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Notice of Revision of Financial Forecast

Takara Bio Inc. (Takara Bio), announced the revision of the first half of the consolidated financial 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. Revision of Financial Forecast

Revision of the consolidated forecast for the first half of the fiscal year ending March 2022

(April 1, 2021 – September 30, 2021)

	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)	29,700	11,400	11,400	7,900	65.61
Revised forecast (B)	31,500	14,100	14,200	10,000	83.05
Amount of change (B-A)	1,800	2,700	2,800	2,100	-
Percentage of Change (%)	6.1	23.7	24.6	26.6	-
(Reference) Results for the first half of the previous fiscal year ended March 31, 2021	17,393	3,736	3,820	2,274	18.89

2. Reason for the Revision

Net sales of general research reagents, which are on a recovery trend from the impact of the new Coronavirus pandemic, and products related to the new Coronavirus PCR test are expected to exceed the previously announced forecast. In addition, gross margins are expected to increase due to such as an improvement in the cost of sales ratio in the CDMO business. As a result, operating profit, ordinary profit, and net income attributable to owners of the parent are also expected to exceed the previously announced forecasts. Therefore, the forecast of consolidated financial results for the first half of the current fiscal year has been revised.

We plan to announce our full-year consolidated financial forecast at the time of our announcement of the first-half financial results on November 9, 2021 with further consideration.

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.