

June 25, 2019

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Revision of Results Forecast for the Fiscal Year Ending December 31, 2019

Carna Biosciences, Inc. (“Carna”) announced today its revised forecast for the fiscal year ending December 31, 2019.

1. Revised consolidated results forecast

The consolidated results forecast for the fiscal year ending December 31, 2019 (January 1, 2019 to December 31, 2019) has been revised as below. The previous forecast was announced on February 8, 2019.

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net profit per share
Previous Forecast (A)	1,240	(1,658)	(1,671)	(1,693)	(166.03) yen
<b>Revised Forecast (B)</b>	<b>3,038</b>	<b>313</b>	<b>279</b>	<b>214</b>	<b>20.12 yen</b>
Change from Previous Forecast (B-A)	1,798	1,971	1,950	1,908	
Change from Previous Forecast (%)	145.0%	—	—	—	
(Ref.) December 31, 2018 Results (Previous Year)	754	(1,144)	(1,159)	(1,210)	(125.02) yen

2. Reason of the revision

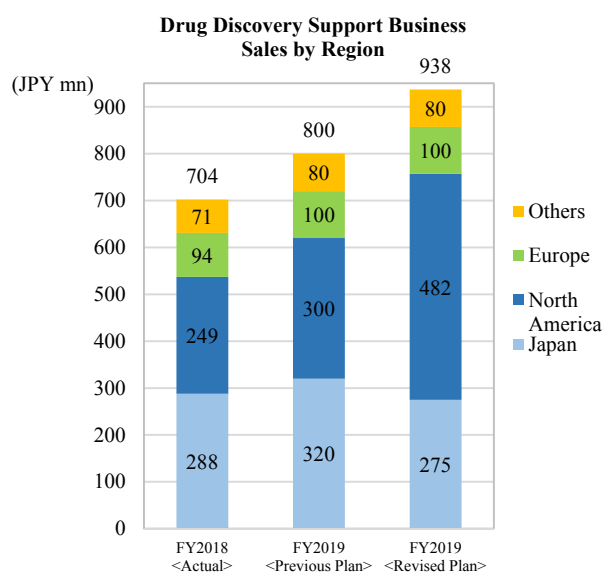
Gilead Sciences, Inc. (NASDAQ: GILD) and Carna Biosciences, Inc. (JASDAQ: 4572) today announced that the companies have entered into a research and development collaboration to develop and commercialize small molecule compounds in immuno-oncology and to access Carna’s proprietary lipid kinase drug discovery platform. Under the terms of the license agreement, Gilead will license from Carna worldwide rights to develop and commercialize inhibitors against an undisclosed immuno-oncology target. In connection with this agreement, Carna will receive an upfront payment of \$20 million and is eligible to receive up to an additional \$450 million in potential milestone payments upon achievement of certain development and commercial milestones. Carna will also receive royalties on future net sales. Carna is announcing its revised forecast today, reflecting the upfront payment from Gilead and other factors.

Fig. 1: Results forecast by business segment

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
<b>Previous Forecast (A)</b>				
Consolidated	1,240	(1,658)	(1,671)	(1,693)
Drug Discovery Support	800	144		
Drug Discovery & Development	440	(1,802)		
<b>Revised Forecast (B)</b>				
Consolidated	3,038	313	279	214
Drug Discovery Support	938	247		
Drug Discovery & Development	2,100	65		
<b>Change (C=B-A)</b>				
Consolidated	1,798	1,971	1,950	1,908
Drug Discovery Support	138	103		
Drug Discovery & Development	1,660	1,867		
<b>Change % (C/A)</b>				
Consolidated	145.0	—	—	—
Drug Discovery Support	17.3	71.8		
Drug Discovery & Development	377.3	—		

Fig. 2: Drug discovery support business sales by region



\* The forward-looking statements in this document have been prepared based on information available at the time of the issuance of this release as well as on the certain assumptions considered by the management to be reasonable. Actual results may differ from this forecast due to variety of factors.