

Non-consolidated Financial Results
for the Three Months Ended September 30, 2019
[Japanese GAAP]

November 12, 2019

Company name: PeptiDream Inc. Tokyo Stock Exchange
 Stock code: 4587 URL <https://www.peptidream.com/>
 Representative: Patrick C. Reid, President & Chief Executive Officer
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 Scheduled filing date of quarterly securities report: November 13, 2019
 Scheduled starting date of dividend payments: —
 Supplementary briefing materials on quarterly financial results: No
 Explanatory meeting on quarterly financial results: No

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(Amounts of less than one million yen are rounded down)

1. Financial Results for the Three Months Ended September 30, 2019 (July 1, 2019 to September 30, 2019)

(1) Operating results

(% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three Months ended September 30, 2019	394	(28.9)	(412)	-	(269)	-	(185)	-
Three Months ended September 30, 2018	555	224.2	(128)	-	54	-	33	-

	Net income per share	Diluted net income per share
	Yen	Yen
Three Months ended September 30, 2019	(1.48)	-
Three Months ended September 30, 2018	0.27	0.25

(2) Financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2019	18,682	17,265	92.0
As of June 30, 2019	20,040	17,449	86.6

(Reference) Equity As of September 30, 2019: 17,180 million yen
 As of June 30, 2019: 17,364 million yen

2. Payment of Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended June 30, 2019	-	0.00	-	0.00	0.00
Fiscal Year ending December 31, 2019	-				
Fiscal Year ending December 31, 2019 (forecast)				0.00	0.00

(Note) Revisions to the dividend forecast announced most recently: No

3. Financial Forecasts for the Fiscal Year Ending December 31, 2019 (July 1, 2019 to December 31, 2019) and the Fiscal Year Ending December 31, 2020 (January 1, 2020 to December 31, 2020)

	Net sales	Operating income	Ordinary income	Net income
	Million yen	Million yen	Million yen	Million yen
Fiscal Year ending December 31, 2019	1,000 or more	(900) or more	(800) or more	(600) or more
Fiscal Year ending December 31, 2020	10,000 or more	5,300 or more	5,400 or more	4,000 or more

(Notes) 1. Revisions to the consolidated financial forecast announced most recently: No

2. “Partial Amendment to the Articles of Incorporation” was approved at the Ordinary General Meeting of Shareholders held on September 26, 2019, changing the fiscal year end from the end of June to the end of December. In the 14th fiscal year (Fiscal Year ending December 2019), which is the transitional period for the fiscal year change, we will have a six-month period from July 1, 2019 to December 31, 2019.

[Notes]

(1) Adoption of accounting policies specific to the preparation of quarterly financial statements : None

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatements

1) Changes in accounting policies due to amendment to the accounting standards, etc. : None

2) Changes in accounting policies other than 1) above : None

3) Changes in accounting estimates : None

4) Retrospective restatements : None

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)

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

3) Average number of shares during the period

As of September 30, 2019	125,310,400 shares	As of June 30, 2019	125,310,400 shares
As of September 30, 2019	143,452 shares	As of June 30, 2019	143,452 shares
Three months ended September 30, 2019	125,166,948 shares	Three months ended September 30, 2018	123,052,113 shares

(Note) The number of treasury shares at the end of the period includes shares in the Company held by the Trust & Custody Services Bank, Ltd. (Trust Account E) (143,400 shares as of June 30, 2019, 143,400 shares as of September 30, 2019). In addition, the shares in the Company held by the Trust & Custody Services Bank, Ltd. (Trust Account E) are included in treasury shares excluded from calculating the average number of shares during the period (143,400 shares for the fiscal year ended June 30, 2019, 143,400 shares for the three months ended September 30, 2019).

* Quarterly financial results reports are not required to be subjected to quarterly review by a certified public accountant or an audit firm

* Explanation on the appropriate use of operating forecasts and other special instructions

(Caution regarding forward-looking statements)

Financial forecasts and other statements regarding the future presented in these materials are based on information currently available and certain assumptions deemed to be reasonable, and are not meant to be taken as commitment of the Company to achieve such results. Actual performance may differ substantially due to various factors.