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**Consolidated Financial Statements for the First Quarter Ended June 30, 2012
FY2013 (April 1, 2012 - March 31, 2013) [UNAUDITED]**

Company name: Takara Holdings Inc.
 Stock exchange listings: Tokyo Stock Exchange (1st section) and Osaka Stock Exchange (1st section)
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 Quarterly statement filing date (as planned): August 9, 2012

- 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, 2012 (April 1, 2012 - June 30, 2012)

(1) Operating results

Note: Percentages indicated changes from the previous fiscal year.

	Three months ended June 30, 2012		Three months ended June 30, 2011	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	47,349	(3.1)	48,866	9.7
Operating income	1,061	(36.2)	1,664	49.7
Ordinary income	1,156	(38.7)	1,887	61.7
Net income (loss)	(90)	-	499	39.8
Net income (loss) per share (Yen)	(0.44)		2.40	
Fully diluted net income per share (Yen)	-		2.40	
Note: Comprehensive income	1,072	2.2	1,049	-

(2) Financial position

	As of June30, 2012	As of March 31, 2012
	(Millions of yen)	(Millions of yen)
Total assets	207,226	197,437
Net assets	106,839	107,659
Equity ratio (%)	45.2	48.0
(Reference) Equity	93,585	94,783

2. Dividends

	Dividend per share (Yen)		
	Year ended March 31, 2012	Year ending March 31, 2013	Year ending March 31, 2013 (Forecast)
First quarter end	-	-	-
Second quarter end	-	-	-
Third quarter end	-	-	-
Year end	9.00	-	9.00
Annual	9.00	-	9.00

Note: Correction of dividend forecast from the most recent dividend forecast : No

3. Forecast for the year ending March 31, 2013 (April 1, 2012 - March 31, 2013)

Note: Percentages indicated changes from the same period of the previous fiscal year.

	Six months ending September 30, 2012		Year ending March 31, 2013	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	95,100	(0.4)	202,800	2.1
Operating income	2,600	(21.8)	9,500	2.5
Ordinary income	2,600	(24.7)	9,650	0.3
Net income	1,200	25.0	4,600	15.1
Net income per share (Yen)	5.84		22.39	

Note: Correction of financial forecast from the most recent financial forecast : No

4. Others

- (1) Material changes in subsidiaries during this period
(Changes in scope of consolidations resulting from change is subsidiaries) : No
- (2) Applying of specific accounting of the consolidated quarterly financial statements : No
- (3) Changes in accounting policies, accounting estimates and retrospective restatement
 - 1) Changes based on revisions of accounting standard : Yes
 - 2) Changes other than ones based on revisions of accounting standard : No
 - 3) Changes in accounting estimates : Yes
 - 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, 2012 : 217,699,743
 - As of March 31, 2012 : 217,699,743
 - 2) Number of treasury stocks at year end
 - As of June 30, 2012 : 12,281,107
 - As of March 31, 2012 : 12,277,683
 - 3) Average number of outstanding shares
 - Three months ended June 30, 2012 : 205,419,492
 - Three months ended June 30, 2011 : 207,627,319

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1. Qualitative Information for the Three Months Ended June 30, 2012

(1) Consolidated Financial Results

In the period under review, the three months ended June 30, 2012, the Japanese economy steadily recovered on the back of restoration demand in the aftermath of the Great East Japan Earthquake and other factors, but ongoing deflation, the yen's prolonged appreciation and the European sovereign debt crisis continued raising uncertainties about the future economic outlook.

In this environment, we endeavored to improve corporate value through the establishment of a balanced organizational structure that is resilient to changes in the environment by acting in accordance with the Takara Group Medium-Term Management Plan FY2014, which has "aiming to realize the Takara Group Vision2020, achieve stable growth in Japan while expanding business base in order to grow significantly overseas" as its basic policy. The Takara Group Vision 2020 embodies our long-term management vision.

In the domestic alcoholic beverages business, the Group focused its resources on developing original new products and cultivating brands in response to diversifying customer preferences. In the seasonings and raw alcohol business, the Group made concerted efforts to increase sales by proposing differentiated products that meet customer needs.

In the overseas alcoholic beverages business and the Japanese food ingredients wholesale business, the Group worked to accelerate business expansion by spreading Japanese food culture across the globe

In the genetic engineering research business, the Group actively worked to supply new products and services in the real-time polymerase chain reaction (PCR) and advanced cell biology fields, which are expected to become growth markets. In the gene medicine business, the Group diligently promoted clinical development of gene and cell therapies. Initiatives were also enacted to expand the health foods business.

In the period under review, consolidated net sales decreased 3.1% year on year, to ¥47,349 million, due to the rebound from temporary growth in sales seen a year earlier in response to earthquake. Gross profit declined 3.1% year on year, to ¥18,273 million.

Selling, general, and administrative (SG&A) expenses edged up 0.1% year on year, to ¥17,212 million as transportation expenses decreased but sales promotion and other costs climbed. As a result, operating income decreased 36.2% year on year, to ¥1,061 million.

In regard to non-operating income and expenses, non-operating income, including dividend income and real estate rent, decreased, while non-operating expenses, including interest on bond and bond issuance costs resulted from corporate bond issuances, increased. As a result, ordinary income decreased 38.7% year on year, to ¥1,156 million.

In regard to extraordinary gain and loss, declines in stock prices resulted in the incurrence of loss on valuation of investment securities totaling ¥697 million, which was recorded under extraordinary loss. As a result, net income before tax and minority interests fell 59.9% year on year, to ¥434 million, and net losses were ¥90 million in the period under review.

Results by business segment were as follows.

[Takara Shuzo Group]

Takara Shuzo Co., Ltd., the core company in the segment, registered declining sales year on year in the period under review due in part to a temporary surge in sales in equivalent three-month period in fiscal 2012 following shipments of products that could not be delivered because of disruptions after the Great East Japan earthquake toward the end of March 2011. Consequently, segment net sales decreased 4.1% year on year, to ¥42,291 million.

By product category, in the shochu category, active sales promotion campaigns that celebrated the centennial anniversary of *Takara Shochu* were conducted. In light-alcohol refreshers, new additions to the *Takara Can Chu-Hi Jika Shibori* series were introduced and *Takara Shochu High Ball* continued registering sales growth. However, sales of shochu and light-alcohol refreshers declined in the period due to rebound from the aforementioned extraordinary factors stemming from the earthquake and others. Sake such as *Sho-Chiku-Bai Ten* and low-alcohol sparkling sake *Sho-Chiku-Bai Shirakabe-gura Mio* registered higher sales. In transportation, newly consolidated subsidiaries contributed to sales in the period. In the other category, the Japanese food ingredients wholesaling business recorded higher sales.

Cost of sales fell 2.9% year on year, to ¥27,025 million, but costs of sales ratios were up following soaring raw material costs and gross profit decreased 6.2% year on year, to ¥15,266 million, as a result. Active sales promotion for nurturing new products and changes in ratios of sales by product resulted in increased sales promotion costs. However, transportation costs declined due to the rebound from the temporary surge in costs experienced a year earlier in the aftermath of earthquake damages, and administrative and other costs fell as well. These factors contributed to an overall decline in SG&A expenses.

Due to the above, operating income in this segment decreased 60.9%, to ¥585 million.

[Takara Bio Group]

In the Takara Bio Group's genetic engineering research business, sales of research reagents rose year on year despite the negative impacts of yen appreciation, offsetting declining revenues from scientific instruments, contract research services, and other businesses, leading to higher sales. In the gene medicine business, sales increased for cell culture media, gas-permeable bags, and other products. In the agribio business, sales of health foods and mushrooms increased.

As a result, segment net sales increased 7.4% year on year, to ¥4,104 million.

Cost of sales decreased 6.7% year on year, to ¥1,569 million as the cost of sales ratio declined. Gross profit rose 18.5% year on year, to ¥2,535 million. SG&A expenses increased 7.8% year on year, to ¥2,360 million due to higher R&D and other expenses.

Consequently, operating income in the segment totaled ¥175 million.

[Takara Healthcare]

For mainstay health food products, revenues from direct sales to consumers, ingredient sales to companies, and OEM businesses increased. However, the tea beverage PB (private brand) supply business registered falling sales, leading to segment net sales of ¥551 million, down 10.3% year on year.

On the income side, the cost of sales ratio decreased. However, gross profit contracted 6.3% year on year, to ¥195 million due to the sales decline. Ongoing outlays for advertising costs geared toward nurturing businesses led to an operating loss of ¥7 million, but the operating loss improved ¥36 million year on year.

[Other]

The other segment represents business segments that are not included in the reported segments. Net sales in this segment decreased 5.7% year on year, to ¥1,728 million, and operating income rose 241.8% year on year, to ¥45 million.

Breakdown of sales results by product category

Segment	Equivalent Period of Previous Fiscal Year (From April 1, 2011, to June 30, 2011)	Period under Review (from April 1, 2012, to June 30, 2012)	YoY Comparison
Product category	Amount (Millions of yen)	Amount (Millions of yen)	(%)
Takara Shuzo Group			
Shochu	19,650	18,192	92.6
Sake	3,829	4,046	105.7
Light-alcohol refreshers	7,543	6,319	83.8
Other alcoholic beverages	2,631	2,672	101.5
Alcoholic beverages total	33,654	31,230	92.8
<i>Hon Mirin</i>	3,430	3,411	99.4
Other seasonings	1,762	1,845	104.7
Seasonings total	5,193	5,257	101.2
Raw alcohol, etc.	1,677	1,666	99.3
Transportation	2,136	2,593	121.4
Other	1,455	1,544	106.2
Total	44,118	42,291	95.9
Takara Bio Group	3,823	4,104	107.4
Takara Healthcare	615	551	89.7
Other	1,833	1,728	94.3
Sales not allocated to business segments and intersegment transactions	(1,524)	(1,327)	-
Total	48,866	47,349	96.9

Notes: Amounts include alcohol tax but do not include consumption tax.

(2) Consolidated Financial Position

Total assets stood at ¥207,226 million as of June 30, 2012, rising by ¥9,788 million from the previous fiscal year-end as current assets increased by ¥10,662 million and noncurrent assets fell by ¥873 million. The increase was mainly attributable to growth in cash reserves (cash and deposits of ¥4,492 million, short-term investment securities of ¥3,594 million) from bond issuances.

Total liabilities stood at ¥100,387 million as of June 30, 2012 and increased ¥10,609 million from the previous fiscal year-end, reflecting growth in current liabilities of ¥5,884 million and in noncurrent liabilities of ¥4,725 million. The increase was largely attributable to ¥10,000 million in bond payable and a shift in current portion of bonds valued at ¥5,000 million from noncurrent liabilities to current liabilities.

Total net assets amounted to ¥106,839 million, falling ¥820 million from the previous fiscal year-end, reflecting such factors as lower retained earnings stemming from the recording of net loss during the period and the issuance of dividend payments, a decline in valuation differences on available-for-sales securities due to falling listed share values, and an improvement in foreign currency translation adjustment from a negative ¥5,516 million on March 31, 2012, to a negative ¥4,188 million on June 30, 2012.

(3) Consolidated Forecasts

Results in the period under review were generally in line with plan until the ordinary income line. Forecast revisions were not made in the May 9, 2012, disclosure as there were many uncertainties, including unclear share price trends, regarding the possibility of recording future loss on valuation of investment securities in extraordinary gain and loss, and because quarterly forecasts are not announced.

2. Matters Concerning Summary Information (Notes)

Changes in Accounting Policies, Changes in Accounting Estimates, or Restatement

(Changes that are difficult to distinguish between changes in accounting policies and changes in accounting estimates)

The Group and some of its domestic consolidated subsidiaries, in accordance with amendments to the Corporate Tax Act, have changed their depreciation methods based on the revised act in regards to how they depreciate assets in categories for which the depreciation method described in the pre-revised act was applied. The new methods take effect starting in consolidated accounts in the period under review as applying to property, plants and equipment acquired starting from April 1, 2012.

The implications for consolidated results in the period under review with regard to operating income, ordinary income, and income before income taxes and minority interests were minimal.

3. Consolidated Quarterly Financial Statements
(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	As of Mar. 31, 2012	As of Jun. 30, 2012
Assets		
Current assets		
Cash and deposits	30,843	35,336
Notes and accounts receivable-trade	50,721	51,054
Short-term investment securities	15,660	19,255
Merchandise and finished goods	20,847	21,345
Work in process	886	1,548
Raw materials and supplies	2,747	2,651
Other	4,442	5,618
Allowance for doubtful accounts	(71)	(68)
Total current assets	126,078	136,740
Noncurrent assets		
Property, plant and equipment	41,996	42,286
Intangible assets		
Goodwill	3,531	3,804
Other	1,704	1,708
Total intangible assets	5,236	5,512
Investments and other assets		
Investment securities	18,450	16,892
Other	5,895	6,013
Allowance for doubtful accounts	(219)	(220)
Total investments and other assets	24,126	22,685
Total noncurrent assets	71,359	70,485
Total assets	197,437	207,226
Liabilities		
Current liabilities		
Notes and accounts payable-trade	13,976	12,725
Short-term loans payable	5,018	4,831
Current portion of bonds	5,000	10,000
Accrued alcohol tax	10,589	11,873
Accrued expenses	3,977	4,461
Income taxes payable	2,207	802
Provision for bonuses	2,005	3,089
Other provision	1,731	1,916
Other	6,740	7,430
Total current liabilities	51,247	57,131
Noncurrent liabilities		
Bonds payable	20,000	25,000
Long-term loans payable	496	509
Provision for retirement benefits	9,625	9,631
Long-term deposits received	5,881	5,859
Other	2,527	2,254
Total noncurrent liabilities	38,530	43,255
Total liabilities	89,777	100,387

(Millions of yen)

	As of Mar. 31, 2012	As of Jun. 30, 2012
Net assets		
Shareholders' equity		
Capital stock	13,226	13,226
Capital surplus	3,195	3,195
Retained earnings	88,012	86,071
Treasury stock	(6,922)	(6,924)
Total shareholders' equity	97,512	95,568
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,805	2,229
Deferred gains or losses on hedges	(17)	(24)
Foreign currency translation adjustment	(5,516)	(4,188)
Total accumulated other comprehensive income	(2,728)	(1,983)
Minority interests	12,876	13,254
Total net assets	107,659	106,839
Total liabilities and net assets	197,437	207,226

(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income
(Consolidated Quarterly Statements of Income)

(Millions of Yen)

	FY2012_1Q (Apr. 1, 2011 - Jun. 30, 2011)	FY2013_1Q (Apr. 1, 2012 - Jun. 30, 2012)
Net sales	48,866	47,349
Cost of sales	30,007	29,075
Gross profit	18,859	18,273
Selling, general and administrative expenses	17,194	17,212
Operating income	1,664	1,061
Non-operating income		
Dividends income	199	185
Other	193	187
Total non-operating income	392	372
Non-operating expenses		
Interest expenses	126	136
Bond issuance cost	—	76
Other	42	64
Total non-operating expenses	168	278
Ordinary income	1,887	1,156
Extraordinary income		
Gain on sales of noncurrent assets	7	24
Total extraordinary income	7	24
Extraordinary loss		
Loss on disaster	701	—
Loss on valuation of investment securities	39	697
Other	68	48
Total extraordinary losses	809	745
Income before income taxes and minority interests	1,085	434
Income taxes-current	890	840
Income taxes-deferred	(334)	(389)
Total income taxes	555	450
Income (loss) before minority interests	529	(15)
Minority interests in income	30	74
Net income (loss)	499	(90)

(Consolidated Quarterly Statements of Comprehensive Income)

(Millions of Yen)

	FY2012_1Q (Apr. 1, 2011 - Jun. 30, 2011)	FY2013_1Q (Apr. 1, 2012 - Jun. 30, 2012)
Income (loss) before minority interests	529	(15)
Other comprehensive income		
Valuation difference on available-for-sale securities	(381)	(578)
Deferred gains or losses on hedges	2	(5)
Foreign currency translation adjustment	904	1,653
Share of other comprehensive income of associates accounted for using equity method	(5)	18
Total other comprehensive income	519	1,088
Comprehensive income	1,049	1,072
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	855	654
Comprehensive income attributable to minority interests	193	417

(3) Notes on Premise of Going Concern

No items to report.

(4) Notes on Material Changes in Shareholders' Equity

No items to report.

(5) Segment and Other Information

(Segment Information)

I. Equivalent Period of Previous Fiscal Year (From April 1, 2011, to June 30, 2011)

1. Net sales and Income (Loss) by Reported Segment

(Millions of yen)

	Reported Segment				Other (Note: 1)	Total	Adjustment (Note: 2)	Amount recognized in consolidated quarterly statements of income (Note: 3)
	Takara Shuzo Group	Takara Bio Group	Takara Healthcare	Subtotal				
Net sales								
External customers	43,864	3,728	614	48,207	574	48,781	84	48,866
Intersegment	253	95	1	349	1,259	1,608	(1,608)	-
Total	44,118	3,823	615	48,556	1,833	50,390	(1,524)	48,866
Segment income (loss)	1,496	(48)	(43)	1,405	13	1,418	245	1,664

- Notes:
- Other includes business segments that are not part of reported segments, such as the printing business and other subsidiaries.
 - Details of adjustment amounts are as follows.
 - Net sales to external customers are income from real estate rent recognized by the Company.
 - The segment income adjustment of ¥245 million includes the elimination of ¥33 million in intersegment transactions and ¥212 million in profit and loss of the Company not allocated to business segments.
 - Segment income has been adjusted to the operating income of consolidated quarterly statements of income.

2. Information on Impairment Loss on Noncurrent Assets, Goodwill, etc. by Reportable Segment

No items to report.

II. Period under Review (From April 1, 2012, to June 30, 2012)

1. Net sales and Income (Loss) by Reported Segment

(Millions of yen)

	Reported Segment				Other (Note: 1)	Total	Adjustment (Note: 2)	Amount recognized in consolidated quarterly statements of income (Note: 3)
	Takara Shuzo Group	Takara Bio Group	Takara Healthcare	Subtotal				
Net sales								
External customers	42,122	3,966	550	46,639	600	47,240	109	47,349
Intersegment	169	138	1	309	1,127	1,436	(1,436)	-
Total	42,291	4,104	551	46,948	1,728	48,676	(1,327)	47,349
Segment income (loss)	585	175	(7)	754	45	799	261	1,061

- Notes:
- Other includes business segments that are not part of reported segments, such as the printing business and other subsidiaries.
 - Details of adjustment amounts are as follows.
 - Net sales to external customers are income from real estate rent recognized by the Company.
 - The segment income adjustment of ¥261 million includes the elimination of ¥43 million in intersegment transactions and ¥218 million in profit and loss of the Company not allocated to business segments.
 - Segment income has been adjusted to the operating income of consolidated quarterly statements of income.

2. Information on Impairment Loss on Noncurrent Assets, Goodwill, etc. by Reportable Segment

No items to report.