY 2013 (As of March 31, 2013)
Assets		
Current assets		
Cash and deposits	4,540,022	4,947,173
Accounts receivable-trade	148,081	125,498
Marketable securities	300,000	801,937
Merchandise and finished goods	164,571	243,447
Prepaid expenses	98,192	73,786
Advances paid	99,036	90,236
Other	70,718	17,865
Total current assets	5,420,623	6,299,944
Noncurrent assets		
Property, plant and equipment		
Buildings, net	2,637	2,589
Tools, furniture and fixtures, net	11,084	9,859
Total property, plant and equipment	13,721	12,449
Intangible assets		
Software	8,324	7,717
Lease assets	2,540	2,378
Total intangible assets	10,864	10,095
Investments and other assets		
Long-term prepaid expenses	27,646	25,352
Lease and guarantee deposits	29,334	28,968
Total investments and other assets	56,980	54,321
Total noncurrent assets	81,567	76,866
Total assets	5,502,190	6,376,811
Liabilities		
Current liabilities		
Accounts payable-trade	329,768	351,894
Accounts payable-other	195,833	188,836
Income taxes payable	15,588	7,994
Other	57,336	58,710
Total current liabilities	598,527	607,435
Noncurrent liabilities		
Provision for retirement benefits	1,688	1,505
Other	2,017	1,847
Total noncurrent liabilities	3,705	3,352
Total liabilities	602,232	610,788

(Unit: Thousand yen)

	FY 2012 (As of December 31, 2012)	1Q FY 2013 (As of March 31, 2013)
Net assets		
Shareholders' equity		
Capital stock	6,024,610	6,626,754
Capital surplus	5,994,610	6,596,754
Retained earnings	(7,146,411)	(7,499,787)
Treasury stock	(17)	(17)
Total shareholders' equity	4,872,790	5,723,703
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	—	1,653
Total valuation and translation adjustments	—	1,653
Subscription rights to shares	27,167	40,667
Total net assets	4,899,957	5,766,023
Total liabilities and net assets	5,502,190	6,376,811

(2) Statements of operations (cumulative)

(For the first quarter of the fiscal year ending December 31, 2013)

(Unit: Thousand yen)

	1Q FY 2012 (From January 1, 2012 To March 31, 2012)	1Q FY 2013 (From January 1, 2013 To March 31, 2013)
Net sales	580,816	489,016
Cost of sales	452,405	338,032
Gross profit	128,410	150,984
Selling, general and administrative expenses	609,058	492,009
Operating loss	(480,647)	(341,025)
Non-operating income		
Interest income	459	1,421
Interest on securities	533	359
Other	―	102
Total non-operating income	993	1,883
Non-operating expenses		
Interest expenses	75	8
Commission fee	2,692	2,663
Stock issuance cost	―	4,484
Foreign exchange losses	33,066	6,028
Other	18	100
Total non-operating expenses	35,853	13,284
Ordinary loss	(515,508)	(352,425)
Loss before income taxes	(515,508)	(352,425)
Income taxes-current	950	950
Total income taxes	950	950
Net loss	(516,458)	(353,375)

(3) Notes concerning going concern assumption

None

(4) Notes concerning significant changes in shareholders' equity

Based upon the resolution at the Company's Board of Directors meeting held on December 27, 2012, the Company issued the 1st unsecured convertible bond with stock acquisition rights and the 29th series stock option on January 15, 2013 and has received the proceeds in the amount of 1,005,100 thousand yen on the same date.

With regard to the 1st unsecured convertible bond with stock acquisition rights, all rights with face value of 1,000,000 thousand yen have been exercised by February 27, 2013. As for the 29th series stock option, 20 units (26,525 shares per unit) were exercised on January 25, 2013 and the proceeds of 199,998 thousand yen has been received.

As a result of these primary events, capital stock and capital surplus increased by 602,144 thousand yen to 6,626,754 thousand yen and 6,596,754 thousand yen, respectively, as of March 31 2013.

(5) Significant subsequent events

(a) Cancellation of issuance of the stock option (the stock acquisition right) to the Company's Directors and employees

At the Board of Directors' meeting held on April 12, 2013, it was resolved to issue 1,570 units of stock acquisition rights as a stock option to five (5) Directors and 1,670 units to 71 employees of the Company, based upon the resolution of the Shareholders' meeting held on March 28, 2013. However, taking into account such factors as the significant rise in stock price of the Company, the Board of Directors has decided to cancel the issuance of the stock option to the Company's Directors and employees at the meeting held on April 26, 2013 if the fair value of the stock option per unit exceeds 50,955 yen as of the allotment date of the stock option (April 30, 2013). Such fair value of the stock option shall be determined based on the third party specialist's valuation using various assumptions including the closing price of the Company's common stock in the ordinary session at JASDAQ on April 30, 2013.

Since the fair value as determined above exceeded 50,955 yen on April 30, 2013, the Company has cancelled the issuance of the stock option based on the aforementioned resolution of the Board of Directors' meeting.

(b) Issuance of the stock option (the stock acquisition right) to the Company's Directors

At the Board of Directors' meeting held on May 14, 2013, it was resolved to issue 1,170 units of stock acquisition rights as a stock option to 5 Directors of the Company as follows, based upon the resolution of the Shareholders' meeting held on March 28, 2013. The stock option was allotted to the relevant Directors on the allotment date of May 29, 2013.

Number of the stock option	1,170 units
Class and number of shares underlying the stock option	Common stock 117,000 shares
Issue price of the stock option	Without consideration
Paid-in amount upon exercise of the stock option	Paid-in amount per share upon exercise of the stock option shall be the higher of either (i) the amount calculated by multiplying 1.05 by the average of closing prices of the Company's common stock in the ordinary session at Financial Instrument Exchange on each day of the month preceding the month on the allotment date (rounding up to the nearest one yen) or (ii) the closing price on the allotment date (when no transaction is made on the allotment date, the closing price on the most recent day preceding that date).
Period during which the stock option can be exercised	From May 15, 2015 to May 14, 2023
Terms and conditions for the exercise of the stock option	(1) The person allotted shall be the Director, Audit & Supervisory Board Member or employee of the Company or its affiliates at the time of exercise. However, it shall not be applied when: (a) the person is resigned from the Company or its affiliates due to the expiry of her/his term, (b) the person is retired from the Company or its affiliates due to the compulsory retirement and (c) the Board of Directors meeting resolves that he/she has resigned or retired amicably. (2) The person granted (the "Grantee") shall be able to exercise any part or all of granted rights in accordance with the following. (a) From May 15, 2015 to May 14, 2016, the Grantee may exercise rights up to a ceiling of one fourth of the stock options granted. (b) From May 15, 2016 to May 14, 2017, the Grantee may exercise rights up to a ceiling of half of the stock options granted. (c) From May 15, 2017 to May 14, 2018, the Grantee may exercise rights up to a ceiling of three quarters of the stock options granted. (d) From May 15, 2018 to May 14, 2023, the Grantee may exercise rights up to a ceiling of all stock options granted. (3) For other terms and conditions, "Stock Option Allotment Agreement" which will be concluded between the Company and Directors shall be complied with.
Paid-in capital amount increased due to the issuance of shares upon exercise of the stock option	Amount of paid-in capital to be increased due to the issuance of shares upon exercise of the stock option shall be half of the maximum amount of paid-in capital increase and others which is calculated in accordance with Article 17 of the Corporation

	Accounting Regulations, 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	It requires the approval of the Board of Directors' meeting.

(c) Issuance of the stock option (the stock acquisition right) to the Company's employees

At the Board of Directors' meeting held on May 14, 2013, it was resolved to issue 1,245 units of stock acquisition rights as a stock option to 69 employees of the Company as follows, based upon the provisions set forth in Article 236, 238 and 240 of Companies Act. The stock option was allotted to the relevant employees on the allotment date of May 29, 2013.

Number of the stock option	1,245 units
Class and number of shares underlying the stock option	Common stock 124,500 shares
Issue price of the stock option	Without consideration
Paid-in amount upon exercise of the stock option	Paid-in amount per share upon exercise of the stock option shall be the higher of either (i) the amount calculated by multiplying 1.05 by the average of closing prices of the Company's common stock in the ordinary session at Financial Instrument Exchange on each day of the month preceding the month on the allotment date (rounding up to the nearest one yen) or (ii) the closing price on the allotment date (when no transaction is made on the allotment date, the closing price on the most recent day preceding that date).
Period during which the stock option can be exercised	From May 15, 2015 to May 14, 2023
Terms and conditions for the exercise of the stock option	(1) The person allotted shall be the Director, Audit & Supervisory Board Member or employee of the Company or its affiliates at the time of exercise. However, it shall not be applied when: (a) the person is resigned from the Company or its affiliates due to the expiry of her/his term, (b) the person is retired from the Company or its affiliates due to the compulsory retirement and (c) the Board of Directors meeting resolves that he/she has resigned or retired amicably. (2) The person granted (the "Grantee") shall be able to exercise any part or all of granted rights in accordance with the following. (a) From May 15, 2015 to May 14, 2016, the Grantee may exercise rights up to a ceiling of one fourth of the stock options granted. (b) From May 15, 2016 to May 14, 2017, the Grantee may exercise rights up to a ceiling of half of the stock options granted. (c) From May 15, 2017 to May 14, 2018, the Grantee may exercise rights up to a ceiling of three quarters of the stock options granted. (d) From May 15, 2018 to May 14, 2023, the Grantee may exercise rights up to a ceiling of all stock options granted. (3) For other terms and conditions, "Stock Option Allotment Agreement" which will be concluded between the Company and Directors shall be complied with.
Paid-in capital amount increased due to the issuance of shares upon exercise of the stock option	Amount of paid-in capital to be increased due to the issuance of shares upon exercise of the stock option shall be half of the maximum amount of paid-in capital increase and others which is calculated in accordance with Article 17 of the Corporation Accounting Regulations, 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	It requires the approval of the Board of Directors' meeting.