



To whom it may concern:

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Notice Regarding Forecast Revisions of Financial Results and Dividend (Dividend Increase)

Kusatsu/Shiga, Japan-January 30, 2019 – Takara Bio Inc. (Takara Bio), today announced that a resolution has been made at the meeting of the Board of Directors, to revise the consolidated financial forecast for the fiscal year ending March 31, 2019 (April 1, 2018 – March 31, 2019) that was announced on November 6, 2018 and the dividend forecast that was announced on May 11, 2018, as follows based on a review of current trends in results of operations.

1. Revision to Financial Forecast

(1) Revision to the Consolidated Forecast for the fiscal year ending March 31, 2019 (April 1, 2018 – March 31, 2019)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous forecast (A)	Million yen	Million yen	Million yen	Million yen	Yen
	35,800	5,000	5,200	3,100	25.74
Revised forecast (B)	35,800	5,200	5,400	3,150	26.16
Amount of Change (B-A)	—	200	200	50	—
Percentage of change (%)	—	4.0	3.8	1.6	—
(Reference) Results for the previous fiscal year ended March 31, 2018	32,312	3,555	3,861	2,335	19.39

(2) Reason of the Revision

Takara Bio expects that while the net sales in mushroom due to its business transfer and scientific instruments will fall short of the plan, the solid sales in core research reagents and contracted service cast that the shortfall can be absorbed. Accordingly, the overall net sales has been unchanged from previous forecast.

In terms of selling, general and administrative (SG&A) expenses, it is expected to fall below the plan in striving to reduce overall.

As a result, because operating income, ordinary income and net income attributable to owners of parent are expected to be higher than the previous forecast, consolidated financial forecast for the year ending March 31, 2019 announced on November 6, 2018 has been upwardly revised.

2. Revision to Dividend Forecast

(1) Details of Revised Dividend Forecast

Record date	Dividend per share (Yen)		
	End of 2 nd quarter	End of fiscal year	Total
Previous forecast (Announced on May 11, 2018)		6.00	6.00
Revised forecast		7.00	7.00
Actual amount for the current fiscal year	0.00		
Actual amount for the previous fiscal year (fiscal year ended March 31, 2018)	0.00	4.50	4.50

(2) Reason of the Revision

Considering the management performance and financial statement comprehensively, Takara Bio recognizes a basic policy aimed for profit contribution, positioning an important business management issue to distribute profits to shareholders as well as enhancing the internal reserves to strengthen the research development activities in Bioindustry and Gene Therapy businesses. Specifically, the dividends of surplus will be paid at around 20% of estimated profit calculated without considering extraordinary income or loss in the consolidated financial statements.

Takara Bio decided to upwardly revise the forecasted year-end dividend for fiscal 2019 by of ¥1.00 per share from ¥6.00 to ¥7.00 under the revision of financial forecast and the shareholder return policy shown above.

As for the year-end dividend for fiscal 2019, it will be resolved at the 17th Annual General Meeting of Shareholders held in June 2019.

(Note) The financial forecast shown above is based on information available as of the current date. Actual financial results may differ from the forecast due to various reasons.