

The original disclosure in Japanese was released on Oct. 24, 2017 at 15:00 (GMT+9)

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Stock exchange listings: Tokyo Stock Exchange (1st section)
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Revision of the Business Results Forecast

Kusatsu/Shiga, Japan — October 24, 2017 — Takara Bio Inc. (Takara Bio), today announced revisions to the business results forecast that it released on May 9, 2017, as stated below. These revisions were based on consideration of recent performance trends.

1. Revised figures for the consolidated business results forecast for the first half of the fiscal year ending March 31, 2018 (from April 1, 2017, to September 30, 2017)

(Millions of Yen; unless otherwise noted)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share (Yen)
Previous forecast (A)	14,049	487	523	18	0.16
Revised forecast (B)	14,126	688	766	302	2.51
Difference (B-A)	77	201	242	283	-
Difference (%)	0.6	41.3	46.2	-	-
Reference: Previous business results (First half of the fiscal year ended March 31, 2017)	13,199	1,377	1,443	667	5.54

Note: Difference in net income attributable to owners of the parent is more than 1,000% so is shown as “-“.

2. Reason for revision

Net sales in the first half of the fiscal year are expected to slightly exceed the projection overall as sales of scientific instruments and contract services have remained strong although sales of research reagents will be lower than the projection. As for income, with the increase in net sales, gross profit is expected to be ¥64 million (0.8%) higher than the projection.

Moreover, selling, general and administrative (SG&A) expenses are expected to be ¥136 million (1.8%) lower than the projection with efforts to curb mainly administrative expenses.

As a result, operating income, ordinary income, and net income attributable to owners of the parent are expected to be higher than the previous forecast, so the Company will revise the consolidated business results forecast for the first half of the fiscal year. The appended reference materials are the present forecast values.

Further, the Company is currently evaluating forecasts for consolidated business results for the full fiscal year ending March 31, 2018, including whether or not to revise business results forecasts. The Company will make an

announcement in this regard when it announces its business results for the first half on November 7, 2017.

Note: The business results forecasts have been determined by the Group based on the information currently available to the Group. Consequently, the business results scheduled to be announced on November 7, 2017 could differ from these figures.

Cautionary Statement on the Use of This Document

Statements in this news release, other than those based on historical fact, concerning the current plans, prospects, strategies and expectations of the Company and its Group represent forecasts of future results. While such statements are based on the conclusions of management according to information available at the time of writing, they reflect many assumptions and opinions derived from information that includes major risks and uncertainties. Actual results may vary significantly from these forecasts due to various factors. Factors that could influence actual results include, but are not limited to, economic conditions, especially trends in consumer spending, as well as exchange rate fluctuations, changes in laws and government systems, pressure from competitors' prices and product strategies, decline in selling power of the Company's existing and new products, disruptions to production, violations of our intellectual property rights, rapid advances in technology and unfavorable verdicts in major litigation