English translation

SymBio Pharmaceuticals Limited

Summary of Financial Results
for the Second Quarter of Fiscal Year Ending December 31, 2013
[Japanese GAAP] (Non-Consolidated)

August 7, 2013

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	Executive Vice President, CFO and Head of Corporate Div.	Takashi Shimomura	TEL 03(5472)1125
Scheduled Date to File Quarterly Report	August 8, 2013	Date of Dividend Payment (plan)	–

Supplementary Materials for the Quarterly Financial Results: Yes [No]

Holding of Quarterly Earnings Performance review: [Yes] No (for securities analysts and institutional investors)

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

1. Business Results for the Second Quarter of FY 2013 (January 1, 2013 to June 30, 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	%
2Q FY 2013	810	(23.1)	(807)	–	(812)	–	(814)	–
2Q FY 2012	1,054	7.3	(874)	–	(895)	–	(897)	–

	Quarterly Net Income (loss) per share	Diluted Net Income per share
	Yen	Yen
2Q FY 2013	(36.65)	–
2Q FY 2012	(46.92)	–

(Note) Despite the issuance of stock acquisition rights, information in connection with diluted quarterly net profit per share 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
2Q FY 2013 (As of June 30, 2013)	5,986	5,375	88.8	230.65
FY 2012 (As of December 31, 2012)	5,502	4,899	88.6	254.71

(Reference) Net assets excluding subscription rights to shares:

2Q FY 2013 (As of June 30, 2013) 5,316 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	–	0.00			
FY 2013 (Forecast)			–	0.00	0.00

(Note) Revisions to the dividends forecast recently announced: Yes ・ [No]

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3. Earnings Forecast 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	1,563	(20.1)	(1,743)	—	(1,749)	—	(1,753)	—	(76.10)

(Note) Revision 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, 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(s): Yes No

(c) Changes in accounting estimates: Yes ・ No

(d) Restatement after error corrections: Yes ・ No

(3) Number of shares outstanding (common stock)

(i) Number of shares outstanding at the end of period (including treasury stock)	2Q FY 2013	23,052,157 shares	FY 2012	19,130,900 shares
(ii) Number of shares of treasury stock at end of the period	2Q FY 2013	75 shares	FY 2012	75 shares
(iii) Average number of shares during the period (cumulative)	2Q FY 2013	22,212,523 shares	2Q FY 2012	19,130,825 shares

* The status of 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 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 by management to be reasonable. Actual results may differ substantially from these forecasts contained herein due to various factors. Regarding the assumptions on which the earnings forecasts are based and their use usage, please refer to “1. Qualitative Information Concerning Quarterly Financial Results, (3) Qualitative information concerning earnings forecasts” on Page 2 of the following attachment.

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1. Qualitative Information Concerning Quarterly Financial Results

(1) Qualitative information concerning business results

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

(i) Domestic

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

The Company sells an anticancer drug (SyB L-0501) in Japan through its 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 continues to conduct clinical trials for TREAKISYM® in additional indications.

Regarding Phase II clinical trial (collaborative trial in Japan and South Korea) for refractory/relapsed aggressive NHL, despite the completion of analysis and evaluation of the clinical trial data, the Company temporarily suspended the application for approval of the indication planned to be submitted in the previous fiscal year, based on the results of a pre-application meeting with the Pharmaceuticals and Medical Devices Agency (PMDA), and continuing discussions with the agency.

For the frontline Low-grade NHL and MCL indications, Phase II patient enrollment was completed in March 2013 with the Phase II trial for refractory/relapsed multiple myeloma underway.

Clinical trial notification to conduct a Japanese Phase II trial for chronic lymphocytic leukemia was accepted in December 2012, with the first patient enrolled in May, 2013. TREAKISYM® was also designated as an orphan drug for the indication of chronic lymphocytic leukemia in June, 2012.

In addition, the Company received a notice of release from the special drug use results survey in March 2013, an extensive survey, which was a pre-condition for approval of the refractory/relapsed indolent NHL and MCL indications, by the Ministry of Health, Labour and Welfare.

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

Regarding the IV form of rigosertib (SyB L-1101), an anticancer drug indicated, for refractory/relapsed high-risk myelodysplastic syndrome (MDS), the first patient has been enrolled in the Japanese Phase I clinical trial.

As for the oral form of rigosertib (SyB C-1101) indicated for low-risk MDS, patient enrollment for the Japanese Phase I trial was initiated in March 2013.

[SyB D-0701]

In January 2013, we completed our Phase II clinical trial for SyB D-0701 (a transdermal antiemetic patch) for the indication of radiotherapy-induced nausea and vomiting. The future direction of development is now under consideration.

(ii) Overseas

Sales of SyB L-0501 are going well. The drug is being marketed in Taiwan through the Taiwanese company InnoPharmax Inc. and in Singapore and South Korea through local subsidiaries of Eisai (local subsidiaries).

(iii) Fund procurement

The Company passed 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 the exercise of the stock acquisition rights: 500 million yen), with the aim of accelerating the 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 810,807 thousand yen (a year-on-year decrease of 23.1 %) following review of the current market inventory level, for the second quarter of the fiscal year ending December 31, 2013, primarily reflecting sales of SyB L-0501 in Japan and Asian countries.

Selling, general and administrative expenses totaled 991,517 thousand yen (a year-on-year decrease of 13.0%), including research and development ("R&D") expenses of 556,536 thousand yen (a year-on-year decrease of 20.3 %) for the accrual of expenses associated with the clinical trials for multiple indications of SyB L-0501 and clinical trials and preparations for

SyB L-1101 as well as other selling, general and administrative expenses of 434,981 thousand yen (a year-on-year decrease of 1.4 %).

As a result, we posted an operating loss of 807,162 thousand yen for the first six months ended June 30, 2013 (operating loss of 874,322 thousand yen for the same period in the previous fiscal year). In addition, the Company recorded a total of 10,264 thousand yen as non-operating expenses, primarily comprising commission fees and stock issuance costs, and other factors which led to an ordinary loss of 812,231 thousand yen (ordinary loss of 895,748 thousand yen for the same period in the previous fiscal year) and net loss of 814,131 thousand yen (net loss of 897,688 thousand yen for the same period in the previous fiscal year).

Segment information has been omitted in the summary of business results given that the Company operates a single segment of the 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 June 30, 2013 stood at 5,986,895 thousand yen, an increase of 484,704 thousand yen from the previous fiscal year end. Total current assets increased by 501,718 thousand yen from the previous fiscal year end to 5,922,342 thousand yen, primary due to both marketable securities increased by 1,223,305 thousand yen and cash and deposits decreased by 893,292 thousand yen arising from fund procurement and increased inventories by 217,433 thousand yen following review of safety stock levels of TREAKISYM®. Total noncurrent assets stood at 64,552 thousand yen a decrease of 17,014 thousand yen primary due to decrease of long-term prepaid expenses by 11,829 thousand yen from the previous fiscal year end.

Total liabilities stood at 611,764 thousand yen, the same level from the previous year end (total liability of 602,232 thousand yen as of the previous fiscal year end).

Net assets increased by 475,175 thousand yen from the previous fiscal year end to 5,375,130 thousand yen due to an increase in capital stock and capital surplus by 621,819 thousand yen respectively arising from fund procurement despite in a net loss of 814,131 thousand yen. As a result, the equity ratio increased by 0.2 percentage points to 88.8% from the previous fiscal year end.

(3) Qualitative information concerning earnings forecasts

No revision has been made to the earnings forecast for FY 2013 as of the date of this document.

2. Quarterly Financial Statements

(1) Balance sheets

(nit: Thousand yen)

	FY 2012 (as of December 31, 2012)	2Q FY 2013 (as of June 30, 2013)
Assets		
Current assets		
Cash and deposits	4,540,022	3,646,729
Accounts receivable-trade	148,081	168,045
Marketable securities	300,000	1,523,305
Merchandise and finished goods	164,571	382,005
Prepaid expenses	98,192	61,708
Advances paid	99,036	110,376
Other	70,718	30,169
Total current assets	5,420,623	5,922,342
Noncurrent assets		
Property, plant and equipment		
Buildings, net	2,637	2,541
Tools, furniture and fixtures, net	11,084	8,635
Total property, plant and equipment	13,721	11,177
Intangible assets		
Software	8,324	7,111
Lease assets	2,540	2,216
Total intangible assets	10,864	9,327
Investments and other assets		
Long-term prepaid expenses	27,646	15,816
Lease and guarantee deposits	29,334	28,231
Total investments and other assets	56,980	44,048
Total noncurrent assets	81,567	64,552
Total assets	5,502,190	5,986,895
Liabilities		
Current liabilities		
Accounts payable-trade	329,768	370,752
Accounts payable-other	195,833	173,421
Income taxes payable	15,588	15,928
Other	57,336	48,427
Total current liabilities	598,527	608,528
Noncurrent liabilities		
Provision for retirement benefits	1,688	1,559
Other	2,017	1,677
Total noncurrent liabilities	3,705	3,236
Total liabilities	602,232	611,764

(Unit: Thousand yen)

	FY 2012 (as of December 31, 2012)	2Q FY 2013 (as of June 30, 2013)
Net assets		
Shareholders' equity		
Capital stock	6,024,610	6,646,429
Capital surplus	5,994,610	6,616,429
Retained earnings	(7,146,411)	(7,960,542)
Treasury stock	(17)	(17)
Total shareholders' equity	4,872,790	5,302,298
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	—	14,666
Total valuation and translation adjustments	—	14,666
Subscription rights to shares	27,167	58,165
Total net assets	4,899,957	5,375,130
Total liabilities and net assets	5,502,190	5,986,895

(2) Statements of operations (cumulative)

(for the second quarter of fiscal year ending December 31, 2013)

(Unit: Thousand yen)

	2Q FY 2012 (from January 1, 2012 to June 30, 2012)	2Q FY 2013 (from January 1, 2013 to June 30, 2013)
Net sales	1,054,302	810,807
Cost of sales	788,804	626,452
Gross profit	265,497	184,354
Selling, general and administrative expenses	1,139,819	991,517
Operating loss	(874,322)	(807,162)
Non-operating income		
Interest income	778	2,786
Interest on securities	1,475	1,351
Interest on tax refunded	654	104
Foreign exchange gain	—	779
Other	—	172
Total non-operating income	2,908	5,195
Non-operating expenses		
Interest expenses	118	16
Commission fee	5,385	5,355
Stock issuance cost	—	4,791
Foreign exchange losses	18,510	—
Other	320	100
Total non-operating expenses	24,334	10,264
Ordinary loss	(895,748)	(812,231)
Extraordinary loss		
Loss on disposal of fixed assets	39	—
Total extraordinary loss	39	—
Loss before income taxes	(895,788)	(812,231)
Income taxes-current	1,900	1,900
Total income taxes	1,900	1,900
Net loss	(897,688)	(814,131)

(3) Quarterly cash flow statement

(Unit: Thousand yen)

	First six months of Fiscal 2012 (from January 1, 2012 to June 30, 2012)	First six months of Fiscal 2013 (from January 1, 2013 to June 30, 2013)
Cash flow from operating activities		
Quarterly (loss) before tax	(895,788)	(812,231)
Depreciation	4,178	4,081
Amortization of security deposit	626	732
Loss on disposal of fixed assets	39	―
Increase (decrease) in allowance for retirement benefits	(167)	(129)
Share-based compensation expense	7,327	27,938
Interest income	(2,253)	(4,138)
Interest expense	118	16
Foreign exchange loss (gain)	2,280	(10,528)
New share issuing expense	―	4,791
Commission paid	5,385	5,355
Decrease (increase) in accounts receivable	(144,880)	(19,964)
Decrease (increase) in inventories	96,261	(217,433)
Decrease (increase) in prepaid expenses	(44,581)	31,128
Decrease (increase) in advances	(24,235)	(11,340)
Decrease (increase) in consumption tax receivable	―	15,401
Decrease (increase) in other current assets	74,666	25,293
Decrease (increase) in long-term prepaid expenses	(11,381)	11,829
Increase (decrease) in trade accounts payable	16,398	40,983
Increase (decrease) in other accounts payable	(58,256)	(22,429)
Increase (decrease) in other current liabilities	28,276	(17,563)
Increase (decrease) in other long-term liabilities	(335)	(340)
Other	147	100
Subtotal	(946,173)	(948,444)
Interest and dividends received	2,196	3,551
Interest paid	(96)	―
Income taxes paid	(1,900)	(1,900)
Cash flow from operating activities	(945,974)	(946,792)
Cash flow from investing activities		
Transfer to time-deposits	―	(488,860)
Transfer from time-deposits	―	300,000
Payment for purchase of marketable securities	(300,000)	(1,499,205)
Proceeds from redemption of marketable securities	100,000	300,000
Expenditures for purchase of intangible fixed assets	(630)	―
Payment for fixed leasehold deposit and security deposit	(7,995)	―
Proceeds from redemption of fixed leasehold deposit and security deposit	―	370
Cash flow from investing activities	(208,625)	(1,387,695)

(Unit: Thousand yen)

	First six months of Fiscal 2012 (from January 1, 2012 to June 30, 2012)	First six months of Fiscal 2013 (from January 1, 2013 to June 30, 2013)
Cash flow from financing activities		
Proceeds from issuance of new stock on executing of stock acquisition right	—	241,598
Proceeds from issuance of new convertible bond with stock acquisition right	—	1,000,000
Proceed from stock acquisition right	—	5,100
Payment for issuance of new stock	—	(4,791)
Other expenditures	—	(100)
Cash flow from financing activities	—	1,241,806
Effect of foreign exchange rate changes on cash and cash equivalents	(1,758)	2,208
Increase (decrease) in cash and cash equivalents	(1,156,358)	(1,090,472)
Cash and cash equivalents at the beginning of the period	6,310,978	4,240,022
Cash and cash equivalents at the end of the period	5,154,619	3,149,549

(4) Notes concerning going concern assumption

None

(5) 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 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 received.

As a result of these primary events, capital stock and capital surplus increased by 621,819 thousand yen to 6,626,429 thousand yen and 6,616,429 thousand yen, respectively, as of June 30, 2013.