February 13, 2019

Consolidated Financial Results for the Fiscal Year Ended December 31, 2018 (under IFRS)

Company name: Solasia Pharma K.K.
Listing: Tokyo Stock Exchange
Securities code: 4597
URL: https://www.solasia.co.jp/en/
Representative: Yoshihiro Arai, President and Chief Executive Officer
Contact: Toshio Miyashita, Chief Financial Officer, Director
TEL: +81-3-5843-8049

Scheduled date of ordinary general meeting of shareholders: March 29, 2019
Scheduled date to commence dividend payments: –
Scheduled date to file annual securities report: March 29, 2019
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended December 31, 2018 (from January 1, 2018 to December 31, 2018)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2018	318	(22.4)	(2,420)	–	(2,445)	–	(2,422)	–
December 31, 2017	410	(18.0)	(1,009)	–	(1,016)	–	(1,007)	–

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
December 31, 2018	(2,422)	–	(2,423)	–	(25.98)	(25.98)
December 31, 2017	(1,007)	–	(1,007)	–	(12.24)	(12.24)

	Ratio of profit to equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	%	%	%
December 31, 2018	(36.4)	(34.0)	(759.3)
December 31, 2017	(20.9)	(19.6)	(245.8)

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
December 31, 2018	7,728	7,087	7,087	91.7	67.69
December 31, 2017	6,655	6,208	6,208	93.3	70.75

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2018	(2,323)	(256)	3,260	4,046
December 31, 2017	(911)	(537)	3,781	3,370

2. Cash dividends

	Annual cash dividends per share					Total cash dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2017	–	0.00	–	0.00	0.00	0	0.0	0.0
Fiscal year ended December 31, 2018	–	0.00	–	0.00	0.00	0	0.0	0.0
Fiscal year ending December 31, 2019 (Forecast)	–	0.00	–	0.00	0.00		0.0	

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2019 (from January 1, 2019 to December 31, 2019)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2019	500 ~ 1,700	56.9 ~ 433.4	(3,000) ~ (2,000)	– ~ –	(3,000) ~ (2,000)	– ~ –	(3,000) ~ (2,000)	– ~ –	(3,000) ~ (2,000)	– ~ –	(29.65) ~ (19.77)

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

1) Changes in accounting policies required by IFRS: Yes
2) Changes in accounting policies due to other reasons: None
3) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of December 31, 2018	105,022,169 shares
As of December 31, 2017	87,753,903 shares

2) Number of treasury shares at the end of the period

As of December 31, 2018	320,000 shares
As of December 31, 2017	– shares

3) Average number of shares during the period

Fiscal year ended December 31, 2018	93,238,825 shares
Fiscal year ended December 31, 2017	82,283,510 shares

(**Reference) Summary of Non-consolidated Results**

1. Non-Consolidated financial results for the fiscal year ended December 31, 2018 (from January 1, 2018 to December 31, 2018)

(1) Non-Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2018	318	(22.4)	(2,476)	–	(2,531)	–	(2,532)	–
December 31, 2017	410	(18.0)	(1,521)	–	(1,564)	–	(1,565)	–

	Net income per share	Diluted net income per share
Fiscal year ended	Yen	Yen
December 31, 2018	(27.16)	(27.16)
December 31, 2017	(19.03)	(19.03)

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
Fiscal year ended	Millions of yen	Millions of yen	%	yen
December 31, 2018	4,589	3,970	86.5	37.92
December 31, 2017	3,588	3,213	89.6	36.62

(Reference) Shareholders' equity: Fiscal year ended December 31, 2018:3,970millions of yen
: Fiscal year ended December 31, 2017:3,213millions of yen

* Consolidated financial results reports are not subject to audit procedures by the Company's independent auditor.

* Proper use of earnings forecasts, and other special matters

For the Group's consolidated earnings forecasts contained in these materials, disclosure is made with a range because it is difficult to estimate specific figures.

The forecasts are based on judgments and assumptions derived from information available to the Company as of the date of disclosure of these materials, and actual results may differ from such forecasts due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to the section of "(3) Future outlook" on page 5 of the attached material.

In the past, the Company posted amounts for the line items in its consolidated financial statements and other matters in thousands of yen. From the first three months under review, we have changed this notation to millions of yen.

The Company plans to hold a financial results presentation meeting for institutional investors and analysts on Wednesday, February 13, 2019.

The materials used at this meeting shall be posted on the Company's website promptly after the meeting is held.

[Attached Material]

Index

1. Overview of operating results

(1) Overview of operating results for the fiscal year ended December 31, 2018

1) Overview of results

Operating results

(Millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018	Year-on-year
Revenue	410	318	(92)
Gross profit	410	105	(305)
Operating profit (loss)	(1,009)	(2,420)	(1,410)
Profit (loss)	(1,007)	(2,422)	(1,414)

In the fiscal year ended December 31, 2018, Solasia Pharma K.K. (the "Company") and its group company (collectively, the "Group") have been focusing on strengthening the drug pipeline, through efforts centered on conducting clinical trials. We achieved a certain amount of progress with respect to the development pipeline, such as through the May 2018 launch in Japan of pipeline product SP-03 (brand name in Japan: episil® (oral liquid)) and the July 2018 approval in China of pipeline product SP-01, as described below in section "3) Research and development activities," but continue making upfront investments, including those to promote clinical trials for pipeline products SP-02 and SP-04. Given these circumstances, our financial performance during the fiscal year ended December 31, 2018, was as follows.

[Revenue, gross profit]

During the fiscal year ended December 31, 2018, pipeline product SP-03 and SP-01 generated 318 million yen in sales and milestone revenue. Revenue in fiscal year ended December 31, 2017 was mainly attributable to pipeline product SP-03 generated 400 million yen in milestone revenue owing to manufacturing/marketing approval in Japan. Revenue decreased by 92 million yen year on year.

[Gross profit]

Pipeline products mainly SP-03 and SP-01 produced gross profit of 105 million yen, stemming from sales and milestone revenue in Japan and other. This figure was 305 million yen lower than in the corresponding period of the previous fiscal year, due mainly to lower revenue.

Breakdown of R&D and SG&A expenses

(Millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018	Year-on-year
R&D expenses	773	1,463	690
SG&A expenses	647	1,061	414
Total	1,420	2,525	1,104
(Breakdown) Personnel expenses	364	484	119
Outsourcing expenses / Subcontract expenses	859	1,515	655
Other	196	525	329

[R&D expenses, SG&A expenses]

R&D expenses amounted to 1,463 million yen, up 690 million yen year on year. This amount is mainly attributable to expenses incurred for a multinational phase II clinical study (pivotal study) of SP-02 and a preparation of multinational phase III clinical study (pivotal study) of SP-04. SG&A expenses amounted to 1,061 million yen, up 414 million yen year on year, as a result of strengthening our corporate structure and amortization of intangible assets.

[Operating profit (loss)]

We incurred an operating loss of 2,420 million yen, which is an increase of 1,410 million yen year on year. In addition to gross profit having remained at the aforementioned levels, the operating loss is attributable both to having posted 1,463 million yen in research and development (R&D) expenses and to having posted 1,061 million yen in selling, general and administrative (SG&A) expenses.

[Profit (loss)]

We incurred an overall loss of 2,422 million yen, mainly as a consequence of having posted the aforementioned operating loss.

[Capitalized costs included in intangible assets]

The Group posted a 185 million yen increase in intangible assets attributable to development costs and in-licensing expenses recognized as assets among pipeline investment outlays. In the fiscal year ended December 31,2018, pipeline investment amounted to 1,649 million yen. This figure includes the 185 million yen in intangible assets derived from capitalization of such outlays and 1,463 million yen in R&D expenses. However, sales triggered amortization of intangible assets related to the Japanese business for pipeline product SP-03, and regulatory approval and the start of purchase order of pipeline product SP-01 triggered amortization of intangible assets, leading to amortization of 148 million yen. As a result, the balance of intangible assets was 3,123 million yen as of December 31, 2018.

(Forecast versus actual results)

(Millions of yen)

	Forecast for the fiscal year ended December 31, 2018	Results for the fiscal year ended December 31, 2018	Difference between forecast and actual
Revenue	100–600	318	218–(281)
Operating profit (loss)	(3,200)–(3,000)	(2,420)	781–581
Profit (loss) before tax	(3,200)–(3,000)	(2,445)	754–554
Profit (loss)	(3,200)–(3,000)	(2,422)	777–577

Revenue exceeded the lower limit of our forecast (100 million yen), partly due to the sales launch of SP-01. However, a delay in the approval period in China on SP-01 and SP-03 meant that revenue fell below the upper limit (600 million yen). SP-01, meanwhile, was approved in July 2018. Sales of SP-03 commenced in Japan in May 2018. As of the date of this document's publication, the lower branches of the Chinese regulatory authorities have completed their screenings and recommended approval.

R&D expenses and SG&A expenses were lower than we had initially expected, and as a result operating profit (loss), profit (loss) before tax, and final profit (loss) were lower than the high-end limit of our forecast (each losses of 3.0 billion yen). These expenses fell below forecast mainly because a multinational phase II clinical study (pivotal study) for SP-02 is now expected to terminate in 2019, later than we had expected, and because the building of an in-house sales structure in China was delayed until the first quarter of the fiscal year ending December 31, 2019. We had intended for completion of this structure to coincide with approval in China of SP-01.

2) Cash flows

(Millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018	Year-on-year
Net cash provided by (used in) operating activities	(911)	(2,323)	(1,411)
Net cash provided by (used in) investing activities	(537)	(256)	280
Net cash provided by (used in) financing activities	3,781	3,260	(521)

[Cash flows from operating activities]

Net cash used in operating activities amounted to 2,323 million yen (compared with 911 million yen in net cash used in these activities in the corresponding period of the previous fiscal year), which was mainly attributable to loss before tax of 2,445 million yen.

[Cash flows from investing activities]

Net cash used in investing activities amounted to 256 million yen (down from 537 million yen used in these activities in the corresponding period of the previous fiscal year), mainly attributable to 205 million yen in outflows related to capitalized development investment.

[Cash flows from financing activities]

Net cash provided by financing activities amounted to 3,260 million yen (down from 3,781 million yen provided by these activities in the same period of the previous year). This figure was mainly attributable to 3,309 million yen in proceeds from issuance of new shares by public offering, etc.

3) Research and development activities

R&D expenses amounted to 1,463 million yen. In addition, the Company recorded a 185 million yen increase in intangible assets attributable to SP-01 and SP-03 development costs, which have been recognized as assets from among pipeline investment outlays. Meanwhile, total pipeline investment amounted to 1,649 million yen.

Summaries regarding progress achieved with pipeline products are as follows.

	As of January, 2018	Fiscal year ended December 31, 2018	As of today,
SP-01 Sancuso®	Application for approval filed	Approved by China National Drug Administration (CNDA) (in July 2018)	Preparing for sales
SP-02 darinaparsin	Multinational phase II clinical study (final clinical study) in progress	Multinational phase II clinical study (final clinical study) in progress	Multinational phase II clinical study (final clinical study) in progress
SP-03 episil® Japan	Preparing for launch	Launch (in May 2018)	Ongoing sale
SP-03 episil® China	Application for approval filed	Application for approval filed	The review at the Center for Medical Device Evaluation

			(CMDE) has been completed and presented to the National Medical Products Administration (NMPA, formerly CFDA or CNDA).
SP-04 PledOx®	Phase I clinical study (subjects of the trial have consisted of Japanese nationals residing in the U.S.) in progress	Phase I clinical study (subjects of the trial have consisted of Japanese nationals residing in the U.S.) terminated (in February 2018) Multinational phase III clinical study (final clinical study) started (December in 2018)	Multinational phase III clinical study (final clinical study) in progress

Details regarding progress achieved with pipeline products are please refer to today's news release, entitled "Business Overview of Pipeline Products".

(2) Explanation of financial position Overview of financial position for the fiscal year ended December 31, 2018

As of December 31, 2018, total assets amounted to 7,728 million yen, up 1,073 million yen from the previous year-end. Current assets were 4,504 million yen, including 4,046 million yen in cash and cash equivalents. Non-current assets came to 3,224 million yen. This figure includes 3,123 million yen in intangible assets constituting the capitalized amount of development investment.
Total liabilities totaled 641 million yen, up 195 million yen from the previous year-end. Current liabilities were 619 million yen, including 580 million yen in trade and other payables. Non-current liabilities amounted to 21 million yen, mainly due to 11 million yen in deferred tax liabilities.
Total equity equaled 7,087 million yen, up 878 million yen from the previous year-end. The increase was mainly attributable to 3,309 million yen in proceeds from issuance of new shares by public offering, etc.
As of today, the overdraft and committed credit line with domestic banks total 3.5 billion yen. The entire amount is unused.

(3) Future outlook

On the premise of the following business progress, we forecast that for the fiscal year ending December 31, 2019, revenue would range between 500 million to 1.7 billion yen, and operating loss, loss before tax, and final loss between 2.0 billion and 3.0 billion yen, respectively.

1) Business progress on pipeline products

SP-01 China:	Launch (planned for first quarter of 2019)
SP-02 Japan, other:	Conclusion of multinational phase II clinical study (pivotal study) (planned for 2019)
SP-03 Japan:	Launched
SP-03 China:	Receive approval (expected in first half of 2019), launch (expected for second half of 2019)
SP-04 Japan, other:	Move forward on multinational phase III clinical study (scheduled to conclude in 2020)

For details, please refer to today's news release, entitled "Business Overview of Pipeline Products (Consolidated Financial Results for the Fiscal Year Ended December 31, 2018)."

2) Key assumptions behind the revenue forecast (500 million yen to 1.7 billion yen)
We expect to generate revenue from product sales of SP-03 (Japan), which launched in the fiscal year ended December 31, 2018, and the launch of SP-01 (China) and SP-03 (China), as the result of development investments to date. However, we believe the extent of market penetration achieved in the initial phase of

sales will most likely remain limited relative to the potential size of the market.

We also anticipate some revenues from the out-licensing of pipeline products, derived from the partial out-licensing of SP-02 and SP-04, etc.

3) Key assumptions behind the operating expense forecast (3.5 billion to 3.7 billion yen)
We will incur cost of sales due to product sales of SP-01 and SP-03.
For SP-01 and SP-03, we will operate an in-house sales structure in China and invest in marketing activities, including post-marketing surveillance.
We will continue investing in a phase II clinical study on SP-02, which we are positioning as a pivotal study, prior to applying to approval.
We will continue investing in a phase III clinical study on SP-04, which we are positioning as a pivotal study, prior to applying to approval.
With the sales of SP-01 and SP-03 commencing, we will incur amortization expenses on intangible assets for the full year. However, as we have recorded the corresponding cash outflow in previous fiscal years, no cash outflow will occur in the fiscal year ending December 31, 2019.

Because the overall Group expects to continue making upfront investments as described above, we forecast an operating loss, loss before tax, and final loss of between 2.0 billion and 3.0 billion yen, respectively.

With regard to revenues for SP-01 (China) and SP-03 (Japan and China), we believe the extent of market penetration achieved in the initial phase of sales will most likely remain limited relative to the potential size of the market. A significant degree of uncertainty also exists with respect to the revenues generated by sales via out-licensing partners in regions outside the cities of Beijing, Shanghai, and Guangzhou. Substantial uncertainty also exists with respect to revenues from the out-licensing of SP-02 and SP-04, etc., as whether out-licensing is possible and what the scale of upfront payments might be depends on the outcome of clinical studies on these pipeline products. Further, clinical studies of SP-02 and SP-04 are also beset with uncertainties about trial sites and the enrollment of patients for clinical studies. Development investment is similarly uncertain. It would therefore be difficult to specify individual revenue and expense amounts at this stage, so we have released the range-based projections as above with respect to our forecasts of consolidated performance for the fiscal year ending December 31, 2019.

2. Basic rationale for selecting the accounting standard

The Group adopted International Financial Reporting Standards (IFRS) from the fiscal year ended December 31, 2015, in order to improve international comparability and the convenience of financial information in capital markets.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated statement of financial position

(Millions of yen)

	As of December 31, 2017	As of December 31, 2018
Assets		
Current assets		
Cash and cash equivalents	3,370	4,046
Trade and other receivables	18	193
Inventories	93	122
Other current assets	43	143
Total current assets	3,525	4,504
Non-current assets		
Property, plant and equipment	0	58
Intangible assets	3,085	3,123
Other non-current assets	43	42
Total non-current assets	3,129	3,224
Total assets	6,655	7,728
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	372	580
Other current liabilities	39	39
Total current liabilities	411	619
Non-current liabilities		
Deferred tax liabilities	34	11
Other non-current liabilities	0	10
Total non-current liabilities	34	21
Total liabilities	446	641
Equity		
Share capital	5,962	7,632
Capital surplus	5,801	7,483
Retained earnings	(5,553)	(7,975)
Treasury stock	―	(48)
Other components of equity	(2)	(3)
Total equity	6,208	7,087
Total liabilities and equity	6,655	7,728

(2) Consolidated statement of profit or loss

(Millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018
Revenue	410	318
Cost of sales	–	213
Gross profit	410	105
Research and development expenses	773	1,463
Selling, general and administrative expenses	647	1,061
Operating profit (loss)	(1,009)	(2,420)
Finance income	0	0
Finance costs	6	25
Other income	0	0
Profit (loss) before tax	(1,016)	(2,445)
Income taxes	(8)	(23)
Profit (loss)	(1,007)	(2,422)
Profit (loss) attributable to:		
Owners of parent	(1,007)	(2,422)
Earnings (loss) per share		
Basic earnings (loss) per share [yen]	(12.24)	(25.98)
Diluted earnings (loss) per share [yen]	(12.24)	(25.98)

(3) Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018
Profit (loss)	(1,007)	(2,422)
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	0	(1)
Subtotal	0	(1)
Total other comprehensive income	0	(1)
Comprehensive income	(1,007)	(2,423)
Comprehensive income attributable to:		
Owners of parent	(1,007)	(2,423)

(4) Consolidated statement of changes in equity

(Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity
Balance at January 1, 2017	4,053	3,929	(4,546)	—	(2)	3,433
Comprehensive income						
Profit (loss)	–	–	(1,007)	—	–	(1,007)
Other comprehensive income	–	–	–	—	0	0
Total comprehensive income	–	–	(1,007)	—	0	(1,007)
Transactions with owners						
Issuance of new shares	1,902	1,865	–	—	–	3,767
Exercise of share acquisition rights	7	6	–	—	–	14
Total transactions with owners	1,909	1,872	–	—	–	3,782
Balance at December 31, 2017	5,962	5,801	(5,553)	—	(2)	6,208
Comprehensive income						
Profit (loss)	–	–	(2,422)	—	–	(2,422)
Other comprehensive income	–	–	–	—	(1)	(1)
Total comprehensive income	–	–	(2,422)	—	(1)	(2,423)
Transactions with owners						
Issuance of new shares	1,643	1,614	–	—	–	3,257
Exercise of share acquisition rights	26	25	–	—	–	51
Acquisition of treasury shares	–	–	–	(48)		(48)
Share-based payments	–	41	–			41
Total transactions with owners	1,669	1,681	–	(48)	–	3,301
Balance at December 31, 2018	7,632	7,483	(7,975)	(48)	(3)	7,087

(5) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018
Cash flows from operating activities		
Profit (loss) before tax	(1,016)	(2,445)
Depreciation and amortization	0	153
Finance income	(0)	(0)
Finance costs	6	25
Decrease (increase) in trade and other receivables	(17)	(174)
Decrease (increase) in inventories	(25)	(28)
Increase (decrease) in trade and other payables	161	217
Other	(20)	(71)
Subtotal	(911)	(2,323)
Interest received	0	0
Net cash provided by (used in) operating activities	(911)	(2,323)
Cash flows from investing activities		
Purchase of property, plant and equipment	(0)	(52)
Purchase of intangible assets	(498)	(205)
Other	(38)	0
Net cash provided by (used in) investing activities	(537)	(256)
Cash flows from financing activities		
Proceeds from issuance of new shares	3,782	3,309
Payments for issuance of new shares	–	–
Acquisition of treasury shares	–	(48)
Other	(0)	(0)
Net cash provided by (used in) financing activities	3,781	3,260
Net increase (decrease) in cash and cash equivalents	2,333	680
Cash and cash equivalents at beginning of period	1,038	3,370
Effect of exchange rate changes on cash and cash equivalents	(2)	(4)
Cash and cash equivalents at end of period	3,370	4,046

(6) Notes to consolidated financial statements

(Notes on premise of going concern)

No items to report.

(Change in Accounting Policies)

In the fiscal year ended December 31, 2018, the Group adopted IFRS 9 “Financial instruments” (revised in July 2014), IFRS 15 “Revenue from contracts with Customers” (issued in May 2014) and “Clarifications to IFRS 15” (issued in April 2016) in compliance with each transitional provision. The application of these standards did not have any impact on the Group’s condensed quarterly consolidated financial statements

(Segment information)

Disclosure is omitted as the Group has a single reportable segment.

(Per share information)

The basis for calculating basic earnings (loss) per share is as follows.

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018
Profit (loss) attributable to ordinary equity holders of parent		
Profit (loss) attributable to owners of parent (Millions of yen)	(1,007)	(2,422)
Amount not attributable to ordinary equity holders of parent (Millions of yen)	–	–
Profit (loss) attributable to ordinary equity holders of parent (Millions of yen)	(1,007)	(2,422)
Average number of ordinary shares during the period (shares)	82,283,510	93,238,825

The figure for diluted earnings (loss) per share has been presented at an amount equal to that of basic earnings (loss) per share due to antidilutive effects of the share options with share acquisition rights.

(Significant subsequent events)

No items to report.