

Appendix 4D

Half year report Period ending on 31 December 2007

PEPLIN, INC.
ARBN 126 884 393

1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Change	% Change	\$USD
			(000)
Revenues from ordinary activities and other income	up	46%	to 1,506
<i>Comments regarding above item:</i> Revenue from ordinary activities comprises government grants and interest earned on cash balances. The increase in R&D activities during the period has resulted in a significant increase in grant revenue.			
Loss from ordinary activities after tax attributable to members	up	52%	to (12,111)
<i>Comments regarding above item:</i> Investment in research and development increased by US\$2.3 million to US\$9.5 million. This increase was primarily due to the establishment of clinical development, regulatory affairs and commercial functions in our U.S. office and increased activity in these areas. General and administration expenses also increased by US\$2.2 million to US\$4.1 million. This increase was primarily due to implementation of our company reorganization in October 2007 (refer section 4 below) and increased staffing necessary to manage and support our growth, particularly in connection with establishing our U.S. office. In addition, we have also expanded our legal and accounting staff, added infrastructure and incurred additional costs in preparation for operating as a U.S. public company.			
Net Loss attributable to members	Up	52%	to (12,111)
Dividends (distributions)	It is not proposed to pay a dividend.		

2. REPORTING PERIOD

The financial information contained in this report is presented in US dollars for the **six month period ended 31 December 2007**.

Comparative amounts, unless otherwise indicated, are for the six month period ended 31 December 2006.

3. NET TANGIBLE ASSET BACKING PER SHARE

	31 Dec 2007	31 Dec 2006
Net tangible asset backing per share	US\$2.59	US\$3.23

4. CHANGES IN CONTROL OVER GROUP ENTITIES

On October 16, 2007 the Company implemented a corporate reorganization whereby shareholders of Peplin Limited exchanged their shares for shares in Peplin, Inc., a company incorporated in Delaware, USA. Ownership interests in Peplin, Inc. were unchanged from those of Peplin Limited immediately prior to the restructure.

The reorganization was implemented by way of a scheme of arrangement with share and option holders. The schemes were approved by share and option holders at a series of meetings on October 1, 2007. Final approval of the schemes was then granted by the Federal Court of Australia on October 8, 2007 with full implementation completed on October 16, 2007.

5. DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS

During the half-year ended 31 December 2007 no dividends were either paid or proposed. The company does not operate a dividend reinvestment plan.

6. ASSOCIATES AND JOINT VENTURES

During the half-year the company did not hold any interests in associates or joint ventures.

7. UNAUDITED FINANCIAL INFORMATION

The information contained in this report is unaudited. The financial statements for the half-year ended 31 December 2007 have been reviewed by the company's auditors.



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David Smith
Company Secretary
15 February 2008