



Consolidated Financial Statements for the First Quarter Ended June 30, 2020
FY2021 (April 1, 2020 - June 30, 2020) [UNAUDITED]

August 4, 2020

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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Scheduled date of quarterly statement filing:	August 12, 2020
Scheduled date of starting delivery of dividends:	—
Supplementary documents of the financial results:	Yes
Financial results information meeting:	No

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 three months ended June 30, 2020 (Apr. 1, 2020 – Jun. 30, 2020)

(1) Consolidated operating results

	(Percentages indicate changes from the same period of the previous fiscal year.)			
	Three months ended Jun. 30, 2020		Three months ended Jun. 30, 2019	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	6,938	(19.8)	8,650	(2.2)
Operating profit	693	(69.2)	2,251	45.8
Ordinary profit	745	(66.1)	2,200	41.1
Net income (loss) attributable to owners of parent	404	(74.6)	1,591	54.2
Net income per share (in yen)	3.36		13.22	
Fully diluted net income per share (in yen)	—		—	
(Note) Comprehensive income	(48)	(— %)	1,778	(— %)

(2) Consolidated financial position

	As of Jun. 30, 2020	As of Mar. 31, 2020
	(Millions of yen)	(Millions of yen)
Total assets	73,593	75,009
Net assets	65,580	66,591
Equity ratio (%)	89.0	88.7
Net assets per share (in yen)	543.82	552.23
(Reference) Equity	65,484	66,496

2. Dividends

	Annual dividends per share in yen		
	Year ended Mar. 31, 2020	Year ending Mar. 31, 2021	Year ending Mar. 31, 2021 (Forecast)
First quarter end	—	—	—
Second quarter end	0.00	—	0.00
Third quarter end	—	—	—
Year end	8.00	—	8.00
Annual	8.00	—	8.00

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

The original disclosure in Japanese was released on August 4, 2020 at 15:00 (GMT+8)

3. Forecast for the year ending March 31, 2021 (Apr. 1, 2020 – Mar. 31, 2021)

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

	Six months ending Sep. 30, 2020		Year ending Mar. 31, 2021	
	(Millions yen)	(%)	(Millions yen)	(%)
Net sales	16,870	2.6	39,600	14.6
Operating profit	2,500	(17.6)	6,500	3.6
Ordinary profit	2,559	(13.6)	6,600	4.0
Net income attributable to owners of the parent	1,248	(39.8)	4,000	4.7
Net income per share (in yen)	10.37		33.22	

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

※ Others

- (1) Changes in subsidiaries during the three months ended June 30, 2020
(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 June 30, 2020	120,415,600
As of March 31, 2020	120,415,600
 - 2) Number of treasury stocks at year end

As of June 30, 2020	—
As of March 31, 2020	—
 - 3) Average number of outstanding shares

As of June 30, 2020	120,415,600
As of June 30, 2019	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 Company based on information currently available to the Company 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. Qualitative Information for the three months ended June 30, 2020 (4) Qualitative Information Regarding Consolidated Forecasts on page 2 of the attached document.

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1. Overview of Financial Results for the three months ended June 30, 2020

(1) Overview of Financial Results

In the three months ended June 30, 2020, the prospects of global economy have become uncertain due to influence of the new Coronavirus disease (COVID-19) pandemic, the trade friction issue in the US and China, and Brexit.

Against these circumstances, under our corporate philosophy of “Contributing to the health of humankind through the development of revolutionary biotechnologies such as gene therapy”, Takara Bio (the Company) is promoting the development of bio-drug discovery platform technologies through the businesses of research reagents and scientific instruments and CDMO business, aiming to become a drug discovery company and continuously creates new modalities in line with “Long-Term Management Plan FY2026” and “Medium-Term Management Plan FY2023”.

As a result, overall net sales in the three months ended June 30, 2020 decreased 19.8% year on year to ¥6,938 million, mainly due to the decrease in the Gene Therapy compared with the same period of the previous fiscal year. Cost of sales was ¥2,234 million due to a decrease of net sales, and gross profit decreased 20.5% year on year to ¥4,703 million. Selling, general and administrative (SG&A) expenses increased 9.4% year on year to ¥4,009 million, and the Company recorded operating profit down 69.2% year on year to ¥693 million.

Accompanied with the decrease in operating profit, ordinary profit decreased 66.1% to ¥745 million, profit before income taxes and others decreased 66.4% year on year to ¥736 million, and net income attributable to owners of parent decreased 74.6% year on year to ¥404 million.

Segment information has been omitted since the reportable segments were changed to a single segment since the three months ended June 30, 2020. For details, please refer to "2. Consolidated Quarterly Financial Statements and Primary Notes (Segment Information)".

(2) Overview of Financial Position

In the three months ended June 30, 2020, total assets were ¥73,593 million, a decrease of ¥1,415 million compared with that at the end of the previous fiscal year. This primarily resulted from decreases in non-current assets of ¥827 million.

In the three months ended June 30, 2020, total liabilities were ¥8,013 million, a decrease of ¥404 million compared with that at the end of the previous fiscal year. This primarily resulted from a decrease of ¥414 million in accrued income taxes.

In the three months ended June 30, 2020, total net assets stood at ¥65,580 million, a decrease of ¥1,011 million compared with that at the end of the previous fiscal year. This was mainly due to decreases of ¥559 million in retained earnings and ¥461 million in foreign currency translation adjustment resulting from the recording of ¥404 million in profit attributable to owners of parent and ¥963 million in dividends for the previous fiscal year.

(3) Overview of Cash Flows

Net cash provided by operating activities was ¥3,411 million, down by ¥462 million compared with the same period of previous fiscal year. This was mainly due to profit before income taxes and minority interests of ¥736 million, depreciation and amortization of ¥815 million, cash inflow of ¥2,130 million from a decrease in notes and accounts receivable-trade, and cash outflow of ¥787 million from an increase in inventories.

Net cash provided by investing activities was ¥775 million, an increase of ¥786 million compared with the same period of previous fiscal year. This was primarily due to ¥652 million in payments for purchase of property, plant and equipment and intangible assets.

Net cash used in financing activities was ¥944 million, an increase of ¥122 million compared with the same period of the previous fiscal year. This was primarily because of an increase of ¥910 million in cash dividends paid.

As a result of the above, balance of cash and cash equivalents at the same period of previous year, including the effect of exchange rate change on cash and cash equivalents, stood at ¥16,006 million, up by ¥1,543 million from the previous fiscal year-end.

(4) Qualitative Information Regarding Consolidated Forecasts

The Company has revised the financial forecast disclosed on May 14, 2020, considering results for the three months ended June 30, 2020 and recent progress in our business.

The previous forecast included only downside risks associated with the COVID-19 pandemic. However, the current forecast incorporates upside factors that can be expected to contribute to earnings, such as PCR-related products for the new coronavirus testing and contract manufacturing of DNA vaccines, etc., to the extent anticipated. On the other hand, the forecast incorporates the impact of termination of the exclusive agreement for developing, manufacturing and commercializing oncolytic virus C-REV in China, which was announced today (4 August, 2020).

As a result, net sales, operating profit, ordinary profit, and net income attributable to owners of the parent are expected to exceed the previous forecasts, and therefore the consolidated earnings forecasts for the second quarter ending September 30, 2020, FY2021 and the full Year ending March 31, 2020, FY2021 have been revised.

For comparison between revised forecasts for consolidated results, previous period results, and previous forecasts, refer to “Comparative Statement of Profit Relating to Consolidated Earnings Forecasts” on page 12 and 13.

2. Consolidated Quarterly Financial Statements and Primary Notes

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	As of Mar. 31, 2020	As of Jun. 30, 2020
Assets		
Current assets		
Cash and deposits	18,266	19,745
Notes and accounts receivable-trade	9,102	6,902
Marketable securities	2,000	2,000
Merchandise and finished goods	4,511	4,847
Work in process	1,208	1,338
Raw materials and supplies	1,874	2,100
Other	1,479	920
Allowance for doubtful accounts	(56)	(56)
Total current assets	38,387	37,798
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,478	15,271
Accumulated depreciation	(5,630)	(4,586)
Buildings and structures, net	10,847	10,685
Machinery, equipment and vehicles	6,705	6,594
Accumulated depreciation	(3,353)	(3,365)
Machinery, equipment and vehicles, net	3,352	3,228
Tools, furniture and fixtures	7,912	7,563
Accumulated depreciation	(5,217)	(5,003)
Tools, furniture and fixtures, net	2,694	2,559
Land	5,724	5,721
Construction in progress	85	146
Others	1,635	1,615
Accumulated depreciation	(126)	(159)
Others, net	1,509	1,455
Total Property, plant and equipment	24,213	23,798
Intangible assets		
Goodwill	7,006	6,836
Other	4,348	4,108
Total intangible assets	11,355	10,944
Investments and other assets		
Investments and other assets	1,053	1,052
Total investments and other assets	1,053	1,052
Total non-current assets	36,622	35,795
Total assets	75,009	73,593

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(Millions of yen)

	As of Mar. 31, 2020	As of June. 30, 2020
Liabilities		
Current liabilities		
Notes and accounts payable-trade	1,027	1,071
Accrued income taxes	683	269
Provision	557	795
Other	3,978	3,738
Total current liabilities	6,248	5,876
Non-current liabilities		
Retirement benefit liabilities	783	781
Other	1,386	1,355
Total non-current liabilities	2,169	2,137
Total liabilities	8,418	8,013
Net assets		
Shareholders' equity		
Share capital	14,965	14,965
Capital surplus	32,893	32,893
Retained earnings	18,501	17,942
Total shareholders' equity	66,360	65,801
Accumulated other comprehensive income		
Foreign currency translation adjustment	436	(24)
Cumulative remeasurements of retirement benefit	(300)	(292)
Total accumulated other comprehensive income	135	(317)
Non-controlling interests	95	95
Total net assets	66,591	65,580
Total liabilities and net assets	75,009	73,593

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(2) Consolidated Quarterly Statements of Profit or Loss and Consolidated Quarterly Statements of Comprehensive Income
(Consolidated Quarterly Statements of Profit or Loss)
(For the three months ended June 30, 2020)

(Millions of yen)

	Three months ended Jun. 30, 2019	Three months ended Jun. 30, 2020
Net sales	8,650	6,938
Cost of sales	2,734	2,234
Gross profit	5,916	4,703
SG&A expenses		
Employees' salaries and bonuses	1,000	1,044
Retirement benefit expenses	47	53
R&D expenses	939	1,172
Provision for doubtful accounts	140	150
Other	1,537	1,588
Total SG&A expenses	3,664	4,009
Operating profit	2,251	693
Non-operating profit		
Interest income	22	33
Foreign exchange gains	—	4
Rent of Real estate	24	30
Other	14	12
Total non-operating profit	62	81
Non-operating expenses		
Interest expenses	—	6
Foreign exchange loss	96	—
Real estate leasing expense	6	9
Dormant fixed asset cost	1	10
Other	8	2
Total non-operating expenses	113	29
Ordinary profit	2,200	745
Extraordinary profit		
Gain on sale of fixed assets	0	—
Total extraordinary profit	0	—
Extraordinary losses		
Loss on sale and retirement of fixed assets	6	8
Loss on sale of investment securities	2	—
Total extraordinary losses	9	8
Profit before income taxes and others	2,191	736
Income taxes-current	545	226
Income taxes-deferred	49	99
Total income taxes	595	326
Net income	1,596	410
Net income attributable to non-controlling interest	4	6
Net income attributable to owners of the parent	1,591	404

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(Consolidated Statements of Comprehensive Income)

(For the three months ended June 30, 2020)

	(Millions of yen)	
	Three months ended Jun. 30, 2019	Three months ended Jun. 30, 2020
Net income	1,596	410
Other comprehensive income		
Foreign currency translation adjustment	176	(467)
Remeasurements of retirement benefit	6	8
Total other comprehensive income	182	(458)
Comprehensive income	1,778	(48)
Comprehensive income attributable to:		
Owners of the parent	1,772	(48)
Non-controlling interest	6	0

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(3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	Three months ended Jun. 30, 2019	Three months ended Jun. 30, 2020
Net cash provided by (used in) operating activities		
Profit before income taxes and others	2,191	736
Depreciation and amortization	677	815
Depreciation and amortization on other	23	21
Amortization of goodwill	125	123
Increase (decrease) in allowance for doubtful accounts	(0)	1
Increase (decrease) in other provision	231	241
Increase (decrease) in retirement benefit liabilities	18	(0)
Interest income	(22)	(33)
Interest expenses	—	6
Loss (gain) on sale and retirement of fixed assets	6	8
Decrease (increase) in trade receivable-trade	2,328	2,130
Decrease (increase) in inventories	(419)	(787)
Increase (decrease) in notes and accounts payable-trade	(565)	83
Increase (decrease) in other current liabilities	(497)	494
Other	119	76
Subtotal	4,217	3,918
Interest and dividend income received	10	19
Income expenses paid	—	(6)
Income taxes paid	(353)	(520)
Net cash provided by (used in) operating activities	3,874	3,411
Net cash provided by (used in) investing activities		
Payments into time deposits	(163)	(0)
Proceeds from withdrawal of time deposits	535	—
Purchase of property, plant and equipment and intangible assets	(447)	(652)
Proceeds from sales of property, plant and equipment and intangible assets	100	0
Purchase of other depreciable assets	(11)	(116)
Other	(1)	(6)
Net cash provided by (used in) investing activities	11	(775)
Net cash provided by (used in) financing activities		
Dividends paid	(803)	(910)
Repayments of lease obligations	(18)	(34)
Net cash provided by (used in) financing activities	(821)	(944)
Effect of exchange rate change on cash and cash equivalents	30	(147)
Net increase (decrease) in cash and cash equivalents	3,094	1,543
Cash and cash equivalents at beginning of period	9,464	14,462
Cash and cash equivalents at end of period	12,558	16,006

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(4) Notes to Consolidated Quarterly Financial Statements

(Notes on Premise of Going Concern)

No items to report.

(Notes in case of Changes in Marked Amount of Shareholders' Equity)

No items to report.

(Additional Information)

The consolidated earnings forecasts for the fiscal year under review were revised upward on 4 August, 2020, among the assumptions used in accounting estimates in the annual securities report for the previous fiscal year. However, no significant changes have been made to assumptions other than the consolidated earnings forecasts, such as the spread of the new Coronavirus disease (COVID-19) and the timing of its convergence. The revision did not affect the accounting estimates for the first quarter of the current fiscal year.

(Segment Information)

- I Equivalent period of previous fiscal year (From Apr.1, 2019 to Jun. 30, 2019)
It is described in three months ended June 30, 2020 (Matters related to changes and others by reportable segment).
- II Three months ended June 30, 2020 (From Apr.1, 2020 to Jun. 30, 2020)
This information is omitted because the Company consists of a single segment.

(Matters related to changes and others by reportable segment)

The Company has established business divisions according to products and services, and each business division has formulated a comprehensive strategy for the products and services it handles, including that of its subsidiaries, and has been conducting business activities, however, the Company has decided to dissolve the business division structures with the aim of becoming a drug discovery company that creates new modalities by advancing the development of biopharmaceutical platform technologies that integrate the management resources of each business division from April 2020.

As a result of this organizational reform, each of the business segments of "Bioindustry " and "Gene Therapy" which were previously reported segments, was changed to a single business segment from the first quarter of the current fiscal year. As a result, the reportable segments have been made into a single segment.

Due to this change, segment information for the first quarter of the previous fiscal year and the first quarter of the fiscal year under review has been omitted.

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(Significant Subsequent Events)

(Significant termination of the agreement)

The Company has resolved to terminate the licensing agreement for oncolytic virus canerpaturev (Abbreviated to C-REV) concluded with Tasly Biopharmaceuticals Co, Ltd. (headquarters in Shanghai, People's of China; hereafter Tasly) at the board of directors' meeting held on August 4, 2020 and terminated the agreement on the same date.

(1) Reason for the agreement termination

The Company entered into this agreement on 11 May, 2020. After mutual discussions on future policies, it agreed to terminate the agreement on 4 August, 2020, taking into account the recent social situation (the worldwide outbreak of COVID-19) and other factors.

(2) Name of the counterparty to the agreement

Tasly Biopharmaceuticals Co., Ltd.

(3) Date of the agreement termination

August 4, 2020

(4) Details of the agreement

The Company grants Tasly the exclusive rights to develop, manufacture and commercialize C-REV in China (including Hong Kong and Macao, excluding Taiwan). The Company transfers the manufacturing technology of C-REV, and Tasly is advancing clinical development with the aim of commercializing C-REV to the market as a new anticancer agent in China.

The Company receives upfront, annual and milestone payments depending on the achievement certain development from Tasly. Following launch, the Company also receives running royalty on net sales and milestone payments upon the achievement of target sales.

(5) Significant impact of termination of agreement on business activities, etc.

The exclusive development, manufacturing and commercial rights of C-REV licensed to Tasly under this agreement in China will all be returned to the Company upon termination of this agreement, and the Company will not be able to expect the sales revenues from milestones due to development and commercial progress. On 4 August, 2020, the Company announced a revised consolidated earnings forecast for the fiscal year ending 31 March, 2021, including the impact of termination of the contract.

The original disclosure in Japanese was released on August 4, 2020 at 15:00 (GMT+8)

3. Supplementary Information

(1) Trends in Key Management Indicators

1). Cash Flow

(Millions of yen)

Term	Three months ended Jun. 30, 2019 (Apr. 1, 2019 - Jun. 30, 2019)	Three months ended Jun. 30, 2020 (Apr. 1, 2020 - Jun. 30, 2020)	Year ended Mar. 31, 2020 (Apr. 1, 2019 - Mar. 31, 2020)
Net cash provided by (used in) operating activities	3,874	3,411	6,399
Net cash provided by (used in) investing activities	11	(775)	(212)
Net cash provided by (used in) financing activities	(821)	(944)	(946)

2). Net Sales by Region

(Millions of yen)

	Three months ended Jun. 30, 2019 (Apr. 1, 2019 - Jun. 30, 2019)	Three months ended Jun. 30, 2020 (Apr. 1, 2020 - Jun. 30, 2020)	Year ended Mar. 31, 2020 (Apr. 1, 2019 - Mar. 31, 2020)
Japan	3,937	2,490	14,804
U.S.	1,955	1,992	8,011
China	1,427	1,126	6,391
Asia excluding Japan and China	474	450	1,877
Europe	784	788	3,207
Other	72	89	271
Total	8,650	6,938	34,565

3). R&D Expenses by Reportable Segment

As the reportable segment has been changed to a single segment since the first quarter of the current fiscal year, the description thereof has been omitted.

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(2) Comparative Consolidated Statement of Profit or Loss

(Rounded down to one million yen)

	Three months ended Jun. 30, 2019 Actual	Three months ended Jun. 30, 2020 Actual	Year on year Change	Year on year Ratio
(Net Sales)				
Research reagents	5,691	5,515	(175)	96.9%
Scientific instruments	274	166	(107)	60.6%
Contract services	781	1,137	355	145.5%
Gene therapy	1,903	119	(1,784)	6.3%
Total net sales	8,650	6,938	(1,712)	80.2%
(Operating profit and Loss)				
Net sales	8,650	6,938	(1,712)	80.2%
Cost of sales	2,734	2,234	(500)	81.7%
Gross profits	5,916	4,703	(1,212)	79.5%
SG&A expenses	3,664	4,009	344	109.4%
Transportation expenses	89	176	86	196.7%
Advertising expenses	17	20	2	115.8%
Promotion expenses	136	90	(45)	66.5%
R&D expenses	939	1,172	233	124.8%
Administrative expenses, other	2,399	2,477	78	103.3%
Enterprise taxes (external standards taxation)	81	71	(10)	87.6%
Operating profit	2,251	693	(1,557)	30.8%
(Non-operating profit and Expenses)				
Non-operating profit	62	81	19	131.0%
Non-operating expenses	113	29	(83)	26.3%
Ordinary profit	2,200	745	(1,455)	33.9%
(Extraordinary profit & Losses)				
Extraordinary profit	0	—	(0)	—
Extraordinary losses	9	8	(0)	95.8%
Profit before income taxes and others	2,191	736	(1,455)	33.6%
Income taxes	595	326	(269)	54.7%
Net Income	1,596	410	(1,185)	25.7%
Net income (loss) attributable to non-controlling interests	4	6	1	133.4%
Net income attributable to owners of the parent	1,591	404	(1,187)	25.4%
Depreciation and amortization (Property, plant and equipment and intangible assets)	677	815	138	120.5%
Amortization of goodwill	125	123	(1)	98.8%

*1 Sales of "Other" have been included in "Research reagents" from the current consolidated fiscal year, and the results for equivalent period of previous fiscal year in this table have been reclassified to reflect these changes.

*2 As a result of the change to a single segment from the current consolidated fiscal year, the statement for consolidated earnings forecasts by segment (operating profit) is omitted from this time.

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(3) Comparative Statement of Profit Relating to Consolidated Earnings Forecasts

① Second Quarter ending Sep. 30, 2020

(Rounded down to one million yen)

	Six months ended Sep. 30, 2020 Actual	Six months ending Sep. 30, 2021 Previous forecast	Six months ending Mar. 31, 2021 Current forecast	Year on year Change	Year on year Ratio	Previous forecast Change	Previous forecast Ratio
(Net Sales)							
Research reagents	11,824	10,684	12,785	960	108.1%	2,100	119.7%
Scientific instruments	620	477	414	(205)	66.8%	(63)	86.7%
Contract services	1,961	2,734	3,450	1,488	175.9%	716	126.2%
Other	2,044	469	220	(1,823)	10.8%	(248)	46.9%
Total Net Sales	16,450	14,365	16,870	419	102.6%	2,504	117.4%
(Operating Profit and Loss)							
Net Sales	16,450	14,365	16,870	419	102.6%	2,504	117.4%
Cost of sales	6,121	5,721	6,239	117	101.9%	518	109.1%
Gross profits	10,329	8,644	10,631	301	102.9%	1,986	123.0%
SG&A expenses	7,293	8,025	8,131	837	111.5%	105	101.3%
Transportation expenses	186	275	321	135	172.8%	46	116.7%
Advertising expenses	33	36	31	(2)	92.4%	(5)	84.7%
Promotion expenses	299	244	206	(93)	68.9%	(38)	84.3%
R&D expenses	1,858	2,357	2,471	612	132.9%	113	104.8%
Administrative expenses, other	4,766	4,993	4,955	188	104.0%	(37)	99.2%
Enterprise taxes (external standards taxation)	149	117	145	(3)	97.4%	27	123.4%
Operating profit	3,035	619	2,500	(535)	82.4%	1,880	403.9%
(Non-operating Profit and Expenses)							
Non-operating profit	130	158	136	5	104.5%	(21)	86.1%
Non-operating expenses	203	83	77	(126)	37.8%	(6)	92.1%
Ordinary profit	2,961	693	2,559	(402)	86.4%	1,865	369.0%
(Extraordinary Profit & Losses)							
Extraordinary profit	0	—	—	(0)	—	—	—
Extraordinary losses	12	510	479	467	3950.1%	(31)	93.9%
Profit before income taxes and minority interests	2,950	182	2,079	(870)	70.5%	1,896	1138.3%
Income taxes	870	173	813	(56)	93.5%	640	469.1%
Net Income	2,080	9	1,265	(814)	60.9%	1,256	13688.4%
Net income (loss) attributable to non-controlling interests	4	9	17	12	368.1%	8	188.4%
Net income attributable to owners of the parent	2,075	0	1,248	(826)	60.2%	1,248	—
Depreciation and amortization (Property, plant and equipment and intangible assets)	1,352	1,553	1,595	242	118.0%	41	102.7%
Amortization of goodwill	250	238	246	(4)	98.4%	7	103.1%

*1 Sales of "Other" have been included in "Research Reagents" since the current consolidated fiscal year, and the results for equivalent period of previous fiscal year in this table have been reclassified to reflect these changes.

*2 As a result of the change to a single segment from the current consolidated fiscal year, the statement for consolidated earnings forecasts by segment (operating profit) is omitted from this time.

The original disclosure in Japanese was released on August 4, 2020 at 15:00 (GMT+8)

② Year Ending Mar. 31, 2020

(Rounded down to one million yen)

	Year ended Mar. 31, 2020 Actual	Year ending Mar. 31, 2021 Previous forecast	Year ending Mar. 31, 2021 Current forecast	Year on year Change	Year on year Ratio	Previous forecast Change	Previous forecast Ratio
(Net Sales)							
Research reagents	24,840	23,788	27,603	2,763	111.1%	3,814	116.0%
Scientific instruments	1,242	1,178	1,227	(14)	98.8%	49	104.2%
Contract services	6,186	7,201	9,850	3,663	159.2%	2,648	136.8%
Other	2,295	1,631	918	(1,377)	40.0%	(713)	56.3%
Total Net Sales	34,565	33,800	39,600	5,034	114.6%	5,800	117.2%
(Operating Profit and Loss)							
Net Sales	34,565	33,800	39,600	5,034	114.6%	5,800	117.2%
Cost of sales	13,459	12,999	16,223	2,764	120.5%	3,224	124.8%
Gross profits	21,105	20,800	23,376	2,270	110.8%	2,575	112.4%
SG&A expenses	14,830	16,300	16,876	2,045	113.8	575	103.5%
Transportation expenses	492	588	665	172	135.1%	76	113.0%
Advertising expenses	73	77	70	(2)	95.9%	(7)	90.7%
Promotion expenses	579	551	550	(29)	95.0%	(1)	99.7%
R&D expenses	3,869	4,814	5,121	1,252	132.4%	306	106.4%
Administrative expenses, other	9,511	9,975	10,157	646	106.8%	182	101.8%
Enterprise taxes (external standards taxation)	305	292	311	6	102.2%	19	106.5%
Operating profit	6,274	4,500	6,500	225	103.6%	2,000	144.4%
(Non-operating Profit and Expenses)							
Non-operating profit	316	231	293	(23)	92.6%	61	126.8%
Non-operating expenses	243	131	193	(50)	79.3%	61	147.1%
Ordinary profit	6,347	4,600	6,600	252	104.0%	2,000	143.5%
(Extraordinary Profit & Losses)							
Extraordinary profit	0	—	—	(0)	—	—	—
Extraordinary losses	914	653	627	(286)	68.7%	(25)	96.1%
Profit before income taxes and minority interests	5,433	3,946	5,972	538	109.9%	2,025	151.3%
Income taxes	1,601	1,338	1,961	359	122.4%	622	146.5%
Net Income	3,831	2,607	4,010	178	104.7%	1,403	153.8%
Net income (loss) attributable to non-controlling interests	11	7	10	(1)	91.4%	3	140.0%
Net income attributable to owners of the parent	3,819	2,600	4,000	180	104.7%	1,400	153.8%
Depreciation and amortization (Property, plant and equipment and intangible assets)	2,921	3,232	3,268	347	111.9%	36	101.1%
Amortization of goodwill	496	477	486	(10)	97.9%	8	101.7%

*1 Sales of "Other" have been included in "Research Reagents" since the current consolidated fiscal year, and the results for equivalent period of previous fiscal year in this table have been reclassified to reflect these changes.

*2 As a result of the change to a single segment from the current consolidated fiscal year, the statement for consolidated earnings forecasts by segment (operating profit) is omitted from this time.