

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

November 8, 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
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Scheduled Date to File Quarterly Report	November 11, 2013	Date of Dividend Payment (plan) —

Supplementary Materials for the Quarterly Financial Results:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Holding of Quarterly Earnings Performance review:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

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

1. Business Results for the First Three Quarters of FY 2013 (January 1, 2013 to September 30, 2013)

(1) Operating Results (cumulative)

(percentage indicates 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	%
3Q FY 2013	1,323	(12.8)	(1,192)	—	(1,187)	—	(1,190)	—
3Q FY 2012	1,518	16.2	(1,238)	—	(1,256)	—	(1,259)	—

	Quarterly Net Income (loss) per share	Diluted Net Income per share
	Yen	Yen
3Q FY 2013	(52.93)	—
3Q FY 2012	(65.84)	—

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
3Q FY 2013 (as of September 30, 2013)	5,214	5,005	94.5	213.70
FY 2012 (as of December 31, 2012)	5,502	4,899	88.6	254.71

(Reference) Net assets excluding subscription rights to shares:

3Q FY 2013 (as of September 30, 2013)	4,926 million yen
FY 2012 (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: Revision to dividends forecast recently announced:

Yes · No

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

(percentage indicates year-on-year change)

	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 earnings forecast 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 correction

(a) Changes in accounting policies due to revision of accounting standards:

Yes · No

(b) Changes in accounting policies due to other reason(s):

Yes · No

(c) Changes in accounting estimates:

Yes · No

(d) Restatement after error correction:

Yes · No

(3) Number of shares outstanding (common stock)

(i) Number of shares outstanding at end of the period (including treasury stock)

3Q FY 2013	23,052,157 shares	FY 2012	19,130,900 shares
3Q FY 2013	75 shares	FY 2012	75 shares
3Q FY 2013	22,495,451 shares	3Q FY 2012	19,130,825 shares

(ii) Number of shares of treasury stock at end of the period

(iii) Average number of shares during the period (cumulative)

* 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 the forecasts contained herein due to various factors. Regarding the assumptions on which the earnings forecasts are based and their 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 third quarter of FY 2013:

(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 the Phase II clinical trial (collaborative trial in Japan and South Korea) for refractory/relapsed aggressive NHL, despite the completion of the analysis and evaluation of clinical trial data, the Company temporarily suspended the application for approval of the indication which it originally planned to submit in the previous fiscal year, based on the results of a pre-application meeting and ongoing discussions 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.

For refractory/relapsed multiple myeloma (r/r MM), the Company had been conducting the multicenter open-label trial in r/r MM patients with bendamustine as monotherapy in collaboration with Eisai since December, 2011. While safety of the drug has been established in this study following the treatment of 17 patients at 90 mg/m², the study has failed to achieve the expected level of efficacy as a single agent. SymBio and Eisai will re-examine the development strategy for r/r MM in Japan in relation to the development status of TREAKISYM® in the US and EU where it is being used in combination with other anticancer drugs.

For the chronic lymphocytic leukemia (CLL) indication, enrollment of patients for the Phase II clinical trial is ongoing with the first patient enrolled in May, 2013. TREAKISYM® received orphan drug designation in Japan from the Ministry of Health, Labour and Welfare (MHLW) 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 r/r low-grade NHL and MCL indications by the MHLW.

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

Enrollment of high-risk myelodysplastic syndrome (MDS) patients in the Phase I clinical trial for the IV form of rigosertib (SyB L-1101) continues, with initiation of patient enrollment in the Phase 1 trial for the oral form of rigosertib (SyB C-1101) in March, 2013.

[SyB D-0701]

In January 2013, the Company completed its Phase II clinical trial for SyB D-0701 (a transdermal antiemetic patch) for the indication of radiotherapy-induced nausea and vomiting. However, since the results failed to show the expected efficacy, no further development of this patch is under consideration at this time.

(ii) Overseas

Sales of SyB L-0501 are doing 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 Co., Ltd.

(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 stock when issued through the exercise of stock acquisition rights: 500 million yen), with the aim of accelerating the development of new drug candidates and further strengthening 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 above, net sales totaled 1,323,544 thousand yen (a year-on-year decrease of 12.8 %) for the third quarter of fiscal year ending December 31, 2013, following review of the current market inventory level, primarily reflecting sales of SyB L-0501 in Japan and the other Asia Pacific territories.

Selling, general and administrative expenses totaled 1,466,105 thousand yen (a year-on-year decrease of 14.9%), including research and development (“R&D”) expenses of 815,776 thousand yen (a year-on-year decrease of 23.2 %) due to the accrual of expenses associated with the clinical trials for multiple indications of SyB L-0501 and clinical trials or preparations for SyB L-1101 as well as other selling, general and administrative expenses of 650,328 thousand yen (a year-on-year decrease of 1.7 %).

Thus, we posted an operating loss of 1,192,955 thousand yen for the first nine months ended September 30, 2013 (operating loss of 1,238,704 thousand yen for the same period in the previous fiscal year). In addition, the Company recorded a total of 12,994 thousand yen as non-operating expenses, primarily comprising commission fees and stock issuance costs, and recorded 18,041 thousand yen as non-operating income, primarily comprising interest income and profit on securities sold which led to an ordinary loss of 1,187,907 thousand yen (ordinary loss of 1,256,757 thousand yen for the same period in the previous fiscal year) and net loss of 1,190,757 thousand yen (net loss of 1,259,647 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 within 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 September 30, 2013, stood at 5,214,407 thousand yen, a decrease of 287,782 thousand yen from the previous fiscal year end. Total current assets decreased by 266,239 thousand yen from the previous fiscal year end to 5,154,383 thousand yen, primarily due to both an increase in marketable securities by 700,905 thousand yen, and decrease in cash and deposits by 872,924 thousand yen arising from fund procurement. Total noncurrent assets stood at 60,024 thousand yen, a decrease of 21,542 thousand yen primarily due to a decrease in long-term prepaid expenses by 13,951 thousand yen from the previous fiscal year end.

Total liabilities decreased by 393,578 thousand yen from the previous fiscal year end to 208,654 thousand yen, primarily due to a decrease in accounts payable by 312,017 thousand yen.

Net assets increased by 105,795 thousand yen from the previous fiscal year end to 5,005,753 thousand yen due to an increase in capital stock and capital surplus by 621,819 thousand yen arising from fund procurement despite a net loss of 1,190,757 thousand yen. As a result, in conjunction with a decrease in liabilities, the equity ratio increased by 5.9 percentage points to 94.5% 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

(Unit: thousands of yen)

	FY 2012 (as of December 31, 2012)	3Q FY 2013 (as of September 30, 2013)
Assets		
Current assets		
Cash and deposits	4,540,022	3,667,097
Accounts receivable-trade	148,081	198,404
Marketable securities	300,000	1,000,905
Merchandise and finished goods	164,571	126,098
Prepaid expenses	98,192	52,582
Advances paid	99,036	85,465
Other	70,718	23,830
Total current assets	5,420,623	5,154,383
Noncurrent assets		
Property, plant and equipment		
Buildings, net	2,637	2,493
Tools, furniture and fixtures, net	11,084	7,411
Total property, plant and equipment	13,721	9,905
Intangible assets		
Software	8,324	6,504
Lease assets	2,540	2,054
Total intangible assets	10,864	8,558
Investments and other assets		
Long-term prepaid expenses	27,646	13,695
Lease and guarantee deposits	29,334	27,865
Total investments and other assets	56,980	41,560
Total noncurrent assets	81,567	60,024
Total assets	5,502,190	5,214,407
Liabilities		
Current liabilities		
Accounts payable-trade	329,768	17,750
Accounts payable-other	195,833	158,934
Income taxes payable	15,588	8,811
Other	57,336	20,036
Total current liabilities	598,527	205,533
Noncurrent liabilities		
Provision for retirement benefits	1,688	1,615
Other	2,017	1,506
Total noncurrent liabilities	3,705	3,121
Total liabilities	602,232	208,654

(Unit: thousands of yen)

	FY 2012 (as of December 31, 2012)	3Q FY 2013 (as of September 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)	(8,337,169)
Treasury stock	(17)	(17)
Total shareholders' equity	4,872,790	4,925,671
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	—	561
Total valuation and translation adjustments	—	561
Subscription rights to shares	27,167	79,520
Total net assets	4,899,957	5,005,753
Total liabilities and net assets	5,502,190	5,214,407

(2) Statements of operations (cumulative)

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

(Unit: thousands of yen)

	3Q FY 2012 (from January 1, 2012 to September 30, 2012)	3Q FY 2013 (from January 1, 2013 to September 30, 2013)
Net sales	1,518,446	1,323,544
Cost of sales	1,033,570	1,050,394
Gross profit	484,875	273,150
Selling, general and administrative expenses	1,723,580	1,466,105
Operating loss	(1,238,704)	(1,192,955)
Non-operating income		
Interest income	1,275	4,853
Interest on securities	2,347	2,176
Profit on securities sold	—	5,354
Interest on tax refunded	654	104
Dividends income of insurance	1,122	1,104
Foreign exchange gain	—	4,275
Other	147	172
Total non-operating income	5,547	18,041
Non-operating expenses		
Interest expenses	128	24
Commission fee	8,107	8,077
Stock issuance cost	—	4,791
Foreign exchange losses	15,045	—
Other	320	100
Total non-operating expenses	23,600	12,994
Ordinary loss	(1,256,757)	(1,187,907)
Extraordinary loss		
Loss on disposal of fixed assets	39	—
Total extraordinary loss	39	—
Loss before income taxes	(1,256,797)	(1,187,907)
Income taxes-current	2,850	2,850
Total income taxes	2,850	2,850
Net loss	(1,259,647)	(1,190,757)

(3) Notes Concerning Going Concern Assumption

None

(4) Notes Concerning Significant Changes in Shareholders' Equity

Based on 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, receiving proceeds in the amount of 1,005,100 thousand yen on the same day.

With regard to the first unsecured convertible bond with stock acquisition rights, all rights with face value of 1,000,000 thousand yen had 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 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 6,646,429 thousand yen and 6,616,429 thousand yen, respectively, as of September 30, 2013.