

Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2019 [Japanese GAAP] (Consolidated)

August 10, 2018

Name of Company BrightPath Biotherapeutics Co., Ltd. Listed Market Mothers, TSE
TSE Code 4594 URL <https://www.brightpathbio.com/english/>
Representative (Title) President & CEO (Name) Kenichi Nagai
Contact (Title) Director/CFO (Name) Teruhiko Sakai (TEL) +81-3-5840-7697
Scheduled date of submission of quarterly report : August 10, 2018
Scheduled date of dividend payment commencement : —
Supplementary materials for quarterly financial statements : None
Briefing of quarterly financial results : None

(Millions of yen, rounded down to the nearest million)

1. Consolidated financial results for the first quarter of the fiscal year ending March 31, 2019 (April 1, 2018 – June 30, 2018)

(1) Consolidated results of operation (Percentages represent changes from the same quarter of previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2018	122	34.7	-397	—	-399	—	-583	—
Three months ended June 30, 2017	90	—	-262	—	-262	—	-263	—

(Note) Comprehensive income Three months ended June 30, 2018 -583 Million yen (— %)
Three months ended June 30, 2017 -264 Million yen (— %)

	Net income per share for the quarter	Fully diluted net income per share for the quarter
Three months ended June 30, 2018	Yen -13.94	Yen —
Three months ended June 30, 2017	-7.08	—

(Notes)

- The percentage increase (decrease) data for the first quarter of the fiscal year ended March 31, 2018 are not stated, because the company began preparing quarterly consolidated financial statements from the third quarter of the fiscal year ending March 31, 2017.
- Fully diluted net income per share for the quarter is not stated as net loss was recorded for this period although there are residual shares.

(2) Consolidated financial positions

	Total assets	Net assets	Equity ratio
As of June 30, 2018	Million yen 6,595	Million yen 6,376	%
As of March 31, 2018	7,235	6,950	95.3

(Reference) Shareholders' equity As of June 30, 2018 6,312 Million yen As of March 31, 2018 6,893 Million yen

2. Dividends

	Annual Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
Fiscal Year ended March 31, 2018	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 0.00
Fiscal Year ending March 31, 2019	—	—	—	—	—
Fiscal Year ending March 31, 2019 (Forecast)	—	0.00	—	0.00	0.00

(Notes) Corrections to most recently disclosed dividend projections : None

**3. Consolidated financial forecast for the fiscal year ending March 31, 2019
(April 1, 2018 – March 31, 2019)**

(Percentages represent changes from the same period of previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	150	-57.7	-2,200	—	-2,200	—	-2,200	—	-52.59

(Notes) Corrections to most recently disclosed financial results projections : None

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[Notes]

- (1) Changes in significant subsidiaries during the period (change in scope of consolidation) : None
- (2) Application of special accounting methods for the preparation of quarterly consolidated financial statements : None
- (3) Changes in significant accounting policies, changes in accounting estimates and restatements
- 1) Changes in accounting policies due to revisions of accounting standards, etc. : None
 - 2) Changes in accounting policies due to other reasons than above 1) : None
 - 3) Changes in accounting estimates : None
 - 4) Restatements : None

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(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of fiscal term (including treasury stocks)	As of June 30, 2018	41,855,400 shares	As of March 31, 2018	41,835,400 shares
2) Number of treasury stocks at the end of fiscal term	As of June 30, 2018	T shares	As of March 31, 2018	T shares
3) Average number of shares during the fiscal term (cumulative from beginning of quarter)	Three months ended June 30, 2018	41,851,224 shares	Three months ended June 30, 2017	37,220,735 shares

* These quarterly financial results are outside the scope of quarterly review.

* Explanations regarding appropriate use of forecasts and projections of financial results, and other specific notes.

All forecasts and projections contained in this presentation are based on the information currently available to the management and they are not intended to represent our promise to attain them as a goal. Furthermore, due to various reasons, actual results may differ substantially.

Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Current assets		
Cash and deposits	6,528,759	6,061,571
Accounts receivable - trade	77,012	12,516
Merchandise and finished products	990	3,510
Work in process	3,006	3,461
Raw materials and supplies	23,573	—
Advance payments - other	194,581	208,092
Other	72,203	146,988
Total current assets	6,900,127	6,436,142
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings, net	58,563	0
Machinery and equipment, net	191	0
Tools, furniture and fixtures, net	207,594	111,541
Total property, plant and equipment	266,349	111,541
Intangible assets		
Other	13,514	0
Total intangible assets	13,514	0
Investments and other assets		
Other	55,911	47,731
Total investments and other assets	55,911	47,731
Total non-current assets	335,775	159,273
Total assets	7,235,902	6,595,415
Liabilities		
Current liabilities		
Accounts payable - trade	8,769	36,372
Income taxes payable	35,041	13,665
Accounts payable - other	163,729	64,277
Other	21,566	40,833
Total current liabilities	229,107	155,148
Non-current liabilities		
Net defined benefit liability	31,465	36,576
Asset retirement obligations	20,059	21,974
Deferred tax liabilities	4,700	5,167
Total non-current liabilities	56,225	63,717
Total liabilities	285,332	218,866

(Thousands of yen)

	As of March 31, 2018	As of June 30, 2018
Net assets		
Shareholders' equity		
Capital stock	5,419,931	5,420,931
Capital surplus	5,403,516	5,404,516
Retained earnings	-3,929,896	-4,513,251
Total shareholders' equity	6,893,551	6,312,196
Share acquisition rights	57,019	64,352
Total net assets	6,950,570	6,376,548
Total liabilities and net assets	7,235,902	6,595,415

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

For the First Three Months Ended June 30, 2018

(Thousands of yen)

	For the three months ended June 30, 2017	For the three months ended June 30, 2018
Net sales	90,638	122,129
Cost of sales	87,836	62,230
Gross profit	2,801	59,898
Selling, general and administrative expenses	264,874	457,556
Operating loss	-262,073	-397,657
Non-operating income		
Miscellaneous income	12	98
Total non-operating income	12	98
Non-operating expenses		
Foreign exchange losses	80	1,548
Total non-operating expenses	80	1,548
Ordinary loss	-262,140	-399,107
Extraordinary losses		
Impairment loss	—	182,818
Total extraordinary losses	—	182,818
Net loss before income taxes	-262,140	-581,925
Income taxes - current	1,647	962
Income taxes - deferred	825	466
Total income taxes	2,472	1,428
Net loss	-264,612	-583,354
Net loss attributable to non-controlling interests	-1,274	—
Net loss attributable to owners of parent	-263,338	-583,354

Quarterly Consolidated Statements of Comprehensive Income
For the Three Months Ended June 30, 2018

(Thousands of yen)

	For the three months ended June 30, 2017	For the three months ended June 30, 2018
Net loss	-264,612	-583,354
Comprehensive income	-264,612	-583,354
Comprehensive income attributable to :		
Comprehensive income attributable to owners of parent	-263,338	-583,354
Comprehensive income attributable to non-controlling interests	-1,274	—