

Summary of Financial Report for the FY ending December 2007

(Non-Consolidated)

March 25, 2008

Company Name: Carna Biosciences Inc.

Listed Securities Exchange: JQ • NEO

Stock Code: 4572 JQ • NEO

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

Representative: Kohichiro Yoshino, President

Contact: Yutaka, Shimakawa, Director

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General meeting of shareholders scheduled: March 28, 2008

Payment of dividends scheduled: -

Release of the financial report scheduled: March 31, 2008

(Rounding down to the nearest million yen)

1. Results for the FY2007 (January 1, 2007 to December 31, 2007)

(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 | % |
| FY2007 | 513 | 26.9 | -147 | - | -158 | - | -179 | - |
| FY2006 | 405 | 93.3 | -256 | - | -269 | - | -332 | - |

| | Net income per share | Net income per share (diluted) | Return on equity | Ordinary income on assets | Operating income on revenue |
|--------|----------------------|--------------------------------|------------------|---------------------------|-----------------------------|
| | yen | yen | % | % | % |
| FY2007 | -4,042.02 | - | -11.6 | -8.9 | -28.7 |
| FY2006 | -7,856.17 | - | -33.1 | -21.6 | -63.3 |

(2) Financial Condition

| | Total assets | Net assets | Equity ratio | Net assets per share |
|--------|--------------|-------------|--------------|----------------------|
| | million yen | million yen | % | Yen |
| FY2007 | 1,622 | 1,435 | 88.5 | 32,275.11 |
| FY2006 | 1,938 | 1,652 | 85.3 | 37,151.91 |

(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 |
| FY2007 | -192 | -66 | -50 | 1,201 |
| FY2006 | -181 | -86 | 1,521 | 1,509 |

2. Cash Dividends

| (criterion) | Dividends per share | | | Total dividends | Payout ratio | Dividends on net assets ratio |
|------------------|---------------------|-----------|-----|-----------------|--------------|-------------------------------|
| | End of interim FY | End of FY | FY | | | |
| | yen | yen | yen | million yen | % | % |
| FY2006 | - | - | 0 | - | - | - |
| FY2007 | - | - | 0 | - | - | - |
| FY2008(forecast) | - | - | 0 | | - | |

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 |

*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.