



To whom it may concern:

October 21, 2020

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## Announcement on Revision of Financial Forecast

Kusatsu/Shiga, Japan-October 20, 2020 – Takara Bio Inc. (Takara Bio), today announced the revision of the consolidated financial forecast disclosed on August 4, 2020, as follows based on the recent progress in its business.

### 1. Revision to Financial Forecast

Revision to the Consolidated Forecast for the second quarter ending September 30, 2020

(April 1, 2020 – September 30, 2020)

	Net sales	Operating profit	Ordinary profit	Net income attributable to owners of parent	Net income per share
Previous forecast (A)	Million yen	Million yen	Million yen	Million yen	Yen
	16,870	2,500	2,559	1,248	10.37
Revised forecast (B)	17,393	3,824	3,907	2,335	19.39
Amount of Change (B-A)	522	1,324	1,348	1,086	—
Percentage of Change (%)	3.1	53.0	52.7	87.1	—
(Reference) Results for the previous second quarter ended September 30, 2019	16,450	3,035	2,961	2,075	17.23

### 2. Reason of the Revision

In the previous forecast (announced on 4 August, 2020), we have revised upwardly our forecasts to the extent possible, mainly for increasing demand for PCR testing-related products due to the new Coronavirus disease pandemic, and inquiries for contract manufacturing of vaccines.

Thereafter, the demands for PCR testing-related products were even stronger, and net sales were higher than the previous forecast. As a result, the cost of sales ratio is expected to improve and the cost of sales is expected to decrease as a result of changes in the sales mix and improvements in production utilization. Selling, general and administrative expenses are expected to be lower than the forecast, mainly for administrative expenses.

For the reasons stated above, net sales, operating profit, ordinary profit, and net income attributable to owners of the parent are each expected to exceed the previous forecasts. Accordingly, the forecasts for the second quarter of the current fiscal year have been revised.

Full-year forecasts will be further examined and announced at the time of the announcement of financial results for the second quarter on November 10, 2020.

#### 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 future 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.