SymBio Pharmaceuticals

Business update

With experience comes confidence

Pharma & biotech

Three steps forward, one step back. With the December filing of three supplemental NDAs for Treakisym, SymBio is demonstrating it is willing to move ahead with its strategic plans despite Astellas's decision to withdraw its long-delayed EU application for Treakisym in first-line iNHL. Separately, Baxalta announced on 3 March that it would discontinue its development and licensing agreement with Onconova for rigosertib as of August. Onconova is in discussions with Baxalta; however, it is not clear whether Baxalta will help Onconova obtain alternate funding to complete the trial. Issues with SymBio's partners may have an impact on the timeframes for both rigosertib and the Treakisym label expansion approvals.

Year end	Revenue ($m)	PTP ($m)	EPADR ($)	DPADR ($)	P/E (x)	Gross Yield (%)
12/14	16.2	(9.2)	(0.30)	0.0	N/A	N/A
12/15	16.0	(21.8)	(0.67)	0.0	N/A	N/A
12/16e	16.1	(22.6)	(0.70)	0.0	N/A	N/A
12/17e	18.9	(27.5)	(0.85)	0.0	N/A	N/A

Note: Converted at ¥121/US$. Dividend yield excludes withholding tax. Investors should consult their tax advisor regarding the application of any domestic and foreign tax laws.

Files label expansion sNDAs for Treakisym

In December, SymBio filed three supplemental NDAs in Japan for Treakisym to treat first-line iNHL/MCL, CLL and for a 25mg vial dosage strength. SymBio has generally waited to file for approval in Japan once an indication has been received from both US and EU regulators. However, Astellas withdrew its application for first-line NHL/MCL approval in the EU in January 2016 following numerous delays in the approval, which was initially expected in late 2014/early 2015. SymBio's decision to progress in Japan independently of Astellas's decision highlights SymBio's confidence in approval for these new indications and perhaps substantiates Astellas's assertion that it withdrew due to technicalities in the EU approval process. Upside sales from additional indications for Treakisym account for 12% of our risk-adjusted valuation for SymBio.

Potential funding setback for rigosertib

On 3 March, Baxalta announced it would no longer seek to develop and license rigosertib with Onconova, citing changes in its development priorities. Onconova recently began to enrol patients in its Phase III INSPIRE trial and SymBio had agreed to contribute 25-30 patients to the trial along with the related costs. If Onconova is unable to negotiate funding to complete the trial, we believe this would reduce the likelihood that SymBio will be able to get rigosertib approved in Japan. We are reducing our risk-adjusted probability of success for IV rigosertib from 60% to 50% as a result of this announcement.

Valuation: Risk-adjusted NPV of $4.91/share

Our rNPV includes ¥4,261m ($35m) cash, Treakisym, IONSYS and our lowered possibility for IV rigosertib. SymBio will require funding during 2017 and we assume a total funding requirement of ¥6.6bn from 2017-18.

23 March 2016

Price	**$1.81**
Market cap	**$59m**
	ADR/Ord conversion ratio 1:1
Net cash ($m) at December 2015	35.2
ADRs in issue	32.4m
ADR Code	SYMQY
ADR exchange	OTC
Underlying exchange	Tokyo
Depository	BNY

Business description

SymBio Pharmaceuticals is a Japanese specialty pharma company with a focus on oncology, haematology and pain management. Treakisym was in-licensed from Astellas in 2005. Rigosertib was in-licensed from Onconova and IONSYS was in-licensed from The Medicines Company.

Next events

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Update: Pushing ahead as partners face challenges

SymBio was established in 2005 with the aim of becoming a specialty pharma company focused on addressing high unmet medical needs in Asia-Pacific. SymBio's primary strategy is to in-license assets with proof-of-concept (Phase II) data for development and commercialization in Asia-Pacific, removing the need for investment in early-stage R&D. As the company grows, management has indicated it may consider assets that are in earlier stages of development, particularly if it is able to acquire global marketing rights. While SymBio currently out-licenses sales and distribution of its lead asset Treakisym, the company plans to market rigosertib, IONSYS and any new in-licensed product by building out its own commercial infrastructure. In-licensing additional assets will be central to driving future operating leverage.

SymBio was very active in the last quarter of 2015. After contending with regulatory and clinical development delays for new indications for Treakisym and initial approval for rigosertib and a heated market for identifying attractive in-licensing candidates for most of 2015, SymBio in-licensed a new product (IONSYS), filed three supplemental NDAs for Treakisym in iNHL/MCL, CLL along with a new 25mg vial dose, and began recruiting patients for the new global Phase III INSPIRE trial for rigosertib.

After SymBio filed for Treakisym approval in first-line iNHL/MCL, in January, Astellas withdrew its application for EU approval of Treakisym for this indication. EU approval was originally expected in late 2014/early 2015, and was delayed numerous times as the BfArM (the German drug approval agency) requested additional data. However, Astellas may refile in 2017 when data from a study comparing Treakisym to R-CHOP is available. SymBio's decision to progress in Japan independently of Astellas's decision highlights SymBio's confidence in approval for these new indications and perhaps substantiates Astellas's assertion that it withdrew due to technicalities in the EU approval process.

On 3 March, Baxalta announced it would no longer seek to develop and license rigosertib with Onconova as of 31 August, citing changes in its development priorities. Onconova recently began to enrol patients in its Phase III INSPIRE trial and SymBio had agreed to contribute 25-30 patients to the trial along with the related patient costs. Baxalta is expected to fund its portion of trial expenses through to the end of August and Onconova is in discussions with Baxalta about funding required to complete the trial. At this point, it is too soon to know if Baxalta will help Onconova obtain additional funding or help identify a new development partner for rigosertib. If Onconova is unable to negotiate funding to complete the trial, we believe this would reduce the likelihood that SymBio will be able to get rigosertib approved in Japan.

With the recent pullback in biotech valuations, and several years of laying the groundwork as a strong in-licensing partner for Asia-Pacific, we believe that SymBio is seeing greater potential deal flow, which should lead to more licensing opportunities. Management has also expressed an interest in evaluating potential transactions from an earlier stage. In February, SymBio announced it will begin a joint research and development program with Teikyo Heisei University for an anti-cancer drug using the TTR1 nano-agonist molecule. SymBio will invest c ¥10m (US$0.1m) for 2016 in this venture and will consider further investment based on research results. While we expect the company to take the same cautious approach to earlier-stage candidates as it has with its other transactions, we believe it will help provide visibility on sales growth beyond the 2020-23 timeframe.

Pipeline update

Treakisym

SymBio acquired the rights to develop and commercialize Treakisym from Astellas in Japan (2005) and subsequently in China/Hong Kong, Korea, Taiwan and Singapore (April 2007). In 2008, SymBio out-licensed marketing of Treakisym to select commercial partners as a way to generate cash to support further development opportunities. The agreements call for royalties and milestones, but precise deal terms have not been disclosed. We estimate that SymBio earns an average net margin of around 10-12% on top-line reported Treakisym sales in Asia-Pacific.

Treakisym is approved for r/r iNHL/MCL patients in Japan. We estimate SymBio (through its partnership with Eisai) had Treakisym sales of ¥4,270m ($35m) in 2015. This number is expected to grow 5-6% pa until 2020 when the patent expires.

First-line iNHL/MCL: SymBio completed pivotal development in first-line iNHL in 2014 and SymBio filed its sNDA for this indication at the end of December. This filing was delayed through most of 2014 and 2015 as SymBio waited for the treatment to be approved in Europe. Astellas filed for approval in Europe for first-line iNHL with data from the StiL study demonstrating a PFS (progression free survival) of 69.5 months for patients treated with BR (bendamustine + rituximab), significantly longer than 31.2 months for R-CHOP (rituximab/Rituxan in combination with CHOP chemotherapy: cyclophosphamide, doxorubicin, vincristine, and prednisone). The BRIGHT study demonstrated that BR was non-inferior to R-CHOP in terms of complete response rate (31% vs 25%, respectively, p=0.0225) However, the German drug approval authority, BfArM, kept delaying approval by asking for additional data and analyses. Astellas withdrew its application at the end of January; however, SymBio opted to move ahead with its approval application in Japan based on Phase II data in Japan and Phase III data in the EU. It is possible that Astellas will refile for EU approval in 2017 when new data comparing Treakisym to R-CHOP therapy is released.

Approval for this indication could materially expand Treakisym's potential, given this is a patient market of 7,100, which is c 50% larger than the currently approved r/r iNHL indication with an estimated patient population of 4,700. Furthermore, there are generally more treatment cycles per patient in first-line iNHL (six cycles in first-line iNHL vs four to five cycles in r/r iNHL).

Treakisym in CLL: SymBio completed its pivotal Phase II trial for CLL in 2015 and filed for approval in Japan for this indication at the end of December. This indication is already approved in both the US and Europe, so we believe this indication has a high chance to also gain approval in Japan.

First-line iNHL and CLL could more than double current sales: Together, we believe that sales in both first-line iNHL and CLL could reach ¥8,151m by 2020 if Treakisym can achieve a similar 50% market share as in r/r iNHL.

Treakisym in r/r aggressive NHL: SymBio has also completed development in r/r aggressive NHL (a patient population of 6,700 in Japan) in 2012. However, filing has been delayed owing to discussions with regulators, which are still ongoing at the time of publication. It is possible that approval will only be granted subject to conducting an additional comparative trial. However, we think it is unlikely that SymBio will invest in further development in r/r aggressive NHL owing to the expiry of market exclusivity in 2020. Hence we do not include a contribution from this indication in our valuation. If this indication can be approved, it could add ¥3,000-5,000m in sales.

Rigosertib

SymBio in-licensed rigosertib (IV and oral formulations, Japan and Korean rights) from Onconova in 2011 for myelodysplastic syndromes (MDS), a rare blood cancer; it is partnered with

Baxalta(formerly the bioscience business of Baxter International) in Europe for higher-risk myelodysplastic syndromes (HR-MDS).

Following discussions between Onconova and regulatory agencies, development of rigosertib was moving forward with the start of the new pivotal Phase III INSPIRE trial. The pivotal trial, designated 04-30 or 'INSPIRE', will enrol HR-MDS patients less than 80 years of age who had progressed on, or failed to respond to, previous treatment with hypomethylating agents (HMA) within the first nine months of initiating HMA treatment, and had their last dose of HMA therapy within six months prior to enrolment in the trial. This is the patient subset where rigosertib demonstrated a significant benefit in the Phase III ONTIME trial, Onconova's first Phase III trial for rigosertib (which failed to meet its primary endpoint but demonstrated meaningful results for a subset of patients). The primary endpoint of this new Phase III INSPIRE trial will be overall survival, and an interim analysis is anticipated. This randomized trial of approximately 225 patients will be conducted at about 100 sites globally and Onconova enrolled its first patient in early December. SymBio committed to contribute 25-30 patients and costs related to those patients; interim results are expected in H117.

Onconova signed a $16.5m financing agreement with Lincoln Park Capital in late 2015 to help with clinical trial costs. Per a development and licensing agreement Onconova signed with Baxalta, which grants Baxalta commercialization rights to rigosertib in the EU and other countries in Europe, Baxalta would have paid for half the costs of the Phase III INSPIRE trial up to a specified cap. However, on 3 March, Baxalta announced it would discontinue its development and licensing agreement for rigosertib and INSPIRE after 31 August. However, Baxalta is obligated to fund its portion of trial costs until the end of August. Onconova is in discussions with Baxalta regarding the amount of financial support needed to complete the INSPIRE trial; however it is not clear whether Baxalta will help Onconova obtain alternate funding to complete the trial or whether it will identify another partner. SymBio is currently reviewing its options as a result of this disappointing news and we await further information.

On the oral formulation side, as a result of Onconova's earlier trials, the safety of the oral formulation of rigosertib for monotherapy was confirmed, and SymBio started its domestic Phase I clinical trial of the oral formulation of rigosertib in combination with azacitidine in December 2015. We assume SymBio completes this trial in the first half of 2016 and its participation in the global Phase III clinical trial to be conducted by Onconova is under consideration.

Onconova will most likely require additional cash to pursue future trials; this could delay initiation of SymBio's future trials and could therefore affect launch timelines.

IONSYS

In October 2015, SymBio acquired an exclusive licence in Japan to develop and market IONSYS, a patient controlled fentanyl iontophoretic transdermal system for the short-term management of acute postoperative pain.

We believe SymBio views IONSYS as a market-changing product due to its credit-card sized, needle-free design that does not require the patient to be tethered to an IV line and other equipment. We also believe IONSYS will be fairly straightforward to commercialize and it will help reinforce SymBio's presence as a strong development and commercial partner for Asia-Pacific, in addition to diversifying risk.

Our preliminary peak sales number of ¥6,500m ($55m) for IONSYS in Japan is based on the rate of post-surgical PCA use in the US (1.4 million patients in a US population of 311 million). This is discounted to reflect studies from the European Society of Medical Oncologists (ESMO) suggesting that postsurgical opioid use is much lower in Japan than other developed countries. While the company has not announced definitive plans, we expect that SymBio will seek to market IONSYS through its own salesforce.

SymBio is finishing the regulatory filings that will enable it to obtain opioids in Japan to conduct clinical tests for IONSYS and expects to begin the Phase III trial in Q316. If approved, SymBio could launch IONSYS at some point in 2019.

Sensitivities

SymBio is subject to the usual drug development risks, including clinical development delays or failures, regulatory risks, competitor successes, partnering setbacks, financing and commercial risks. The main sensitivities for SymBio include:

- Expansion of Treakisym to additional indications, including first-line iNHL to drive growth; and SymBio's ability to gain approval in Japan before it is approved in the EU.
- Rigosertib success or failure, which will hinge largely on its recently launched Phase III INSPIRE global trial and Onconova's ability to secure additional funding for the trial to replace Baxalta's share of the development costs.
- SymBio's ability to execute future in-licensing deals, especially to leverage future commercial operations.

SymBio is reliant on in-licensing assets to fill its pipeline and this will become even more important for leveraging future commercial operations. To date, SymBio has executed four deals for products with clinical proof-of-concept data, although development for one of these has been terminated following a lack of efficacy. We believe the CEO's network is crucial to securing future deals, although we have limited visibility on the potential terms and timing of any such agreements.

Valuation

We value SymBio at ¥19,227m ($159m) or $4.91/share, based on a risk-adjusted NPV analysis. We have rolled our valuation model forward to reflect the start to a new calendar year. Our rNPV includes ¥4,261m ($35m) net cash, Treakisym, rigosertib and IONSYS. Our net cash numbers are based on Q415 results.

Exhibit 1: SymBio rNPV valuation

Product	Indication	Launch	Peak sales ($m)	Value ($m)	Probability	rNPV ($m)	NPV/ADR ($/ADR)
Treakisym (existing sales)	r/r iNHL/MCL	2010	55	22.2	100%	22.2	0.7
Treakisym (label expansion sales)	Frontline iNHL/MCL; CLL	late 2016	80	20.8	90%	18.7	0.6
Ribosertib (IV)	r/r high risk MDS	2019	30	33.6	50%	15.1	0.5
Ribosertib (oral)	Low risk MDS	2019	70	76.2	25%	14.5	0.4
IONSYS	Opioid	2019	55	56.0	95%	53.2	1.6
Net Cash				35.2	100%	35.2	1.1
Valuation				244.0		158.9	4.91

Source: Edison Investment Research. Note: Peak sales are rounded to nearest $5m.

We use a 10% discount rate for approved products and 12.5% elsewhere. Our valuation includes both Treakisym and rigosertib. For Treakisym we include current sales and upside from sales in first-line iNHL and CLL; we do not include any potential in r/r aggressive NHL. Our Treakisym valuation assumes that SymBio earns an average net margin of 10-12% on top-line reported Treakisym sales. Our rigosertib forecasts include future R&D spend in addition to the cost of building out a sales infrastructure; we do not include any potential in indications beyond those currently under development, which could include solid tumours, AML and broader use in MDS in combination with other agents. Our IONSYS forecasts are based on our preliminary estimates for

royalties paid to The Medicines Company at 15%, along with potential development and sales milestones, R&D and S&M costs.

We have maintained our 90% probability for Treakisym label expansion sales and have maintained our peak sales estimate of c $80m (¥8bn), albeit with a more backend-loaded sales ramp up. We have maintained our launch date of Q416 based on SymBio's late December filing for approval in Japan, but also to reflect what may be a longer approval time as SymBio will no longer be able to include information on EU approval as Astellas recently withdrew its EU application after numerous approval delays.

In December, we raised our probability on IV rigosertib from 50% to 60% to reflect Onconova's successful initiation of a new pivotal Phase III trial in HR-MDS as well as its recent $16.5m financing to support the testing. However, with Baxalta's recent announcement it would discontinue its participation, we have lowered our probability on IV rigosertib back to 50%. Our 25% probability on oral rigosertib is unchanged.

Financials

SymBio reported cash of ¥4,261m ($35m) at end-December 2015, which includes current investments with more than three months' maturity; we do not exclude these longer-term investments from the cash in our valuation. We believe cash should be sufficient to fund current operations into early- to mid-2017, unless the company signs additional licensing agreements during 2016. We assume additional funds will be needed at this point, both to start building out a sales and marketing infrastructure ahead of the potential launches of IONSYS and rigosertib in 2019, and for milestones that could become due to partner Onconova if rigosertib is approved in both the US and Japan. Our model uses illustrative debt funding of c $55m (¥6.6bn) from 2017-18.

2015 results on target: for 2015, SymBio reported results generally in line with guidance as well as our estimates. Revenue totalled $16m (¥1,933m), approximately in line with our estimate of $16.4m (¥1,951m) and slightly ahead of guidance of ¥1,870m. The primary difference stemmed from the timing of a Treakisym shipment to South Korea, which booked at the end of 2014, instead of early 2015. Gross profit totalled $4.8m (¥583m), below our estimate of $5.1m (¥613m). SymBio posted R&D expenses (excluding SG&A) of $16.8m (¥2,035m), compared with our $16.3m (¥1,946m) estimate and SymBio's guidance of ¥1,866m. Operating expenses (which include R&D and SG&A) were $25.9m (¥3,134m), compared with our estimate of $25.6m (¥3,108m) and guidance of ¥2,999m.

Fine-tuning 2016 estimates: SymBio's revised guidance for 2016 falls largely in the mid-point of the guidance issued a year ago. As SymBio is going ahead with its Treakisym label expansion application without EU approval, we are further reducing our label expansion sales in 2016 as well as a related delay in spending for marketing and milestone payments. Hence, our revenues in 2016 are towards the bottom end of SymBio's outlook. Our operating, ordinary and net loss forecasts in 2016 are above SymBio's outlook as we do not include unknown or uncertain future milestone payments for future out-licensing activities (which we believe are included in SymBio's outlook). We believe these elements explain the majority of the difference between the company's last published guidance and our recently updated estimates. Our revised forecasts for 2016 are broadly in line with SymBio's 2016 financial guidance, summarised in Exhibit 2.

Exhibit 2: SymBio guidance for 2016 and Edison estimates

	SymBio guidance	Edison estimates		Difference (guidance vs estimates)
		Previous	Current	
Revenue	¥2,339m	¥2,140m	¥1,951m	¥388m
Operating loss	¥2,778m	¥2,086m	¥2,733m	¥45m
Ordinary loss	¥2,811m	¥2,076m	¥2,724m	¥87m
Net loss	¥2,815m	¥2,080m	¥2,728m	¥87m

Source: SymBio Pharmaceuticals reports and Edison Investment Research estimates

More conservative guidance for 2017; initial guidance for 2018: SymBio released its mid-range financial guidance for 2017 and 2018 on 10 February. Compared with its previous mid-range guidance released in February 2015, SymBio lowered the top end of its sales range for 2017 and became less optimistic on operating losses. In our view, the more conservative expectations are reasonable given delays for Treakisym label expansion and incremental R&D spend for IONSYS since the last mid-range guidance update. Our lowered sales expectations reflect a more modest ramp up of Treakisym label expansion sales vs our previous revenue estimate.

Exhibit 3: SymBio guidance for 2017 and Edison estimates

	SymBio guidance, 10 February 2016		Edison estimates		Difference	
	Low	High	Previous	Current	Low	High
Revenue	¥2,188m	¥2,604m	¥2,829m	¥2,290m	(¥102m)	¥314m
Operating loss	¥3,521m	¥3,379m	¥2,563m	¥3,316m	¥205m	¥63m
Ordinary loss	¥3,554m	¥3,412m	¥2,563m	¥3,316m	¥238m	¥96m
Net loss	¥3,558m	¥3,416m	¥2,566m	¥3,320m	¥238m	¥96m

Source: SymBio Pharmaceuticals reports and Edison Investment Research estimates

Exhibit 4: SymBio guidance for 2018 and Edison estimates

	SymBio guidance, 10 February 2016		Edison estimates	Difference	
	Low	High		Low	High
Revenue	¥2,298m	¥2,974m	¥2,897m	¥599m	¥77m
Operating loss	¥3,778m	¥3,526m	¥3,793m	(¥15m)	(¥267m)
Ordinary loss	¥3,811m	¥3,559m	¥3,793m	(¥18m)	(¥234m)
Net loss	¥3,815m	¥3,563m	¥3,797m	(¥18m)	(¥234m)

Source: SymBio Pharmaceuticals reports and Edison Investment Research estimates

Exhibit 5: Financial summary

US$:JPY	$'000s	2013	2014	2015	2016e	2017e	2018e
December		JPN GAAP	JPN GAAP	JPN GAAP	JPN GAAP	JPN GAAP	JPN GAAP
PROFIT & LOSS							
Revenue		12,662	16,157	15,977	16,125	18,929	23,945
Cost of Sales		(10,034)	(11,805)	(11,159)	(10,916)	(13,326)	(16,857)
Gross Profit		2,628	4,352	4,818	5,209	5,603	7,088
Research and development		(8,701)	(6,398)	(16,816)	(17,579)	(17,880)	(22,201)
EBITDA		(13,301)	(9,372)	(21,826)	(22,522)	(27,233)	(31,037)
Operating Profit (before amort. and except.)		(13,343)	(9,429)	(21,950)	(22,667)	(27,487)	(31,425)
Intangible Amortization		25	48	77	78	79	80
Exceptionals		0	(15)	17	0	0	0
Other		0	0	0	0	0	0
Operating Profit		(13,318)	(9,396)	(21,856)	(22,589)	(27,408)	(31,345)
Net Interest		83	205	134	76	0	0
Pre-tax Profit (norm)		(13,260)	(9,224)	(21,816)	(22,590)	(27,487)	(31,425)
Pre-tax Profit (reported)		(13,235)	(9,191)	(21,721)	(22,513)	(27,408)	(31,345)
Tax		(31)	(31)	(31)	(31)	(31)	(31)
Profit After Tax (norm)		(13,292)	(9,255)	(21,847)	(22,622)	(27,519)	(31,457)
Profit After Tax (reported)		(13,266)	(9,222)	(21,753)	(22,544)	(27,440)	(31,376)
Average Number of Shares Outstanding (m)		23.2	30.8	32.4	32.4	32.4	32.4
Average number of ADS outstanding (m)		23.2	30.8	32.4	32.4	32.4	32.4
EPADR - normalized ($)		(0.57)	(0.30)	(0.67)	(0.70)	(0.85)	(0.97)
EPADR - normalized and fully diluted ($)		(0.57)	(0.30)	(0.67)	(0.70)	(0.85)	(0.97)
EPADR - (reported) ($)		(0.57)	(0.30)	(0.67)	(0.70)	(0.85)	(0.97)
Dividend per share ($)		0.0	0.0	0.0	0.0	0.0	0.0
Gross Margin (%)		20.8	26.9	30.2	32.3	29.6	29.6
EBITDA Margin (%)		-105.0	-58.0	-136.6	-139.7	-143.9	-129.6
Operating Margin (before GW and except.) (%)		-105.4	-58.4	-137.4	-140.6	-145.2	-131.2
BALANCE SHEET							
Fixed Assets		438	1,353	1,302	1,975	2,598	3,337
Intangible Assets		64	546	430	412	343	273
Tangible Assets		71	405	438	1,129	1,821	2,630
Investments		302	402	434	434	434	434
Current Assets		63,091	60,249	39,891	19,618	16,803	17,683
Stocks		1,034	2,021	1,099	1,869	2,282	2,887
Debtors		0	2,253	2,485	884	1,037	1,312
Cash		43,753	42,083	35,218	15,778	12,397	12,397
Other		18,304	13,891	1,087	1,087	1,087	1,087
Current Liabilities		(2,074)	(4,033)	(4,553)	(6,553)	(7,412)	(8,303)
Creditors		(2,074)	(4,033)	(4,553)	(6,553)	(7,412)	(8,303)
Short term borrowings		0	0	0	0	0	0
Long Term Liabilities		(25)	(19)	(13)	(18)	(23,556)	(54,810)
Long term borrowings		0	0	0	0	(23,538)	(54,792)
Other long term liabilities		(25)	(19)	(13)	(18)	(18)	(18)
Net Assets		61,430	57,550	36,626	15,022	(11,567)	(42,093)
CASH FLOW							
Operating Cash Flow		(13,886)	(10,655)	(18,889)	(18,684)	(25,932)	(30,015)
Net Interest		55	222	146	92	0	0
Tax		(31)	(31)	(31)	(31)	(31)	(31)
Capex		0	(368)	(186)	(806)	(946)	(1,197)
Acquisitions/disposals		0	0	0	0	0	0
Financing		33,533	4,500	(15)	0	0	0
Dividends		0	0	0	0	0	0
Net Cash Flow		8,712	(1,670)	(6,865)	(19,440)	(26,920)	(31,254)
Opening net debt/(cash)		(35,042)	(43,753)	(42,083)	(35,218)	(15,778)	11,141
HP finance leases initiated		0	0	0	0	0	0
Other		0	(0)	(0)	0	0	0
Closing net debt/(cash)		(43,753)	(42,083)	(35,218)	(15,778)	11,141	42,395

Source: SymBio accounts, Edison Investment Research. Note: Our 2017-18 long-term liabilities include illustrative financing of c ¥6.6bn ($55m), which we classify as a long-term liability for the purposes of our model. Solely for the convenience of the reader the financial summary table has been converted at a rate of ¥121/US$. SymBio reports statutory accounts in Japanese yen. These translations should not be considered representations that any such amounts have been or could be converted into US dollars at the assumed conversion rate.

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