



November 9, 2021

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

Takara Bio Inc. (Takara Bio), announced the revisions of the consolidated financial forecast and the dividend forecast for the fiscal year ending March 31, 2022 (April 1, 2021 – March 31, 2022) that was disclosed on August 3, 2021, as follows based on a review of current trends in results of operations.

1. Revisions of Financial Forecast

(1) Revisions of the consolidated forecast for the fiscal year ending March 2022

(April 1, 2021 – March 31, 2022)

	Net sales	Operating profit	Ordinary profit	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	54,200	17,000	17,100	11,900	98.82
Revised forecast (B)	59,300	20,000	20,200	14,100	117.09
Amount of change (B-A)	5,100	3,000	3,100	2,200	-
Percentage of Change (%)	9.4	17.6	18.1	18.5	-
(Reference) Results for the previous fiscal year ended March 31, 2021	46,086	13,952	14,159	9,547	79.29

(2) Reason for the Revisions

Sales of Instruments and Gene Therapy are expected to be lower than the previously announced forecast, but that of Reagents is expected to be higher than the forecast due to sales of new Coronavirus PCR testing-related products, as well as general research reagents, which are on a recovery trend, and overall sales are expected to be higher than the forecast. In addition, we expect to increase gross margin due to an improvement in the cost of sales ratio in CDMO and other factors. As a result, operating profit, ordinary profit, and net income attributable to owners of the parent are also expected to exceed the previously announced forecast. Consequently, the forecast for the full fiscal year has been revised.

For details of the forecasts announced this time, please refer to page 13 of the "Consolidated Financial Statements for the Second Quarter Ended September 30, 2022 FY2022 (April 1, 2021 – March 31, 2022) [UNAUDITED]" announced today.

The original disclosure in Japanese was released on November 9, 2021 at 15:00 (GMT +8)

2. Revision of Dividend Forecast

(1) Details of Revised Dividend Forecast

Record Date	Cash dividends per share (yen)		
	End of the second half	Year-end	Total
Previous forecast		20.00 yen	20.00 yen
Revised forecast		24.00 yen	24.00 yen
Actual results	0.00 yen		
Results for the previous fiscal year ended March 31, 2021	0.00 yen	16.00 yen	16.00 yen

(2) Reason for 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.

Based on the above upward revision of the full-year consolidated financial forecast and the above shareholder return policy, Takara Bio has revised the year-end dividend forecast for the year ending March 2022 from 20.00 to 24.00 per share.

The year-end dividend for the fiscal year ending March 31, 2022 is scheduled to be discussed at the 20th Ordinary General Meeting of Shareholders to be held in June 2022.

Forward-Looking Statements

Statements contained in these materials with respect to the Company's current plans, forecasts, strategies and beliefs that are not historical facts are forward-looking statements about the further performance of the Company and its consolidated subsidiaries. These statements are based on management's assumptions and beliefs in light of information currently available to it, but are based on a number of assumptions and beliefs derived from information that contains significant risks and uncertainties. Actual results may differ materially 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, declines 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.