

# Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2016 [Japanese GAAP] (non-consolidated)

February 12, 2016

Name of Company	GreenPeptide Co., Ltd.	Listed Market	Mothers, TSE
TSE Code	4594	URL	<a href="http://www.green-peptide.com/">http://www.green-peptide.com/</a>
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	: February 12, 2016		
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. Results of the 3rd quarter of the fiscal year ending March 31, 2016 (April 1, 2015 – December 31, 2015)

### (1) Results of Operation (Percentages represent changes from the same quarter of previous year)

	Net sales		Operating income		Ordinary income		Net income for the quarter	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2015	613	—	-786	—	-791	—	-793	—
Nine months ended December 31, 2014	—	—	—	—	—	—	—	—
	Net earnings per share for the quarter		Fully diluted net earnings per share for the quarter					
		Yen		Yen				
Nine months ended December 31, 2015		-29.41		—				
Nine months ended December 31, 2014		—		—				

(Notes)

1. As for class A preferred stocks (42,428 shares), upon exercise of the acquisition request with put options in consideration of ordinary stocks, we issued 42,428 shares of ordinary stock effective July 14, 2015 and acquired the mentioned class A preferred stocks as treasury stocks. The treasury stocks were cancelled effective the same day. Then, the Company conducted a 100-for-1 stock split of its ordinary stocks effective July 31, 2015. Net income per share for the quarter has been calculated as if a series of transaction for the stock split was conducted at the beginning of this fiscal year.
2. As the Company started disclosure of the financial results for the third quarter from the current fiscal year, actual results and the rate of increase/decrease for the third quarter of the fiscal year ended March 31, 2015 are not stated.
3. Fully diluted net earnings per share for the quarter is not stated as net loss was recorded for this period although there are residual shares.

### (2) Financial Positions

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2015	3,161	2,921	92.4
As of March 31, 2015	1,227	1,024	83.4

(Reference) Shareholders' equity As of December 31, 2015 2,921 Million yen As of March 31, 2015 1,024 Million yen

## 2. Dividends

	Annual Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2015	—	0.00	—	0.00	0.00
Fiscal Year ending March 31, 2016	—	0.00	—	—	—
Fiscal Year ending March 31, 2016 (Forecast)	—	—	—	0.00	0.00

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

### 3. Projected financial results for fiscal year ending March 31, 2016 (April 1, 2015 – March 31, 2016)

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

Full year	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	832	1.3	-1,341	—	-1,328	—	-1,329	—	-47.15

(Notes)

1. Corrections to most recently disclosed financial results projections : None
2. As for class A preferred stocks (42,428 shares), upon exercise of the acquisition request with put options in consideration of ordinary stocks, we issued 42,428 shares of ordinary stock effective July 14, 2015 and acquired the mentioned class A preferred stocks as treasury stocks. The treasury stocks were cancelled effective the same day. Then, the Company conducted a 100-for-1 stock split of its ordinary stocks effective July 31, 2015. Net income per share has been calculated as if a series of transaction for the stock split was conducted at the beginning of this fiscal year.

[Notes]

- (1) Application of special accounting methods for the preparation of quarterly financial statements : None
- (2) 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

#### (3) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of fiscal term (including treasury stocks)	As of December 31, 2015	31,807,700 shares	As of March 31, 2015	25,307,700 shares
2) Number of treasury stocks at the end of fiscal term	As of December 31, 2015	— shares	As of March 31, 2015	— shares
3) Average number of shares during the fiscal term (cumulative from beginning of quarter)	Nine months ended December 31, 2015	26,985,882 shares	Nine months ended December 31, 2014	— shares

(Notes)

1. As the Company did not prepare quarterly financial statements for the fiscal year ended March 31, 2015, the average number of the total outstanding shares (on a quarterly cumulative basis) for the third quarter of the fiscal year ended March 31, 2015 is not stated.
2. Due to a 100-for-1 stock split which was conducted with an effective date of July 31, 2015, the number of shares is calculated as if such stock split was implemented at the beginning of the previous fiscal year.

\* Disclosure on the status of the quarterly review procedures.

Although this quarterly financial report is not subject to the requirement of the quarterly review procedures under the Financial Instruments and Exchange Act, the quarterly review procedures for the quarterly financial statements have been completed at the time of disclosure of the quarterly financial report.

\* 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.

## Financial statements for the quarter

### (1) Balance sheets for the quarter

(Thousands of yen)

	As of March 31, 2015	As of December 31, 2015
<b>Assets</b>		
Current assets		
Cash and deposits	823,737	2,792,680
Accounts receivable - trade	79,599	93,416
Merchandise and finished products	4,573	13,408
Work in process	16,770	—
Raw materials and supplies	127,157	112,709
Advance payments - trade	12,179	9,024
Advance payments - other	57,126	53,634
Accounts receivable - other	10,475	9,291
Other	24,359	13,036
Total current assets	1,155,979	3,097,200
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings, net	14,539	12,953
Machinery and equipment, net	979	798
Tools, furniture and fixtures, net	29,735	20,158
Total property, plant and equipment	45,255	33,909
Intangible assets		
Software	2,157	2,031
Software in progress	—	3,870
Total intangible assets	2,157	5,902
Investments and other assets		
Guarantee deposits	24,073	24,073
Total investments and other assets	24,073	24,073
Total non-current assets	71,486	63,884
Total assets	1,227,465	3,161,085

(Thousands of yen)

	As of March 31, 2015	As of December 31, 2015
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	57,920	69,663
Accounts payable - other	45,156	46,149
Income taxes payable	4,531	6,265
Advances received	66,850	78,797
Other	4,451	10,805
Total current liabilities	178,910	211,682
Non-current liabilities		
Provision for retirement benefits	14,968	18,520
Deferred tax liabilities	2,076	1,863
Asset retirement obligations	7,383	7,437
Total non-current liabilities	24,427	27,821
Total liabilities	203,337	239,503
<b>Net assets</b>		
Shareholders' equity		
Capital stock	642,585	1,988,085
Capital surplus	626,170	1,971,670
Retained earnings	-244,627	-1,038,173
Total shareholders' equity	1,024,127	2,921,581
Total net assets	1,024,127	2,921,581
Total liabilities and net assets	1,227,465	3,161,085

(2) Statements of operations for the quarter  
For the first nine months (ended December 31, 2015)

(Thousands of yen)

	Nine months ended December 31, 2015
Net sales	613,113
Cost of sales	574,301
Gross profit	38,812
Selling, general and administrative expenses	825,745
Operating loss	-786,932
Non-operating income	
Interest income	71
Subsidy income	13,788
Other	75
Total non-operating income	13,935
Non-operating expenses	
Interest expenses	16
Foreign exchange losses	536
Stock issuance expenses	18,441
Total non-operating expenses	18,994
Ordinary loss	-791,992
Loss before income taxes	-791,992
Income taxes - current	1,765
Income taxes - deferred	-212
Total income taxes	1,553
Net loss	-793,546