

Summary of Consolidated Financial Results for the Year Ended December 31, 2019 (J-GAAP)

February 14, 2020

Listed Company Name: CellSeed Inc.
 Securities Code: 7776
 Listing: Tokyo Stock Exchange URL: <https://www.cellseed.com>
 Representative: Setsuko Hashimoto, Ph.D. President and CEO
 Contact: Jun Onodera Board Director, CFO TEL: +81-3-6380-7490
 Scheduled Annual General Meeting of Shareholders: March 27, 2020
 Scheduled Date to Start Dividend Payment: -
 Scheduled Date to Submit Securities Report: March 30, 2020
 Preparation of Results Briefing Materials: Yes
 Financial Results Briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen have been truncated)

1. Consolidated Financial Results (from January 1, 2019 to December 31, 2019)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended December 31, 2019	275	(73.1)	-780	—	-780	—	-782	—
Year ended December 31, 2018	1,026	—	140	—	140	—	129	—

Note: Comprehensive income Year ended December 31, 2019: -780 million yen (—%)
 Year ended December 31, 2018: 120million yen (—%)

	Profit per share—basic	Profit per share—diluted	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Year ended December 31, 2019	(66.60)	—	(57.6)	(51.7)	(283.1)
Year ended December 31, 2018	11.35	11.27	9.8	8.9	13.6

Reference: Equity in earnings (losses) of affiliates Year ended December 31, 2019: — million yen
 Year ended December 31, 2018: — million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2019	1,456	1,345	91.1	102.24
As of December 31, 2018	1,586	1,411	87.5	121.19

Reference: Shareholders' equity As of December 31, 2019: 1,327 million yen
 As of December 31, 2018: 1,388 million yen

(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 the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended December 31, 2019	(577)	(133)	721	1,065
Year ended December 31, 2018	(306)	(1)	24	1,057

2. Dividends

	Full-year dividend					Total dividend amount (Annual)	Dividend payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2018	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended December 31, 2019	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending December 31, 2020 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Consolidated Results Forecast for the Fiscal Year Ending December 31, 2020
(from January 1, 2019 to December 31, 2019)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	310	12.4	(1,020)	—	(1,020)	—	(1,020)	—	(78.57)

Notes:

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in changes in the scope of consolidation): None
- (2) Change in accounting policies, accounting estimates, and retrospective restatements
 - 1) Change in accounting policies in accordance with revision of accounting standards: None
 - 2) Change in accounting policies other than item 1) above: None
 - 3) Change 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 shares)
 - As of December 31, 2019 12,981,819 shares
 - As of December 31, 2018 11,459,419 shares
 - 2) Number of treasury shares at the end of the period
 - As of December 31, 2019 154 shares
 - As of December 31, 2018 154 shares
 - 3) Average number of shares during the fiscal year
 - Year ended December 31, 2019 11,748,381 shares
 - Year ended December 31, 2018 11,429,096 shares