

**Summary of Financial Report for the 1<sup>st</sup> Quarter of FY ending December 2008  
(Non-Consolidated)**

May 13, 2008

Company Name: Carna Biosciences Inc.

Listed Securities Exchange: JQ • NEO

Stock Code: 4572 JQ • NEO

URL <http://www.carnabio.com>

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(Rounding down to the nearest million yen)

**1. Results for the 1<sup>st</sup> Quarter of FY2008 (January 1, 2008 to March 31, 2008)**

(1) Business Results

(% indicates the increase / decrease from previous fiscal year)

	Total Revenue	Operating income	Ordinary income	Net income
	million yen %	million yen %	million yen %	million yen %
1 <sup>st</sup> quarter of FY2008	117 (-)	-48 (-)	-93 (-)	-94 (-)
1 <sup>st</sup> quarter of FY2007	- (-)	- (-)	- (-)	- (-)
FY2007 as reference	513	-147	-158	-179

	Net income per share	Net income per share (diluted)
	yen	yen
1 <sup>st</sup> quarter of FY2008	-2,079.78	-
1 <sup>st</sup> quarter of FY2007	-	-
FY2007 as reference	-4,042.02	-

Note: 1. Financial report was not prepared for the 1<sup>st</sup> quarter of FY2007.

2. Net income per share of 1<sup>st</sup> quarter of FY2008 (Diluted): No statement - We had net loss per share even though we had diluted shares.

3. Net income per share of 1<sup>st</sup> quarter of FY2007 (Diluted): No statement - We had net loss per share even though we had diluted shares.

(2) Financial Condition

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	Yen
1 <sup>st</sup> quarter of FY2008	2,518	2,261	89.8	42,514.21
1 <sup>st</sup> quarter of FY2007	-	-	-	-
FY2007 as reference	1,622	1,435	88.5	32,275.11

Note: Financial report was not prepared for the 1<sup>st</sup> quarter of FY2007.

### (3)Cash Flow

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at the end-of-term
	million yen	million yen	million yen	million yen
1 <sup>st</sup> quarter of FY2008	-34	-1	877	2,040
1 <sup>st</sup> quarter of FY2007	-	-	-	-
FY2007 as reference	-192	-66	-50	-1,201

Note: Financial report was not prepared for the 1<sup>st</sup> quarter of FY2007.

### 2. Cash Dividends

	Dividends per share
(Criterion)	1 <sup>st</sup> quarter of the FY
	yen
1 <sup>st</sup> quarter of FY2007	-
1 <sup>st</sup> quarter of FY2008	-

### 3. Forecast for FY2008 (January 1, 2008 to December 31, 2008)

(%indicates the increase/decrease from previous fiscal year)

	Total revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Interim FY2008	265	-	-107	-	-155	-	-159	-	-2,990.10
FY2008	712	38.5	-86	-	-134	-	-138	-	-2,604.56

Note: The above-mentioned forecast has no revision from “Summary of Financial Report for the FY ending December 2007” released on March 25, 2008.

#### \*Disclaimer regarding appropriate use of forecasts and related points of note

1. The above-mentioned forecasts are based on the information available on the date of release of these materials and on various assumptions made on the date of release of these material including uncertain factors and may affect future earnings. Actual operating results may differ significantly from those forecasts as a consequence of various factors.

2. The forecasted net income per share above is calculated based on 53,190 issued shares (8,700 public offering shares included). As the forfeiture of its right, the allocation of new shares to a third party (1,300 shares), related to the secondary distribution due to the over allotment, we have not issued public offering shares. Thus, potential shares have not been taken into account.