



**Consolidated Financial Statements for the Second Quarter Ended September 30, 2018
FY2019 (April 1, 2018 - March 31, 2019) [UNAUDITED]**

November 6, 2018

Company name: Takara Bio Inc.
 Stock exchange listings: Tokyo Stock Exchange (1st section)
 Code number: 4974
 URL: <http://www.takara-bio.co.jp>
 Company representative: Koichi Nakao, President
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 Quarterly statement filing date (as planned): November 9, 2018
 Scheduled date of starting delivery of dividends: -
 Supplementary documents of the financial results: Yes
 Financial results information meeting: Yes
 Notes: 1. The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.
 2. Amounts are rounded down to the nearest million yen.

1. Results for the six months ended September 30, 2018 (Apr. 1, 2018 – Sep. 30, 2018)

(1) Operating results

(Percentages indicate changes from the same period of the previous fiscal year.)

	Six months ended Sep. 30, 2018		Six months ended Sep. 30, 2017	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	17,370	23.0	14,126	7.0
Operating income	2,623	280.9	688	(50.0)
Ordinary income	2,669	248.5	766	(46.9)
Net income (loss) attributable to owners of the parent	1,720	468.5	302	(54.6)
Net income per share (in yen)	14.29		2.51	
Fully diluted net income per share (in yen)	-		-	
Note: Comprehensive income	849	(- %)	(366)	(- %)

(2) Financial position

	As of Sep. 30, 2018	As of Mar. 31, 2018
	(Millions of yen)	(Millions of yen)
Total assets	68,677	68,670
Net assets	62,267	61,959
Equity ratio (%)	90.5	90.1
Net assets per share (in yen)	516.31	513.66
(Reference) Equity	62,172	61,852

Partial revision of accounting standard related to tax effect accounting (Article 28 on corporate accounting standard, February 16, 2018) has been applied from the beginning of the year ending March 31, 2019. Accordingly, financial position for the year ended March 31, 2018 indicates the numerical value after retroactive adjustment due to this revision.

2. Dividends

	Annual dividends per share in yen		
	Year ended Mar. 31, 2018	Year ended Mar. 31, 2019	Year ending Mar. 31, 2019 (Forecast)
First quarter end	-	-	-
Second quarter end	0.00	0.00	-
Third quarter end	-	-	-
Year end	4.50	-	6.00
Annual	4.50	-	6.00

Note: No revision of dividend payment forecast since the most recently announced payment forecast.

3. Forecast for the year ending March 31, 2019 (Apr. 1, 2018 – Mar. 31, 2019)

(Percentages indicated changes from the same period of the previous fiscal year.)

	Year ending Mar. 31, 2019	
	(Millions of yen)	(%)
Net sales	35,800	10.8
Operating income	5,000	40.6
Ordinary income	5,200	34.6
Net income attributable to owners of the parent	3,100	32.8
Net income attributable to owners of the parent per share (in yen)	25.74	

Note: Revision of financial forecast since the most recently announced financial forecast.: Yes.

※ Others

- (1) Changes in subsidiaries during the period
(Changes in specified subsidiaries resulting in change of scope) : No
Newly included: - (Name)
Excluded: - (Name)
- (2) Application of special accounting methods to the consolidated quarterly financial statements : No
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement
 - 1) Changes based on revisions of accounting standard: No
 - 2) Changes other than ones based on revisions of accounting standard: No
 - 3) Changes in accounting estimates: No
 - 4) Restatement: No
- (4) Number of outstanding shares (Common stock)
 - 1) Number of outstanding shares at year end (Treasury stocks are included)

As of September 30, 2018	120,415,600
As of March 31, 2018	120,415,600
 - 2) Number of treasury stocks at year end

As of September 30, 2018	-
As of March 31, 2018	-
 - 3) Average number of outstanding shares (Quarterly total)

As of September 30, 2018	120,415,600
As of March 31, 2018	120,415,600

※ These quarterly financial statements are not subject to auditing.

※ Comment regarding appropriate use of earnings forecasts and other special notes

Forward-looking statements contained in this document are determined by the Takara Bio Group based on information currently available to the Group and include a number of uncertainties. Actual results could differ from these forecasts due to changes in conditions that occur in the future. For information regarding the above, please refer to 1. Quality Information for the six months ended September 30, 2018 (4) Qualitative Information Regarding Consolidated Forecasts, on page 3 of the attached document.

(Change in calendar indication)

Calendar indication has been changed from Japanese style to western style since Consolidated Financial Statements for the first quarter ended June 30, 2018.