

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

July 31, 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) August 10, 2018

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, 2018 (Apr. 1, 2018 – Jun. 31, 2018)

(1) Operating results

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

	Three months ended Jun. 30, 2018		Three months ended Jun. 30, 2017	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	8,847	39.2	6,355	0.8
Operating income	1,544	487.8	262	(59.2)
Ordinary income	1,559	442.0	287	(56.0)
Net income (loss) attributable to owners of the parent	1,032	-	22	(92.0)
Net income per share (in yen)	8.57		0.19	
Fully diluted net income per share (in yen)	-		-	
Note: Comprehensive income	(495)	-	(751)	-

(2) Financial position

	As of Jun. 30, 2018	As of Mar. 31, 2018
	(Millions of yen)	(Millions of yen)
Total assets	67,643	68,670
Net assets	60,921	61,959
Equity ratio (%)	89.9	90.1
Net assets per share (in yen)	505.09	513.66
(Reference) Equity	60,820	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 period of the three months ended June 30, 2018. 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 ending 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.)

	Six months ending Sep. 30, 2018		Year ending Mar. 31, 2019	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	17,755	25.7	36,800	13.9
Operating income	2,500	263.1	5,000	40.6
Ordinary income	2,557	233.8	5,200	34.6
Net income attributable to owners of the parent	1,646	444.1	3,100	32.8
Net income attributable to owners of the parent per share (in yen)	13.68		25.74	

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

4. Others

- (1) Changes in subsidiaries during the three months ended Jun. 30, 2018
(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, 2018	120,415,600
As of March 31, 2018	120,415,600
 - 2) Number of treasury stocks at year end

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

As of June 30, 2018	120,415,600
As of June 30, 2017	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. Qualitative Information for the three months ended June 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.