

# Translation

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## Summary of Non-Consolidated Financial Results for the Six Months Ended September 30, 2016 (Based on Japanese GAAP)

November 10, 2016

Company name: RIBOMIC Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 4591 URL <http://www.ribomic.com/>  
 Representative: President and CEO Yoshikazu Nakamura  
 Executive Senior Director of Business  
 Inquiries: Administration Masayuki Miyazaki TEL 03-3440-3303  
 Scheduled date to file Quarterly Securities Report: November 11, 2016  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the six months ended September 30, 2016 (from April 1, 2016 to September 30, 2016)

#### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenues		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2016	50	(26.8)	(276)	–	(268)	–	(269)	–
Six months ended September 30, 2015	68	(81.7)	(217)	–	(198)	–	(199)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2016	(20.41)	–
Six months ended September 30, 2015	(15.45)	–

Note : Diluted earnings per share is not shown because a loss per share was incurred even though dilutive common shares exist.

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2016	2,899	2,787	96.1
As of March 31, 2016	3,183	3,039	95.5

Reference: Equity As of September 30, 2016 ¥2,787 million  
 As of March 31, 2016 ¥3,039 million

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2016	–	0.00	–	0.00	0.00
Year ending March 31, 2017	–	0.00			
Year ending March 31, 2017 (Forecast)			–	0.00	0.00

Note: Revisions to the cash dividends forecast most recently announced: No

3. Forecast of non-consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

Percentages indicate year-on-year changes

	Operating revenues		Operating income		Ordinary income		Profit		Earnings per share
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	95	(21.4)	(785)	—	(719)	—	(720)	—	(54.80)

Note: 1. Revisions to the non-consolidated financial results forecast most recently announced: No

2. The company only provides full-year forecasts as it manages its performance on an annual basis.

3. The company provides its forecasts on a conservative basis for the fiscal year ending on March 31, 2017.

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2016	13,222,200 shares	As of March 31, 2016	13,144,800 shares
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Number of treasury shares at the end of the period

As of September 30, 2016	— shares	As of March 31, 2016	— shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2016	13,207,351 shares	Six months ended September 30, 2015	12,903,479 shares
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\* Representation regarding the implementation status of quarterly review procedures

This summary of quarterly financial results is not subject to quarterly review procedures under the Financial Instruments and Exchange Act, and the review procedures for the quarterly financial statements under the Act have not been completed as of the disclosure of this summary of quarterly financial results.

\* Explanation on appropriate use of business forecasts, and other special notes

1. Business forecasts and other forward-looking statements contained in this report are based on information currently available to the Company and on certain assumptions that the Company considers to be reasonable, and do not constitute guarantees of future performance. Actual results may differ significantly from these forecasts due to various factors.

2. Supplementary materials are disclosed via TDnet and available on the Company's website.

3. The Company plans to hold a quarterly financial results meeting for institutional investors and analysts on November 16, 2016.

# Quarterly non-consolidated financial statements

## Non-consolidated balance sheets

	(Thousands of yen)	
	As of March 31, 2016	As of September 30, 2016
Assets		
Current assets		
Cash and deposits	1,860,329	2,109,044
Securities	1,199,835	699,959
Supplies	5,137	2,096
Prepaid expenses	6,371	9,926
Other	40,908	11,092
Total current assets	3,112,581	2,832,119
Non-current assets		
Property, plant and equipment	54,147	50,703
Intangible assets	144	112
Investments and other assets	16,546	16,345
Total non-current assets	70,838	67,160
Total assets	3,183,419	2,899,280
Liabilities		
Current liabilities		
Accounts payable - other	24,125	23,113
Accrued expenses	7,660	7,947
Income taxes payable	8,421	11,325
Advances received	99,000	45,000
Other	4,981	24,437
Total current liabilities	144,189	111,824
Total liabilities	144,189	111,824
Net assets		
Shareholders' equity		
Capital stock	2,921,824	2,930,730
Capital surplus	2,894,824	2,903,730
Retained earnings	(2,777,418)	(3,047,004)
Total shareholders' equity	3,039,230	2,787,455
Total net assets	3,039,230	2,787,455
Total liabilities and net assets	3,183,419	2,899,280

**Non-consolidated statements of income (cumulative)**

	(Thousands of yen)	
	Six months ended September 30, 2015	Six months ended September 30, 2016
Operating revenues	68,533	50,185
Operating expenses		
Research and development expenses	172,222	190,861
Selling, general and administrative expenses	114,130	135,363
Total operating expenses	286,352	326,225
Operating loss	(217,818)	(276,039)
Non-operating income		
Reimbursement of research expenses	17,180	—
Subsidy income	—	5,998
Interest income	707	606
Interest on securities	1,416	601
Other	129	171
Total non-operating income	19,434	7,378
Non-operating expenses		
Share issuance cost	392	208
Foreign exchange losses	—	110
Total non-operating expenses	392	319
Ordinary loss	(198,777)	(268,980)
Loss before income taxes	(198,777)	(268,980)
Income taxes	605	605
Loss	(199,382)	(269,585)

# Non-consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Cash flows from operating activities		
Loss before income taxes	(198,777)	(268,980)
Depreciation	5,749	16,194
Interest income	(707)	(606)
Interest income on securities	(1,416)	(601)
Foreign exchange losses (gains)	0	178
Share issuance cost	392	208
Decrease (increase) in notes and accounts receivable - trade	27,104	—
Decrease (increase) in inventories	(1,105)	3,040
Decrease (increase) in accounts receivable - other	891	—
Increase (decrease) in advances received	(54,000)	(54,000)
Increase (decrease) in accounts payable - other	6,220	(949)
Other, net	(42,942)	49,830
Subtotal	(258,590)	(255,684)
Interest income received	1,183	1,234
Income taxes paid	(1,361)	(954)
Net cash provided by (used in) operating activities	(258,768)	(255,404)
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,378)	(12,809)
Net decrease (increase) in short-term investment securities	(1,399,188)	499,505
Payments into time deposits	(551,005)	(1,202,865)
Proceeds from withdrawal of time deposits	500,000	1,002,651
Net cash provided by (used in) investing activities	(1,453,572)	286,482
Cash flows from financing activities		
Proceeds from issuance of common shares	41,325	17,602
Net cash provided by (used in) financing activities	41,325	17,602
Effect of exchange rate change on cash and cash equivalents	(0)	(178)
Net increase (decrease) in cash and cash equivalents	(1,671,015)	48,501
Cash and cash equivalents at beginning of period	2,037,307	449,110
Cash and cash equivalents at end of period	366,292	497,611